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House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. BASS).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
October 6, 1998.

I hereby designate the Honorable CHARLES F. BASS to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 8. An act to amend the Clean Air Act to deny entry into the United States of certain foreign motor vehicles that do not comply with State laws governing motor vehicle emissions, and for other purposes.

H.R. 2675. An act to require that the Office of Personnel Management submit proposed legislation under which group universal life insurance and group variable universal life insurance would be available under chapter 87 of title 5, United States Code, and for other purposes.

The message also announced that the Senate has passed bills of the following titles in which concurrence of the House is requested:

S. 1021. An act to amend title 5, United States Code, to provide that consideration may not be denied to preference eligibles applying for certain positions in the competitive service, and for other purposes.

S. 2432. An act to support programs of grants to States to address the assistive technology needs of individuals with disabilities, and for other purposes.

S. 2505. An act to direct the Secretary of the Interior to convey title to the Tunnison Lab Hagerman Field Station in Gooding County, Idaho, to the University of Idaho.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 21, 1997, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to 25 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to 5 minutes, but in no event shall debate continue beyond 9:50 a.m.

The Chair recognizes the gentleman from Illinois (Mr. WELLER) for 5 minutes.

SAVING SOCIAL SECURITY WHILE PROVIDING THE AMERICAN PEOPLE WITH TAX CUTS

Mr. WELLER. Mr. Speaker, I thought I would take a few minutes and talk about an issue that is so important to the folks back home on the south side of Chicago in the south suburbs, that I have the privilege of representing.

We have had a big achievement in the last few years, doing something that Washington failed to do for 28 years, and that is we balanced the budget, something that families back home in Illinois do every day.

As a result of that balanced budget, we have an opportunity, because for the first time in 28 years we actually have more tax revenue going into the Treasury than we are spending. It is something new, something new, a new experience in Washington, and I am proud to be a part of this Congress which balanced the budget for the first time in 28 years.

It is projected by the Congressional Budget Office that this opportunity over the next 10 years is $1.6 trillion or 1 trillion 600 billion dollars in extra tax revenue that is coming to Washington. One thing the folks back home have often told me, and that is if we do not prevent them, those politicians in Washington will spend that extra money on government spending and new government programs, when it is really the hard-earned dollars of the folks back home in Illinois that are the surplus tax revenue that we have here in Washington.

I am proud to say that this House in the last 2 weeks has taken action to preserve this extra tax revenue, this extra tax surplus, and to use it to save Social Security and eliminate the marriage tax penalty and to help family farmers and small businesspeople and those who want to send their kids off to college.

We adopted what is called the 90–10 plan, and under the 90–10 plan we set aside 90 percent of projected tax revenue surplus, which is $1.4 trillion, for Social Security, priority number one. What is left we give back to the American people in tax relief, addressing what I consider to be the most unfair provision and the consequence of our Tax Code, which is the marriage tax penalty, eliminating it for the majority of those who suffer it.

I think it is important to point out that we set aside $1.4 trillion in surplus tax revenue to save Social Security, and the remainder we use to eliminate the marriage tax penalty and other consequences of our Tax Code. That is a big victory for the folks back home because when one thinks about it, back last January when the President gave his State of the Union speech, I was one of those who stood up and applauded when the President said, let us take the surplus and use it to save Social Security, because at that time the surplus was about $600 billion.

Well, we have set aside, just 2 weeks ago, more than two times what the President asked for to save Social Security, $1.4 trillion.

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Of course, the centerpiece of this effort to eliminate the marriage tax penalty and to help family farmers and small businesspeople was the effort to eliminate the marriage tax penalty. I have often raised the question here in the well of this House, is it right, is it fair, that under our Tax Code, that average married working couples with two incomes pay higher taxes than an identical working couple with an identical income who lives together outside of marriage? That is just wrong that under our Tax Code that married couples pay more in taxes than couples who live together outside of marriage. That is wrong, and that is unfair.

I am proud that the centerpiece of the tax cut provision of the 90–10 plan eliminates the marriage tax penalty. In fact, as I point out here in this worksheet, for 28 million married working couples, they will see an extra $240 in higher take-home pay as a result of our effort to save Social Security and eliminate the marriage tax penalty.

Back home in Joliet, $240 is a car payment; it is a month or two child care at a local day care center, for parents who are working and struggling to make ends meet.

It is kind of interesting, though. The President just the other day, he talks about the Republican efforts to eliminate the marriage tax penalty, and he says, a tax cut, that is squandering the surplus. He wants to spend it, and he says he wants to save Social Security and spend the surplus tax revenue. Of course, Republicans want to save Social Security and eliminate the marriage tax penalty and help family farmers and small businesspeople and those who want to send their kids off to college.

I just thought I would make a little chart here, because I thought I would figure out what is the difference here? With politicians, one always has to kind of not necessarily listen to what they say, one needs to watch what they do. The President says we are squandering the surplus if we are going to use it to eliminate the marriage tax penalty.

What is interesting is in the 90–10 plan, our effort to save Social Security, eliminate the marriage tax penalty and help family farmers and small businesspeople, our net tax cut next year will be $7 billion.

The President says that is $7 billion that is squandered, but he turns right around and says we need to spend $14 billion of that surplus on the State Department and military spending and computers for government bureaucrats, but that is okay.

We cannot have it both ways. Republicans want to save Social Security. We want to eliminate the marriage tax penalty. My hope is the Senate will join us and the President will join us in a bipartisan effort to save Social Security, eliminate the marriage tax penalty, to help family farmers and small businesspeople, truly help those who want to send their kids off to college.

RECESS

The SPEAKER pro tempore. There being no further requests for morning hour debates, pursuant to clause 12, rule I, the House will stand in recess until 10 a.m.

Accordingly (at 9 o'clock and 7 minutes a.m.) the House stood in recess until 10 a.m.

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AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. UPTON) at 10 a.m.

PRAYER

The Chaplain, Reverend James David Ford, D.D., offered the following prayer:

As the ancient scriptures proclaim: ''For everything there is a season, and a time for every matter under heaven.'' We know, O God, that we have our moods and our moments, our highs and lows. We have weariness and exaltation. We pray this day, O loving God, that at any time of great testing we will see more clearly the responsibilities of doing justice, loving mercy and walking humbly with You. May our vision of Your good creation inspire us, whatever our task, to serve the people of the Nation with honor, with righteousness, with nobility, with respect, so that in all things, we will be Your people and do those good things that honor You and serve the common good. In Your name we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Nebraska (Mr. BARRETT) come forward and lead the House in the Pledge of Allegiance.

Mr. BARRETT of Nebraska led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

PRIVATE CALENDAR

The SPEAKER pro tempore. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

BELINDA MCGREGOR

The Clerk called the Senate bill (S. 1304) for the relief of Belinda McGregor.

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that the Senate bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

MAI HOA ''JASMIN'' SALEHI

The Clerk called the bill (H.R. 1794) for the relief of Mai Hoa ''Jasmin'' Salehi.

There being no objection, the Clerk read the bill as follows:

H.R. 1794

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

SECTION 1. PERMANENT RESIDENT STATUS FOR MAI HOA "JASMIN" SALEHI.

(a) IN GENERAL.—Notwithstanding subsections (a) and (b) of section 201 of the Immigration and Nationality Act, Mai Hoa ''Jasmin'' Salehi shall be eligible for issuance of an immigrant visa or for adjustment of status to that of an alien lawfully admitted for permanent residence upon filing an application for issuance of an immigrant visa under section 204 of such Act or for adjustment of status to lawful permanent resident.

(b) ADJUSTMENT OF STATUS.—If Mai Hoa ''Jasmin'' Salehi enters the United States before the filing deadline specified in subsection (c), she shall be considered to have entered and remained lawfully and shall, if otherwise eligible, be eligible for adjustment of status under section 245 of the Immigration and Nationality Act as of the date of the enactment of this Act.

(c) DEADLINE FOR APPLICATION AND PAYMENT OF FEES.—Subsections (a) and (b) shall apply only if the application for issuance of an immigrant visa or the application for adjustment of status is filed with appropriate fees within 2 years after the date of the enactment of this Act.

(d) REDUCTION OF IMMIGRANT VISA NUMBER.—Upon the granting of an immigrant visa or permanent residence to Mai Hoa ''Jasmin'' Salehi, the Secretary of State shall instruct the proper officer to reduce by 1, during the current or next following fiscal year, the total number of immigrant visas that are made available to natives of the country of the alien's birth under section 203(a) of the Immigration and Nationality Act or, if applicable, the total number of immigrant visas that are made available to natives of the country of the alien's birth under section 202(e) of such Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MERCEDES DEL CARMEN QUIROZ MARTINEZ CRUZ

The Clerk called the bill (H.R. 1834) for the relief of Mercedes Del Carmen Quiroz Martinez Cruz.

There being no objection, the Clerk read the bill as follows:

H.R. 1834

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

SECTION 1. IMMEDIATE RELATIVE STATUS FOR MERCEDES DEL CARMEN QUIROZ MARTINEZ CRUZ.

(a) IN GENERAL.—Mercedes Del Carmen Quiroz Martinez Cruz shall be classified as an

immediate relative within the meaning of section 201(b)(2)(A)(i) of the Immigration and Nationality Act for purposes of approval of a relative visa petition filed under section 204 of such Act by Mercedes Del Carmen Quiroz Martinez Cruz and the filing of an application for an immigrant visa or for adjustment of status.

(b) ADJUSTMENT OF STATUS.—If Mercedes Del Carmen Quiroz Martinez Cruz enters the United States before the filing deadline specified in subsection (c), she shall be considered to have entered and remained lawfully and shall, if otherwise eligible, be eligible for adjustment of status under section 245 of the Immigration and Nationality Act as of the date of the enactment of this Act.

(c) DEADLINE FOR APPLICATION AND PAYMENT OF FEES.—Subsections (a) and (b) shall apply only if the petition and the application for issuance of an immigrant visa or the application for adjustment of status are filed by Mercedes Del Carmen Quiroz Martinez Cruz with appropriate fees within 2 years after the date of the enactment of this Act.

(d) REDUCTION OF IMMIGRANT VISA NUMBER.—Upon the granting of an immigrant visa or permanent residence to Mercedes Del Carmen Quiroz Martinez Cruz, the Secretary of State shall instruct the proper officer to reduce by 1, for the following fiscal year, the total number of immigrant visas available under section 201(c)(1)(A) of the Immigration and Nationality Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. This concludes the call of the Private Calendar.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 15 one-minutes on both sides.

DO DEMOCRATS HAVE AGENDA?

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, over the weekend I had the great pleasure of spending time with some of my constituents to let them know about our future agenda in the Republican Party. We discussed future surpluses in our Federal budget, we discussed the recently passed tax cuts targeting working, middle-class income American families. We discussed the benefits of the recently passed Patient Protection Act that makes health care more accessible, accountable and affordable.

But then I got back to Washington and read in yesterday's Roll Call newspaper that Democrats do not even have an agenda. As a matter of fact, the argument cited a Democratic source who said that their party, quote, ''needs something to campaign on, and if the President doesn't use his veto pen, we (the Democrats) are in trouble.''

Actually maybe I am reading this wrong. Perhaps the Democrats do have an agenda, an agenda to shut down the government. While this Republican-led Congress has delivered on its promises to balance the budget, provide meaningful tax cuts and to save Social Security, my liberal colleagues have no better agenda than to shut the government down.

PRESIDENT'S BEHAVIOR DOES NOT CONSTITUTE IMPEACHABLE OFFENSE

(Mr. CLEMENT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLEMENT. Mr. Speaker, I do not claim to be a great constitutional scholar, but I have read the Constitution and considered carefully what scholars have written about the document, about what its framers had in mind, about our common law tradition and about the history of impeachment of government officials.

A careful reading of constitutional history leads one to conclude the information we have before the Congress concerning the behavior of the President does not constitute a constitutionally impeachable offense. Were certain of the President's actions shocking? Yes, clearly. Distasteful? Yes, clearly. Shameful? Yes. Morally reprehensible? Yes. Deserving of punishment and censure? Clearly, yes.

But do the President's actions meet the test for impeachment envisioned by the Founding Fathers? Just as clearly the answer must be a resounding no. Punish the President, not impeach; punish the President, not the American people.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The gentleman will be reminded that he is not to make personal references to the President.

THE ABORTION/BREAST CANCER LINK

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, this month is National Breast Cancer Awareness Month. I am concerned that the National Cancer Institute, our Federal agency charged with leading the war on cancer, refuses to tell American women the truth about one of the most avoidable risk factors for breast cancer; that is, abortion.

Eleven out of twelve studies, most done by or funded by the National Cancer Institute, show higher breast cancer incidence among American women who have had an abortion. Meanwhile, the NCI claims on its website there is no convincing evidence of the abortion/breast cancer link.

An exhaustive review of the evidence published 2 years ago by Penn State College of Medicine estimated that almost 5,000 American women get breast cancer every year because they chose to have an abortion; 5,000.

Mr. Speaker, covering up the truth about possible cancer risk is a serious matter and must be addressed. I urge the House to hold hearings on this matter of importance to all women.

GOOD THINGS ARE HAPPENING IN WASHINGTON

(Mrs. LINDA SMITH of Washington asked and was given permission to address the House for 1 minute.)

Mrs. LINDA SMITH of Washington. Mr. Speaker, I want to stand today and talk about something good. In the midst of all the scandals that are going on, there are good things happening. Around the Nation people need to know about that, as we need to remind ourselves in this body.

The good thing is we are returning power to the American people. We just passed a bill that returned money to the classrooms. Instead of billions of dollars in bureaucracies, it just says it is time to go back and give the money to the teachers and the families.

Today we are going to pass a bill that returns billions of dollars to the communities to start housing for those that need housing, to have housing for the elderly and those beginning young families that are trying to build their own homes.

Yes, there are good things happening here in Washington, D.C., and it is not all scandal. We need to call the Senate and ask them individually to pass Dollars to the Classroom. Get the dollars out of the bureaucracy and back in the classroom. Get the dollars out of the bureaucracy and back into housing for our citizens. Good things are happening.

CUBA

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, for 15 months Cuban dissidents Vladimiro Roca, Martha Beatriz Roque, Felix Bonne and Rene Gomez Manzano have been imprisoned by the Castro dictatorship for publishing a document critical of Cuba's Communist totalitarian system. Last week they were charged with a trumped-up crime of sedition, causing the outrage of international human rights organizations.

This oppression of the voices for freedom in Cuba is routine practice by the Castro dictatorship. Any individual who attempts to exercise his or her right to free speech to help create a democratic opening on the island is harassed, arrested and ultimately imprisoned.

This is more evidence that Castro will not change his totalitarian politics. Yet the Clinton administration insists on appeasing the Castro dictatorship by failing to implement the

Helms-Burton law and waiving important parts of this legislation. It is time for the White House to wake up and realize that flirting with Castro will not help bring freedom to Cuba's oppressed people.

FISCAL YEAR 1999 AGRICULTURE APPROPRIATIONS

(Mr. BARRETT of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARRETT of Nebraska. Mr. Speaker, I rise to strongly encourage the President to sign the 1999 agriculture appropriations bill. This bill contains much needed assistance for farmers and ranchers who are facing severe drought, farmers trying to hold together their operations in the face of several years of floods and disease, and farmers seeing their incomes decline significantly due to circumstances beyond their control.

I want to emphasize to my colleagues the assistance provided in this bill is not an implicit acknowledgment that agriculture policy needs to change direction. It is simply a recognition of the great need that we have in rural America.

The calls for additional funds for farmers are not about money, they are about policy. Some believe that they can seize on today's problems to change the course of the 1996 farm bill. My question is, why return to the old, failed farm policies of the past? Let us work through these international trade problems and continue to free agriculture to achieve great success in the 21st century. A good first step would be for the President to sign this bill. Do not play shut down the government with our farmers.

THE PRESIDENT IN HIS OWN WORDS

(Mr. BALLENGER asked and was given permission to address the House for 1 minute.)

Mr. BALLENGER. Mr. Speaker, guess who made the following quotes. In 1974: ''If a President of the United States ever lied to the American people, he should resign.''

Again in 1974: ''I think it's plain that the President should resign and spare the country the agony of this impeachment and removal proceeding. I think the country would be spared a lot of agony and the government could worry about inflation and a lot of other problems if he'd resign.''

Again in 1974: ''I think the definition of impeachment should include any criminal act plus willful failure of the President to fulfill his duty to uphold and execute the laws of the United States. And another factor that I think constitutes an impeachable offense would be willful, reckless behavior in office.''

In 1992: ''I think trust and trustworthiness is an issue in this campaign, and I think I've demonstrated it in my life.''

Again in 1992: ''I'm concerned by any action which sends a signal that if you work for the government, you're above the law, or not telling the truth to Congress, under oath, is somehow less serious than not telling the truth to some other body, under oath.''

THE RULE OF LAW

(Mr. BARR of Georgia asked and was given permission to address the House for 1 minute.)

Mr. BARR of Georgia. Mr. Speaker, on November 5, 1997, I introduced a resolution calling for an inquiry into the impeachment of President Clinton. Yesterday the House Judiciary Committee, 11 months to the day thereafter, voted to begin that inquiry, having before it at least 15 possible impeachable offenses. By the end of this week, the full House will have the opportunity to begin to find the truth by supporting this resolution.

If we accept that this inquiry is merely about sex and politics, we have already failed in our constitutional responsibility. This is about the rule of law. It is about accountability. It is about American citizens being free from fear that a high government official can tap them on the shoulder, escort them into a room, force them to succumb to the official's wishes and then obstruct that citizen's right to seek justice in our courts.

We must stand firm for the law, the Constitution, and the American people by supporting the inquiry of impeachment.

THE NEED FOR A NATIONAL BALLISTIC MISSILE DEFENSE SYSTEM TODAY

(Mr. PETERSON of Pennsylvania asked and was given permission to address the House for 1 minute.)

Mr. PETERSON of Pennsylvania. Mr. Speaker, I want my colleagues to ask themselves a question. That question is, how long will it be before rogue nations are able to reach American soil with ballistic missiles? In 1995, some said 15 years. President Clinton used this information to justify his veto of the 1996 defense authorization bill which called for the deployment of a national missile defense system by the year 2003. Mr. Speaker, as our esteemed chairman of the House Committee on National Security, the gentleman from South Carolina (Mr. SPENCE), said, the missile threat is not 15 years away, it is here now.

Recently we found out that North Korea fired its Taepo Dong 1 missile over the Sea of Japan. This missile has a maximum range of 1,250 miles. If anyone thinks that North Korea and other nations do not have the technological ability to hit American soil, we could all be dead wrong.

The U.S. must be able to defend itself from ballistic missile attacks. Efforts not unlike those to make the U.S. first to the moon are needed to protect the American way of life. The President must agree to put a ballistic missile defense system in place today because the American citizens need to be secure that they are safe.

ACCOMPLISHMENTS

(Mr. GUTKNECHT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUTKNECHT. Mr. Speaker, there is an expression around this town that ''people are entitled to their own opinions, but they are not entitled to their own facts.'' We have heard a lot in the last couple of weeks about this Congress and how little it has accomplished, but let us look at the facts.

For the first time since I was in high school, we have a balanced budget. We have more than that. We have a surplus this year. And for the first time since Tiger Woods was 5 years old, American families are actually going to get some tax relief. Let us talk about some of those tax cuts and what they mean to American families.

We are allowing for a $500-per-child tax credit. We are making it easier for families to send their kids to school and to college, and we are also making it easier for them to save and invest for their future through capital gains tax relief and estate tax relief.

IRS reform. We are now saying that the IRS has to prove that you are guilty rather than the other way around.

In the area of agriculture, we have made significant progress in terms of helping our farmers get through these tough times.

In health care, we have made it much more portable so if you lose your job or change jobs, you can take your health insurance with you.

In the area of education, this Congress is saying that 90 percent of the funds ought to go to the classroom rather than be consumed by the bureaucracy.

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On all the areas people are entitled to their own opinions, but they are not entitled to their own facts.

WHAT A DIFFERENCE IT MAKES HAVING REPUBLICANS IN CHARGE OF THE HOUSE AND SENATE

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, after 2 years of being stricken and terrified with a Democrat House of Representatives, a Democrat Senate and a Democrat White House, the American people in 1994 changed horses. We put Republicans in charge of the House and the Senate, and what a difference it made

as compared to when the Democrats were running the show, pushing for socialized medicine, and pushing and passing the largest tax increase in the history of the country, pushing for all kinds of new regulations on the American families and businesses.

Republicans got in there, worked for balancing the budget. Now for the first time since 1969 the budget is balanced.

Medicare reform. 1995, when the trustees said Medicare was going broke, went in and on a bipartisan basis saved and protected Medicare.

And on the economy, by slowing down the rate of growth in government the economy has moved, and here is an indication of it where the Dow Jones industrial average in 1994 was at 3800. By 1998 it had gone towards the 9,000 level. That means lots of new jobs for American workers, and that shows what kind of a difference the ballot box can make.

DISCRIMINATION AGAINST AFRICAN AMERICAN AND MINORITY FARMERS ACKNOWLEDGED BY DEPARTMENT OF AGRICULTURE

(Ms. MCKINNEY asked and was given permission to address the House for 1 minute.)

Ms. MCKINNEY. Mr. Speaker, I rise on behalf of a forgotten component of today's farm debate, the African American and other minority farmers.

Mr. Speaker, this Congress is working at revealing speed to fashion a package of disaster assistance for our Nation's farmers, only some of our most needy farmers do not qualify, and more do not even know about it. The President has requested $7.1 billion in emergency relief for Congress to consider, and we have heard the moving testimonials about low prices and devastating drought.

However, African American and minority farmers have borne a weight even more severe than heavy debt and poor harvesting, that of discrimination and racism. This discrimination has been acknowledged by the U.S. Department of Agriculture, and Secretary Glickman personally told me that this issue was a priority for his office. Now unfortunately even the Inspector General of USDA indicts Secretary Glickman as the culprit in the lack of relief for America's minority farmers.

I say no farm relief unless minority farmers and African American farmers are included.

REPUBLICANS HAVE WON THE WAR OF IDEAS

(Mr. DREIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, balancing the budget, cutting taxes and reforming the welfare system, those are things of which both Democrats and Republicans are very proud. I remember that in speech after speech over the last several months people have said, ''Gosh, why do you all let Bill Clinton take credit for balancing the budget, cutting taxes and reforming welfare?'' And I am reminded of that great, great sign that appeared on President Ronald Reagan's desk in which said:

''There is no limit to what you can do as long as you don't care who gets the credit.''

Mr. Speaker, it is very clear that we as Republicans have, in fact, won the war of ideas. We, in fact, have been the ones who for years have been advocating balancing the federal budget, cutting taxes and reforming our welfare system.

So while Democrats and Republicans alike can take credit for it, I am particularly proud that it was our party, the Republicans, who consistently argued that for years, and we are today enjoying the benefits of those very important policies.

CONFERENCE REPORT ON H.R. 4194, DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1999

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 574 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 574

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 4194) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read.

The SPEAKER pro tempore (Mr. UPTON). The gentleman from California (Mr. DREIER) is recognized for 1 hour.

Mr. DREIER. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to my very dear friend from South Boston, Massachusetts (Mr. MOAKLEY), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

(Mr. DREIER asked and was given permission to revise and extend his remarks and include extraneous material.)

Mr. DREIER. Mr. Speaker, this rule waives points of order against the conference report to accompany H.R. 4194, the VA, HUD and independent agencies appropriations bill for fiscal year 1999. A key element of this rule is that it permits the inclusion in the conference report of the public housing reform bill that the House passed last year with substantial bipartisan support. That legislation will provide more flexibility for local housing authorities and greater housing opportunities for the working poor. Mr. Speaker, I want to commend the chairman of the Subcommittee on Housing, the gentleman from New York (Mr. LAZIO), for his successful efforts in moving this good government reform bill forward.

I would also note that the conference report provides nearly three-quarters of a billion dollars more than the President requested for various veterans assistance programs such as medical care and research, and at this point, Mr. Speaker, having said that, I am going to move into a very, very important issue here, and I am going to take time and encourage my colleagues to join me as we pay tribute to the guy who has done more than almost anyone for veterans in those areas of medical care and research, and I am referring of course to my great pal from Glens Falls, New York, the distinguished chairman who will be retiring: JERRY SOLOMON.

Nobody has worked as aggressively and as tirelessly on behalf of our nation's veterans and for all those programs that benefit them than JERRY SOLOMON.

Mr. Speaker, as you know, the gentleman from New York (Mr. SOLOMON), as I said, will retire this year after two long decades of very distinguished service here in the House of Representatives. During the last 8 years he served as the top Republican on the House Committee on Rules, and during the last 4, as we all know, and especially the gentleman from Massachusetts (Mr. MOAKLEY) knows this, JERRY SOLOMON has served as chairman of the committee. I know I speak for many of his colleagues in Congress, his constituents in the Adirondacks and other parts of New York, our men and women in uniform and the millions of veterans who bravely serve their country when I say that we will all miss the gentleman from New York (Mr. SOLOMON).

Jerry was first elected to Congress as part of the very distinguished class of 1978, which includes, of course the gentleman from Georgia (Mr. GINGRICH), my colleagues from California, JERRY LEWIS and BILL THOMAS and a number of others. But the legacy he will leave behind is as impressive as some who have served in this institution for generations.

Inspired, as I was, by President Ronald Reagan, JERRY SOLOMON has worked to strengthen the morale and preparedness of our military and to make the government fiscally responsible by rooting out waste and inefficiency. He is a principal author of the line item veto legislation that was enacted in the Congress in 1996. He fought tirelessly for the defense build up of the 1980s that led to the end of the Cold War. At a time when the all volunteer Army is serving our Nation well, JERRY reminds us every year of the pending dangers that loom on the international horizon by his spirited advocacy of the Selective Service program. His unquestioned patriotism and love of country

have been a source of leadership and inspiration to those who have been fortunate enough to spend their entire lives in a world free from global conflict.

But if there is one legacy that JERRY SOLOMON can be most proud of Mr. Speaker, it can be found in the veterans programs and their funding levels contained in the appropriations bill that this rule makes in order.

As a veteran of the United States Marine Corps, as my late father was, he served during the Korean war and was a former Member of the House Committee on Veterans' Affairs. There, as I said, there was no better advocate for our brave men and women who have made sacrifices for our country and for the freedoms that we enjoy, and there is no one more committed to the long-term success of our military. Serving with JERRY SOLOMON on the Committee on Rules and on the front lines to implement the policies of Ronald Reagan has been one of the most rewarding experiences of my years here.

Mr. Speaker, I want to offer my very best wishes to JERRY and his wonderful wife, Frieda, and their great family as he pursues what I am sure will be another long and very distinguished career in the years ahead.

With that, Mr. Speaker, I will urge adoption of this rule.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

(Mr. MOAKLEY asked and was given permission to revise and extend his remarks.)

Mr. MOAKLEY. Mr. Speaker, I thank my colleague, my dear friend from California (Mr. DREIER), for yielding me the customary half hour, and, Mr. Speaker, I rise in strong support of this rule, and I rise to pay tribute to my dear friend and for a few weeks remaining my chairman, JERRY SOLOMON. I think the VA, HUD and independent agencies rule is really the perfect place to pay tribute to JERRY.

Mr. Speaker, during his 20 years in the Congress, JERRY SOLOMON has been a tireless defender of the American veterans. Many fights up in that Committee on Rules, I saw him put people in their place because they did not feel that the veterans role was still important. He has worked harder than just about anybody to make sure that the men and women who gave themselves in defense of this country are treated with the honor and gratitude that they deserve. And he is so proud of his beloved Marine Corps that he still gets the Marine Corps hair cut, and I do not think anything has touched him more than receiving the Marine's Iron Mike award.

At a time when our national security is threatened by more regional unrest and threats of terrorism than large global conflicts, many people overlook the contributions made by America's fighting men and women, but not JERRY SOLOMON. JERRY has been at the forefront of nearly every debate on veterans' health, veterans' pensions, the POWs, the MIAs and also defense spending. In fact he will find any way to sneak his military service into about any conversation.

I have sat next to JERRY SOLOMON for many years, and I have to say that I preferred having him on my right. But he has been a very dedicated chairman, and, believe it or not, Mr. Speaker, he has even granted a few open rules.

Alongside his favorite President, Ronald Reagan, JERRY fought the spread of communists all over the world. From insisting on a balanced budget to a shrinking Federal Government, JERRY has been a dedicated soldier of the conservative movement.

As chairman of the Committee on Rules, JERRY filled those shoes as well as anybody that handled that committee before him. He served with distinction, and he has done his party a great service. It has been a great pleasure for me to be working with JERRY. Even though our ideologies are 180 degrees apart, we still have a fond friendship for each other which shows that opposites really do attract.

But his district has been very fortunate to call him Representative, and I have been fortunate to call him my friend.

So JERRY, semper fi.

I rise in support of this rule and congratulate my colleagues JERRY LEWIS from California and LOUIS STOKES from Ohio for their good work on this bill.

Although at one point the VA/HUD conference report contained some pretty awful Housing language, it has been removed and the bill is much better for it.

This bill funds Americorps, boosts veterans medical programs, and fully funds clean water action. It provides $3.7 billion for the National Science Foundation which I completely support. In this high-tech era we cannot devote too much time or energy to advancing scientific research or training our children to take that research over.

This bill provides housing for the elderly and the disadvantaged. It fully funds section 8 and public housing modernization which I can say, as a former resident of public housing, is tremendously important.

I urge my colleagues to support this rule and support this conferences report.

Mr. Speaker, I reserve the balance of my time.

Mr. DREIER. Mr. Speaker, I yield 1½ minutes to the gentleman from Bakersfield, California (Mr. THOMAS) with whom, as I mentioned in my opening remarks, the gentleman from New York (Mr. SOLOMON) came to the Congress.

(Mr. THOMAS asked and was given permission to revise and extend his remarks.)

□ 1030

Mr. THOMAS. Mr. Speaker, apparently there is a long list of people who want to get their licks in, so we apparently have only a brief period of time.

The one thing that I enjoy almost as much as anything since I came to Congress with JERRY was to indicate that he is leaving with my ability to say Mr. Chairman. When we first came, we were not completely believing that we would ever, ever be able to be in the majority. It was a long difficult haul. But JERRY was key to making it happen.

There are a lot of people around here who hold a lot of opinions and we never really know where they stand. Neither of those are a problem with JERRY. He believes certain things. He believes them very strongly. He will let us know exactly where he is on those issues. That means that it is a joy to work with him—if we are on the same side. If we are not, it is full combat. Since we are almost always on the same side, it has been an absolute pleasure to work with him.

Just one short vignette to give my colleagues the feeling of how wonderful it has been over these last 2 decades. We were freshmen, and there were 35 of us meeting out at the Marriott for our orientation. I came late actually. I replaced a Member who had died after the primary in 1978.

On my left was Dan Lundgren as a freshman Member now running for Governor of California. On my right was JERRY SOLOMON. JERRY leaned over and talked to Dan and said, ''Dan, I really admire you. You ought to run for freshman president.'' Dan felt pretty good, so he stood up and said I am announcing for freshman president. I did not say anything and moved to JERRY, and JERRY stood up and said ''I am announcing for freshman president.''

With JERRY, we know exactly what we get; and the saddest thing of all is we are not going to get him anymore.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time.

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. MOAKLEY. I yield to the gentleman from California.

Mr. DREIER. Mr. Speaker, are there no Democrats on the other side who want to talk either about this spectacular conference report or the gentleman from New York (Mr. SOLOMON)?

Mr. MOAKLEY. I do not think so.

Mr. DREIER. Mr. Speaker, the gentleman just spun around. I am sure they will be breaking down the doors to come in here.

Mr. Speaker, I yield 1½ minutes to the distinguished gentlewoman from Charlotte, North Carolina (Mrs. MYRICK), a member from the Committee on Rules and my friend.

Mrs. MYRICK. Mr. Speaker, I do rise today in honor of our chairman, the gentleman from New York (Mr. SOLOMON), and to say that our committee is a small one, but it is definitely dominated by the humor and the kindness and actually the temper of our chairman.

There is no better place than today in VA–HUD to honor him, too, because no one has worked harder for the veterans of this country than Jerry has. I know New York State is going to name a veterans' cemetery after him.

He is a true hero in the likes of Ronald Reagan whom I know very much that JERRY totally supported and is very pleased to be cut out of that same mold.

My first impression of the chairman was actually when I was here my first year and in the leadership, and Mr. SOLOMON challenged somebody to step outside. I thought, gee, that is really different. Fortunately, I was never challenged myself personally to step outside, thank goodness.

But his humor is interjected in everything we do, and we very much appreciate that. Sometimes in serious moments in committee meetings or leadership or other places, why, JERRY will come up with something that just totally breaks the ice and makes everybody laugh.

One of those times was, very recently, we were discussing the very serious problem of the year 2000 and what is going to happen to all of our computers. JERRY sat down and was talking about it, and he said, you know, that TY2 thing. Everybody just broke up, which I thought was really great.

Anyway, we are going to truly miss him, and I want to say that he is very much a great patriot of our country.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to my dear friend, the gentleman from Florida (Mr. DIAZ-BALART).

Mr. DIAZ-BALART. Mr. Speaker, for many years, I used to go to lunch in a little restaurant in Little Havana in that section of Miami. The restaurant was called La Hacienda. It was near the courthouse. Other assistant State attorneys would go to lunch there as well as public defenders and police officers.

Very often, also having lunch at La Hacienda was an accountant and businessman named Oliver Martinez. Now just imagine someone as pleasant and charming as JERRY SOLOMON. It was impossible not to like Oliver, and we became very good friends.

Oliver Martinez is a cousin by marriage to JERRY and to his lovely wife Freda. Oliver would always say ''My cousin Jerry is a very important Member of Congress.'' He would talk about how proud he was of his cousin JERRY.

Well, years later, it was my privilege and my honor to be elected to this Congress in this miracle of freedom and human dignity known as the United States of America, and I met Oliver Martinez's cousin JERRY. I learned that, indeed, he was an important Member of Congress. I also learned that he was much more than that.

JERRY SOLOMON is the personification of what is greatest about America. If one had to use only one word to describe JERRY SOLOMON, and many other words accurately describe him, such as integrity and patriotism and decency and talent and loyalty and friendship and courage and energy, but if I had to use one word with which to describe JERRY SOLOMON, I could do it. That word is character.

When you are able to spend 4 years working in the Committee on Rules day in and day out under the leadership of JERRY SOLOMON, Mr. Speaker, you understand what the word character is all about. You also learn what hard work means in the context of teamwork.

It has been my immense privilege to become a friend of this extraordinary American patriot, an extraordinary American patriot devoted to his family and to his colleagues, generous in spirit, gracious to all, but unyielding in his defense of America, its people, and their freedom.

I will truly miss his daily counsel and guidance. I will never be able to fully reciprocate his graciousness. To my leader and chairman and to Freda and the entire family, may you enjoy many, many more years of health and happiness, and may God's grace be forever with you.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, when my dear friend the gentleman from California (Mr. DREIER) asked me if I had any speakers, the reason there are no people, we have a very important Democratic caucus going on right now. I know there would be teams and teams of Democrats ready and willing to say something nice about JERRY, but they are tied up in a very important caucus

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. MOAKLEY. I yield to the gentleman from California.

Mr. DREIER. Mr. Speaker, tell them to cancel that meeting and get over here.

Mr. MOAKLEY. Maybe if JERRY would change the rule to increase the time.

Mr. DREIER. Where are your priorities?

Mr. Speaker, I yield a minute and a half to the very distinguished gentleman from Texas (Mr. ARMEY), our majority leader.

Mr. ARMEY. Mr. Speaker, I thank the gentleman from California (Mr. DREIER) for yielding. And certainly the gentleman from Massachusetts (Mr. MOAKLEY) is correct, we have no doubt about it, if, in fact, the democratic Members of the House of Representatives did not, in fact, have things far more pressing to do they would be here, JERRY, in large numbers to celebrate your leaving. I would say to the gentleman from Massachusetts (Mr. MOAKLEY), we understand that and we appreciate it; there is no doubt about it.

JERRY SOLOMON is one of the fortunate ones. Those of us that have the great privilege of coming to Washington and working on behalf of our friends and neighbors back home also often come to the House of Representatives as our first stop, and those of us that I think that are fortunate enough to perceive early that the House of Representatives is a unique place in the history of the world, I think of it as the most unique institution of freedom in the history of the world, soon fall in love with this institution. I think JERRY SOLOMON has clearly done that, and I tell people often, and I think, JERRY, you, must, too, say I love the House of Representatives; I love its procedures; I love its camaraderie. I even like some of the partisan fights we have here because we are all working here in this House for things in which we invest so much of our life's heartfelt belief, and JERRY has done that.

He is an intense man. He is a colorful man. He is a funny man on occasion. On occasion, he is an angry man. He can be a stubborn man, but he is also a joyful man.

JERRY, congratulations to you to have come to this town to begin your service in Washington. To spend your time in this wonderful place, until your retirement, I think is an extraordinary privilege.

I laugh when I think back. I am sure it was for you, JERRY, like it was for me and for all of us when we first came to town, we were the new kids on the block. There was not a lot of fanfare. There was not a great deal of notice and, to a large extent, when in fact we were noticed at all it was only to ask, who is that guy?

Then we worked and we did our job and we made our associations and we made our mark and we tried this legislation and we tried that legislation. We fought against legislation. We worked with our colleagues. We invited them outside. We even talked about horse whipping on occasion.

After all of these years, to look back, JERRY, on that anonymity, where you must have felt like all of us do, a little insecure, a little worried, will I fit in here, to think that now after all of these years you are retiring, the amount of time and attention that goes to the celebration of your retirement, what a mark you have made. People that hardly noticed you when you came here have their hearts filled with joy that you are leaving.

There can be no doubt, there can be no doubt, that JERRY SOLOMON will be a memory to those of us who have had the privilege of serving with you, Jerry, and you will be a part of these halls forever and ever, as I hope we will all have a chance to earn; just a little bit of a time where our ghost might be welcome back here. Sometime way off into the future when there is a heated debate on this floor, in the middle of that debate we will all hear a voice come out, ringing through the floor, saying, ''step outside.'' I look forward to seeing the wonderment on the faces of the Members as they ask, who was that guy? Where did it come from? But we will know.

Thank you, JERRY, for the privilege of being a colleague.

Mr. DREIER. Mr. Speaker, having spent more time in the woodshed than probably any of my colleagues, thanks to the gentleman from New York (Mr. SOLOMON), I know the feeling that was just mentioned by the distinguished majority leader.

Mr. Speaker, I yield a minute and a half to the gentleman from Lincoln, Nebraska (Mr. BEREUTER), a classmate of the gentleman from New York (Mr. SOLOMON).

(Mr. BEREUTER asked and was given permission to revise and extend his remarks.)

Mr. BEREUTER. Mr. Speaker, as a classmate, as a friend, as a long-term colleague of the distinguished gentleman from New York (Mr. SOLOMON), I am pleased to say a few words about him. There is much that could be said about his many very positive contributions to this Congress and to the governance of this Nation.

Our colleague from New York and I have worked together on so many issues. Of course, we have had our policy disagreements from time to time but they are few. Our wives also have become very good friends. Sweet, long-suffering, patient Freda and my wife Louise, are good friends, and JERRY SOLOMON since you are a marine, and I dare not say former marine, in addition to his public service, after retirement from the House, can now devote more attention to trying to bring to order that moving mountain he calls his dog before it chews up all of his wife's carpets and tears up the entire lawn.

Quite seriously I would like to focus on just one aspect of this gentleman's very distinguished service and that is his service and contributions in the North Atlantic Assembly and his focus on NATO issues. JERRY SOLOMON has served as a House delegate to the North Atlantic Assembly since 1982 and he has served there for us with great distinction. He is currently one of the two longest serving members of the House delegation. In that capacity, he served with distinction as the chairman of one of the five committees there, the Political Committee, for the entire maximum length of time for that position. He currently is the North American vice president for the North Atlantic Assembly.

That parliamentary group of NATO countries has had a dramatic effect, I might say, in helping the delegates of the countries of the former Warsaw Pact to understand their parliamentary role in a functioning democracy. Additional, Representative SOLOMON, among other things, has been in the leadership of that NAA effort to help our colleagues from the associated member nations of Eastern and Central Europe.

I also would say that the time he spent here in this House preparing the entire Congress, including our Senate colleagues, for the upcoming vote on NATO expansion, and his strong, and I think correct views, on the necessity of NATO expansion, were a major contribution to the success of the recent enlargement round for NATO and for the enlargement rounds yet to come.

Beyond that, our distinguished colleague from New York (Mr. SOLOMON) has focused necessary congressional attention on the nations of the Caucasus region and on the Central Asian republics and for that we are very grateful and benefitted as Americans. So, JERRY SOLOMON, my colleague, friend, and classmate of 20 years, I say for the American delegates to the World Atlantic Assembly and for so many of us in this Congress, well done. We do not expect you have completed your public service but this part of your career is approaching an end and we thank you.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. HALL), a dear friend, a man who served with JERRY on the Committee on Rules for many years.

Mr. HALL of Ohio. Mr. Speaker, I thank the gentleman from Massachusetts (Mr. MOAKLEY) for introducing me.

Mr. Speaker, I rise to honor my friend and colleague from the Committee on Rules, the gentleman from New York (Mr. SOLOMON). He is a very distinguished chairman of the Committee on Rules, who will be retiring at the end of this Congress and we will miss him.

□ 1045

Being chairman of the Committee on Rules is a difficult job. It is by design one of the most partisan positions in the House, yet the gentleman from New York (Mr. SOLOMON) has succeeded in winning the respect of committee members on both sides of the aisle. Being in the minority sometimes is not a lot of fun, and oftentimes when we get run over by JERRY he does do it with style, I will say that.

Despite the strong differences of opinion in the Committee on Rules, he has maintained an atmosphere of collegiality that is too rare in the House these days. JERRY and I both share a passion for people that are hurting and certainly for reducing the suffering of oppressed people the world over, and he has been very generous with me in support of my efforts to aid the victims of dictators and totalitarian regimes, and I thank him for that.

JERRY is a man of sincerity and integrity. He is committed to his causes. He is one of the giants in the House, and his expertise, drive, and dedication have been an enormous influence in shaping the legislation that has passed through here.

Good luck, JERRY. We will miss you.

Mr. DREIER. Mr. Speaker, I am happy to yield 1½ minutes to my friend from Metairie, Louisiana (Mr. LIVINGSTON), the very distinguished chairman of the Committee on Appropriations.

(Mr. LIVINGSTON asked and was given permission to revise and extend his remarks.)

Mr. LIVINGSTON. Mr. Speaker, to my friend JERRY SOLOMON, let me say that our friend, the gentleman from Ohio (Mr. HALL) just said being in the minority is not very fun. We know that, but we also know that being in the majority is fun. And my colleagues on the other side of the aisle knew it for so long: 40 years. We had an opportunity, and it has been a wonderful opportunity for me, to share that change of life from minority to majority with my friend, a former Marine and long-time Congressman, the Chairman of the Committee on Rules, and a public servant par excellence, JERRY SOLOMON.

He is a great American. He is a patriot. He is a man who means what he says and says what he means. If you do not like it, he will step outside with you. The fact is, though, that everyone respects him. People always wonder when Members retire about who will be missed and who won't be. I happen to think that he will be one of the most missed Members. He is one of the most colorful, one of the most dedicated, and one of the most hard-working. The Washingtonian magazine did say he was one of the most hard-working, and I think it was on the money there.

I am going to miss that big file folder with ''Solomon'' written on it being carried to and fro. I am going to miss our conversations about the dairy farmers, and I know that as soon as that subject comes up next year I will be hearing from him. But we want to wish you and Freda, bon voyage.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume to say that I know that JERRY is listening to all of these accolades, and I know last week some people had some nice things to say about him. They were talking about how warm JERRY SOLOMON was, what a warm fellow he was, so JERRY went back and looked up ''warm'' in the dictionary. It says, ''not so hot.'' Only kidding, JERRY.

Mr. Speaker, I yield 4 minutes to the gentleman from New York (Mr. GILMAN), my dear friend, just to show how bipartisan this is, the chairman of the Committee on International Relations.

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, along with my colleagues from the State of New York and throughout the Congress, we find it hard to believe that our distinguished colleague, the chairman of the Committee on Rules, is not going to be with us following adjournment of this session.

As senior Republican of the New York Congressional Delegation, I express my regrets on behalf of our entire delegation that our dear colleague, the gentleman from New York (Mr. SOLOMON) has chosen to step down after 20 years of distinguished service in this body.

I came to know and admire JERRY soon after he came to Congress in 1978. His experience as a Marine, as a town supervisor, a county legislator and member of the New York State Assembly, as well as his experience in the insurance business, brought to this Chamber an outstanding combination of experience, balance, public service, and most of all, common sense. JERRY's ability to forcibly, and I underscore

forcibly, articulate an issue, his energy and, most importantly, his integrity, personified the Congress to many of us.

JERRY, like myself, is a graduate of the New York State Assembly, a superb training ground for legislators, and he worked well there. JERRY acquitted himself meritoriously in that body, his constituents having promoted him to the Congress and keeping him here for some 20 years. I especially appreciate JERRY's leadership role in helping to champion our cause of POWs and MIAs in Southeast Asia, one of our major priorities.

It is well-known that JERRY has had a deep interest in foreign policy and was a strong defender of our United States national security interests. Thus, it was no surprise when he joined us on the House Committee on Foreign Affairs in the 98th Congress in 1983, and I was privileged to serve with him on the Subcommittee on Asia and the Pacific under the tutelage of our Ranking Republican, Joel Pritchard of Washington. That was the only Congress during which we served together on a subcommittee.

JERRY went on to become the Ranking Republican on the Subcommittee on International Operations and Human Rights in the 99th Congress. Even after leaving our committee in 1989 and joining the Committee on Rules, JERRY has continued his strong interest on issues that affect U.S. economic and national security interests. JERRY has been a battler for human rights and against oppression wherever it has reared its ugly head in the world.

My nickname for JERRY is ''the battler,'' because he battles so ardently for his views, but he also enjoys a well deserved reputation for always being willing to listen to the other side.

The job of chairman of the Committee on Rules, a chief legislative traffic cop for this institution, is not an easy task, and JERRY has met those challenges in balancing the many diverse views that have come his way, like so many cars at a busy intersection during rush hour, with aplomb, fairness to all, and good humor, and with his good partner, the gentleman from Massachusetts (Mr. MOAKLEY).

JERRY has also been a true and loyal friend of the veteran. His support for their well-being has made him one of the most beloved of all of our colleagues to them. It was of great comfort to our entire New York Delegation to know that JERRY was there to help when it was learned that the VA was shortchanging our New York veterans' hospitals.

In other areas, especially the efforts to prohibit the desecration of our flag, as well as to bring jobs to New York with a good working wage, JERRY has been a dedicated foot soldier.

So in closing, let me say that when JERRY leaves us, I, regrettably, will be the only committee chairman left in our New York Delegation. JERRY's sage advice and friendship is going to be missed by all. To JERRY, to Freda, to their 5 children, I extend my best wishes for their health and happiness in the days ahead and remind them that they will always be welcome and always have a home here in the Congress.

Mr. DREIER. Mr. Speaker, I yield 1½ minutes to my very good friend, the gentleman from Atlanta, Georgia (Mr. LINDER), a valued member of the Committee on Rules.

Mr. LINDER. Mr. Speaker, it is a treat for me to be able to be here on this Tribute to JERRY SOLOMON Day.

About 3 years ago a huge battle over an amendment broke out on the floor of this House and it created quite a stir, and people came running to the floor of the House to see what the problem was, and I figured and discovered that JERRY SOLOMON was right in the middle of it. A senior leadership aide, those are the ones who are quoted more often in Roll Call than leadership, a senior leadership aide walked over to me and said, what is JERRY doing? I said, you need to understand something. JERRY is a Marine, and he is going to take that hill whether you like it or not.

He has been since he was a Marine a public servant, both to his neighborhood and his community, his State and his Nation. And he has been an inspiration to all of us.

I have been privileged for 4 years to serve on the Committee on Rules with him, and he is a fighter, but a fair fighter. Always insisting that the minority have an opportunity to be heard too, always insisting that all sides of an important issue get aired on this floor in terms of an amendment or an opportunity for debate.

I do not know that I have ever seen anyone enter into more fights and scraps and battles than the chairman of the Committee on Rules, but I do not believe he ever has left behind an enemy. Adversaries, yes; enemies, no. This is a great tribute to a public man, and I am honored to have served with him.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. MCNULTY), who is a fellow New Yorker with the person we are honoring here today.

Mr. MCNULTY. Mr. Speaker, I thank my colleague from Massachusetts for yielding me this time.

Mr. Speaker, when I get up in the morning, the first 2 things I do are to thank God for my life and thank veterans for my way of life, because if it had not been for the men and women who wore the uniform of the United States military through the years, I would not have the privilege as a citizen of the United States of America of going around bragging about how we live in the freest and most open democracy on the face of the earth. Freedom is not free. We have paid a tremendous price for it.

I shall always be grateful to those who, like my brother, Bill, made the supreme sacrifice, and to people like that man right there, JERRY SOLOMON, who served with distinction in the United States military and then came back to our home region in upstate New York, was a successful businessman, but more importantly in my eyes, who entered a career in public service. From the local government roles to his national role today, he has rendered such outstanding service.

I have been in the United States Congress for half of JERRY SOLOMON's tenure, and what a privilege it has been, JERRY, over these past 10 years to serve with you, as a team, because together we have accomplished a great deal for the capital region of the State of New York, and I will not go into those items right now. But one day on the steps, I think I was in my first or second term, we were having pictures taken with our respective constituents and JERRY grabbed me and asked the photographer to take a picture of the 2 of us. He later inscribed that photo and sent it over to my office and it is on my office wall today and it will stay there, and it says, ''Mike, thank you for being part of the 1–2 punch for the capital region of New York.'' Let me acknowledge, there was never any doubt about who was number 1 and who was number 2.

But I want to say to my friend, JERRY, what a great honor it was, and it has been, to be number 2 on that team with you. And today I want to look you in the eye and say thank you for your service to our country, number 1, for the tremendous service you gave to your constituents throughout your long and distinguished career; and most importantly, thank you for what you gave to me. You have been a true and loyal friend, and while you are leaving here, and I regret that deeply, the one thing I take comfort in knowing is that that wonderful friendship will continue.

Mr. DREIER. Mr. Speaker, I am happy to yield 1½ minutes to the gentleman from Redlands, California (Mr. LEWIS), my very good friend, and the man who will be managing the conference report when we finally get to that point.

Mr. LEWIS of California. Mr. Speaker, I very much appreciate my colleague, the gentleman from California (Mr. DREIER) yielding me this time.

I simply wanted to rise to let the House try to remember the good old days of the House of Representatives. It was just after the election of 1978 that the real bomb-throwers came to the Congress. I mean there were the likes of NEWT GINGRICH, JERRY LEWIS, JERRY SOLOMON. I remember saying to JERRY one time, I do not sell life insurance, I help people buy it. We were the only 2 insurance agents in our class. He said, my, God, I wish I had thought about that.

□ 1100

JERRY kids me a lot about the fact that he has mellowed over the years. Many of us, JERRY, have mellowed. But also in this business, while we come

with preestablished notions about the way the world should work in the toughest business in public affairs, you do not understand that working with other people and recognizing that most issues have little to do with partisanship, per se, compromises, the way you move towards your objective in terms of the future of the country, not a Member in the House has done more of that kind of growing than JERRY SOLOMON.

He has made a tremendous contribution to the House. He has told us all time and time again that we can work together if we will. And while he pounds his hand on the table, at the same time with a soft velvet glove he gets an awful lot of work done that very few people will understand.

His district will have great difficulty ever replacing the quality and mix that has been JERRY SOLOMON in this House. I am proud to be his friend.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. STOKES), the ranking member on the Subcommittee on VA, HUD and Independent Agencies Appropriations, who is also retiring, my dear friend.

(Mr. STOKES asked and was given permission to revise and extend his remarks.)

Mr. STOKES. Mr. Speaker, I thank the gentleman from Massachusetts (Mr. MOAKLEY), for yielding me this time.

Mr. Speaker, I want to associate myself with the remarks of my other colleagues and the tributes paid here today to chairman of the Committee on Rules, JERRY SOLOMON. As a Member of the Subcommittee on VA, HUD and Independent Agencies Appropriations, I can personally attest to the great respect that I have for the gentleman from New York and the manner in which he has represented the citizens the New York and the veterans of this country.

All of us on that subcommittee became used to JERRY monitoring everything we did for veterans. We also knew that if we did not do what he felt should be done in any particular bill, that we would hear from him either when we went before the Committee on Rules or on the floor of this House.

I had the opportunity to appear before JERRY SOLOMON on several occasions when I chaired the VA-HUD Subcommittee on Appropriations. I have also appeared before him on numerous occasions as the ranking member of the subcommittee. I have to say that I did not always get what I wanted from him, but I was always accorded a full hearing and a patient understanding of my concerns. JERRY was always courteous and considerate.

I have always enjoyed watching JERRY in action on the floor. He is animated, passionate, and a real showman. No matter how much one may disagree with him, you must also always admire him.

All of us, also, JERRY, admire your fierce patriotism and your love of this country. You have had a great career in the House. You have been a credit to this institution and to our Nation. As we both end our careers here at the end of this term, I just want you to know that it has indeed been a great honor for me to have served with you.

Mr. DREIER. Mr. Speaker, I yield 1½ minutes to the gentleman from Clarks Summit, Pennsylvania (Mr. MCDADE) the distinguished chairman of the Subcommittee on Energy and Water Development, who also is joining that very distinguished group with Mr. SOLOMON and will be, unfortunately, retiring at the end of this term.

(Mr. MCDADE asked and was given permission to revise and extend his remarks.)

Mr. MCDADE. Mr. Speaker, I thank the distinguished gentleman from California (Mr. DREIER), the able gentleman and next chairman of the Committee on Rules for yielding me this time. I am grateful for the opportunity to join in this tribute to the distinguished gentleman from New York, my good friend, JERRY SOLOMON, chairman of the Committee on Rules.

JERRY SOLOMON showed himself to be a patriotic champion for conservative causes as well as a masterful legislator. He has done yeoman's work. We have all benefited from the ''wisdom of Solomon,'' and so has the Nation. As the Marine, Semper Fi became more than a model for JERRY SOLOMON. It is his creed. He is genuinely always faithful, and it is part of what makes the gentleman from New York such a tenacious advocate for our Nation's citizens, veterans, workers, GIs and the list goes on and on.

Throughout his career, the gentleman from New York has worked to protect our Nation's proud ensign and promote the fiscal prudence that has led to the elimination of the deficit.

Mr. Speaker, I know that JERRY is not going to retire, so I will not use that word. He is much too active to do what retirement often means to people. And I wish to you and your wife, Freda, much success and happiness in your new life.

I was looking forward, JERRY, to perhaps playing a game of golf with you. I thought maybe he does not golf. Maybe we could go fishing. I found out that JERRY does not fish much. What JERRY did is work, work with that huge envelope of material in front of him. You have been a great, great credit to the House, and we appreciate it.

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Pasco, Washington (Mr. HASTINGS), a very valued member of the Committee on Rules and my good friend.

Mr. HASTINGS of Washington. Mr. Speaker, I thank the gentleman from California (Mr. DREIER) for yielding me this time. It is my pleasure to be here to pay tribute to the chairman of the Committee on Rules, the gentleman from New York (Mr. SOLOMON).

Mr. Speaker, I have been using this first time on the committee to observe how really a master runs a very political committee, and I think the gentleman from New York (Mr. SOLOMON) has done a remarkable job.

I first was aware of JERRY SOLOMON when I ran for office in 1994. I think on a weekly basis I would get faxes from his campaign office on various issues that JERRY SOLOMON felt very strongly about. I have to say, I agreed with a vast majority of what he said, which I think is a compliment to him. There are some things I disagreed on. But there was one thing that came to my mind about JERRY SOLOMON and that is this: He is very, very opinionated in his positions, as people have mentioned before, and yet here he is a chairman of a committee that is probably the most political committee in the Congress.

Mr. Speaker, I think the way that the gentleman has chaired that committee over the 2 years that I have been on it, and the 2 years prior to that time, has been very commendable. Probably the greatest measure of how well he has carried that out is that everybody on both sides, we hear today on the Democrat side, on the Republican side, that the gentleman has been very, very fair in carrying out his duties as chairman of that committee. That is probably the best measure of success.

One last question I would like to ask. What really is in that folder that you carry around?

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I can recall being at a committee hearing when JERRY was presiding and after we recessed, an elderly gentleman came up and said, ''Mr. SOLOMON, I have been watching the way you move here in the Rules Committee.'' He said, ''could you give me a copy of the rules by which you run the committee?'' JERRY took out a picture and just autographed it and said, ''Here it is.''

Mr. Speaker, I yield 2 minutes to the gentlewoman from Florida (Mrs. MEEK).

Mrs. MEEK of Florida. Mr. Speaker, I thank the gentleman from Massachusetts (Mr. MOAKLEY) for yielding me this time.

Mr. Speaker, I would just like to say to JERRY, I really hate to see you leave. I seem to have a strong affinity with the older yet really good men in the Congress, JERRY.

Everyone keeps addressing JERRY as a New Yorker. But many should know that he is also a Floridian. And he is sort of a little enigmatic to me at times in that he always tells me, ''Carrie, you get exactly what you want when you come before the Committee on Rules.'' But you know what, I do not. But I do not feel badly about it because JERRY has a way of turning you down with a smile. He shows no animosity. He shows no partisanship. He just tells you ''no'' when he does not agree with you. I appreciate that about you, JERRY.

I think you can be identified with several identifiers as I see you. Number

one, you are very tenacious. There is a bulldog in him and he does not give up very easily. He makes his point on issues that are important to him. He smiles, he listens, but he never agrees, but he is fair.

He is determined to represent the best in this Congress, and that is fairness. And even in his conservative nature, he is able many times to express issues from both sides of the point.

I like JERRY also because he loves his wife. Some never mention their significant others in this Congress, but JERRY does. He talks about his wife. He talks about his family. He believes in the things that he comes to this well and purports to be.

I like him because he is a clever strategist, a good politician, but he is not hypocritical. That is, he espouses his point of view, and, of course, he is able to do that in a very, very intelligent manner. He is funny. He is honest.

JERRY, I want to thank you for your dedication to the veterans of this country and the way you have expressed your concerns before this Congress. We are going to miss you, JERRY. Thanks for serving with us this time.

Mr. DREIER. Mr. Speaker, I yield 1½ minutes to the gentleman from Wood Dale, Illinois (Mr. HYDE), my very, very dear friend, the distinguished chairman of the Committee on the Judiciary, which has gotten a little attention in the last 24 hours or so.

Mr. HYDE. Mr. Speaker, saying goodbye is one of life's least pleasant tasks, especially when it is people you love, people you have grown to respect and count on. This year, and at the end of every Congress, we say good-bye to so many wonderful people. But JERRY SOLOMON is quite special.

I could describe him as a perfect blue-white diamond in a sea of zircons, but that makes the rest us zircons and that might not be the most apt description.

JERRY, they have talked about your fierce patriotism, about your loyalty to the party, about your energy, your activism. I just want to say two things about you.

One, I know of your personal physical courage, spiritual courage. It is rare and it is marvelous. But most of all in a time of overpowering cynicism, you have proven by your 20 years here in Congress that politics can be a noble profession, because you have brought real nobility to it. We will miss you.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentlewoman from Florida (Mrs. MEEK) just alluded to Mr. SOLOMON's wife. When I first heard about Mr. SOLOMON's wife, I pictured a big, burly woman with a submachine gun guarding his premises in New York, as he brought up in one of the debates on gun control. Then I saw this beautiful, petite young lady in the Committee on Rules and I said, ''Are you still sitting at the window with that rifle?'' She denied it.

Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. HINCHEY).

Mr. HINCHEY. Mr. Speaker, I was over in my office listening to the proceedings here. I did not realize that this tribute to JERRY was going on, but I wanted to come over and participate in it. And while I was walking over here, of course, I was reminiscing about my relationship with JERRY over the years, if one could call it that.

I first met JERRY almost a quarter of a century ago. I had just been elected to the New York State Legislature, and it was late in the year, 1974, I think December. And I was going through the legislative office building, and the place was pretty dark and empty. I walked down the hall, and all the offices were dark. There was no one there, except I came upon this one office with the door opened. I looked inside, and there was someone working assiduously at a desk. It turned out to be JERRY SOLOMON.

Mr. Speaker, that is the first time I met him. He made an impression on me that particular occasion, only because I remember it after all of these years. And that impression was not a false one. It was a very accurate one. The impression was simply this: that this was a man who was dedicated to his work; this was a man dedicated to his profession and to the people who elected him; this was a man dedicated to his work.

He has lived up to that impression every single day that I have known him in the intervening 24 years. I served with JERRY for a short time in the State Assembly and then he was elected to the Congress, and then I knew about him only from time to time, and we would run across each other, reading about him in the newspapers.

Then when I came here a few years later to begin to serve with him, I could witness again that same kind of energy, that same kind of enthusiasm, that same kind of dedication to his profession, to his work, to his constituents, and to his beliefs.

JERRY and I differ on issues, and we have from time to time from the very beginning, and we continue to differ on some issues and will for the rest of our lives, I feel safe in saying. Nevertheless, I bear for him the greatest respect and admiration because he is an example of the total absence of ambivalence.

□ 1115

He believes in things. He believes in them fully, firmly and devoutly. You never have to question yourself with regard to where JERRY stands on any of the issues. He is very happy to tell you, and to tell you in the most direct and forthright way.

So it is with a sense of sadness that I see him leave this chamber, but also with a sense of joy for him and for his family, because I know that he is going on to a new and productive life. And whatever it is to which JERRY dedicates himself, that will have the full devotion of a very competent man, indeed.

Mr. DREIER. Mr. Speaker, I yield 1½ minutes to the gentleman from Corning, New York (Mr. HOUGHTON).

(Mr. HOUGHTON asked and was given permission to revise and extend his remarks.)

Mr. HOUGHTON. Mr. Speaker, the gentleman from Massachusetts said something about referring to a dictionary and trying to find out the definition of the word warm. I tried to do the same thing. I was thinking of JERRY as a great marine, a model marine, and I looked up model and it said miniature replica of the real thing. So I decided I would not use that.

However, I do think of an article I read many years ago written by Bob McNamara, when he left Ford Motor Company and he joined the Defense Department, and he described people in positions of importance, of leadership. And he said there were two types of people; people who were sort of judicious and passive and sat back and made their judgments; and the others, who were active and pushing and doers and enablers. JERRY, you represent the finest of that, and I am honored to have served in this body with you.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. TORRES), a fellow Member who is also retiring.

Mr. TORRES. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, it gives me a great honor to stand here with so many of my colleagues and pay tribute to a great American, JERRY SOLOMON. And as has been just mentioned, he and I will exit here together. We will not be here next term. But I feel a good feeling leaving with a person like JERRY SOLOMON from these hallowed chambers.

I have watched him over the years perform his job, as many of my colleagues here have mentioned, with great diligence and great dedication. Tough, but with well meaning in his heart. Honorably. We talk about an ex-marine, a model marine. That he is.

I had the distinct privilege to travel with him to South Korea recently where we visited the DMZ, and I was so proud to stand with him on that line where he described his negotiations with the North Koreans, along with former Representative Sonny Montgomery, as they negotiated to bring back American bodies from that war-torn land. It was, indeed, an inspiration to be there with him.

I would say to the gentleman from New York (Mr. GILMAN) that he would have been proud of JERRY. I saw JERRY act as a statesman in the way he handled discussions in the Middle East, in central Asia, and in the Far East on many questions that are so close to the people in this body; peace negotiations, the discussion on the financial markets, the discussion on NATO questions. He, indeed, epitomizes a great

statesman, here in the House and abroad, and we were all so proud of him.

We hate to see you leave, JERRY, I know, but I am going with you. So I hope that on some occasions we will come back here to meet again. I wish your wife Freda, an elegant lady, the best, and you and your daughter the best ever. Thank you so much. It has been a pleasure to serve with you.

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Sanibel, Florida (Mr. GOSS). We are all very gratified that our colleague from Sanibel has returned and that his wife is recovering well.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Florida (Mr. GOSS).

(Mr. GOSS asked and was given permission to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, I thank my distinguished friend from California (Mr. DREIER) for his words and the well wishes, as does my wife, and I thank the gentleman from Massachusetts for yielding me the time.

Mr. Speaker, I am happy to be here for this occasion to speak about the distinguished gentleman from Glens Falls, New York. He is a very unique Floridian. He is the one who went the wrong way. He was born in Florida and went to New York. Most of New York is coming to Florida, as we know, and we welcome him and we hope to get JERRY back, and Freda and others, back to Florida. We would be proud to have you.

I think of a lot of things when I think about JERRY SOLOMON and my years of service with him. I started out being one of four on the Committee on Rules when he was the minority leader for us. I learned an awful lot. Then he did something magic and suddenly we were nine and the majority, and I have learned even more having him as our chairman.

I think of energy. I think of vitality. Every time I think of JERRY, I think of a marine. Just find me a hill to charge up. He has got nonstop energy and will take on anything.

And in this town particularly, I think of forthrightness. With JERRY SOLOMON, I do not think it is a question of having to read the tea leaves. If you have not figured out where he stands, listen to him for a minute, he will tell you very clearly. I think of integrity, professionalism, knowledgeability.

I know, from my travels with Mr. SOLOMON around the world, from the love of his family, the love of his friends for him here and abroad, that he will not be forgotten. The wisdom of SOLOMON will endure very definitely, the reputation of SOLOMON will endure, and we all hope that SOLOMON will endure, and we look forward to working with him now and forever.

Mr. DREIER. Mr. Speaker, I yield 1½ minutes to the gentleman from Glenwood Springs, Colorado (Mr. MCINNIS), another valued member of the Committee on Rules.

Mr. MCINNIS. Mr. Speaker, the chairman of the Committee on Rules has ably served our country, and I can tell him that I have always looked at him with a great deal of respect not only as chairman but like a big brother.

As I hear the stories, I first of all want to affirm that Freda is a wonderful, wonderful person. I wish she could be on the House floor. I wish our rules allowed her to be here to receive some of these tributes as well.

But I do want to very quickly relate a story about how dedicated, in the marine type of environment, that our chairman is. Tragically, he lost a constituent in my district, in a river. And as my colleagues know, the Rocky Mountains can be terribly unforgiving. So the chairman called me up and said, look, we have this body, a constituent, and the family is grief stricken. I want that body recovered.

I said, Mr. Chairman, you do not just recover these bodies that easily. It is somewhat of a difficult task. He said, I will bring in the Navy. I said, no, do not bring in the Navy. It will take a while for this thing to come up.

The next day we had Navy helicopters in my district, we had Navy frogmen in my district. And the worst editorials I have ever gotten from my newspapers were because I knew JERRY SOLOMON and he brought in the military into the wilderness of Colorado.

At any rate, you did succeed in your mission. You are dedicated to your constituents, you are dedicated to this country, and you are also dedicated to your colleagues. You have helped us a lot. So I want to confirm all those compliments and that we are going to miss you, Mr. Chairman.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. QUINN).

Mr. QUINN. Mr. Speaker, I appreciate the gentleman yielding me this time. There are too many people on that side, JERRY, so I had to come over to my good friends on this side of the aisle to get some time for you.

I want to say, on behalf of all of us in New York, and I just left the American Legion's conference over in the Cannon Building, to come over and thank you on behalf of all veterans and all American Legion members and all citizens for your work on the flag amendment. We appreciate that deeply.

Also, as a New Yorker, when we first came here, now three terms ago, a bunch of us were just dropped into the U.S. Congress and then they told us about something they called the committee on committees. We could not believe there was such a thing, but it was you who helped and guided us.

I guess what I want to say on behalf of a lot of us, JERRY, as a former schoolteacher for many years up in Buffalo, New York, you have probably served, without even knowing it, because of your example and your discipline, as a teacher to many of us. And I am not talking about staff members, and not about the pages, I am talking about other Members of Congress. And for that, and all the other things you have heard here this morning, we thank you very much.

Mr. DREIER. Mr. Speaker, I yield 1½ minutes to the gentleman from Richmond, Virginia (Mr. BLILEY), one of my classmates, and the very distinguished chairman of the Committee on Commerce.

(Mr.BLILEY asked and was given permission to revise and extend his remarks.)

Mr. BLILEY. Mr. Speaker, I thank the gentleman for yielding me this time. Like the gentleman from Illinois (Mr. HENRY HYDE) said so eloquently, it is always hard to say goodbye.

JERRY is everything, but especially a patriot. We know about his efforts to create the Department of Veterans Affairs, about his efforts to pass a law that says if you do not register for the draft, you do not get any Federal funds or aid; if you are a college or university, and you do not allow military recruiters on your campus, you do not get any aid. His tireless work for Taiwan and the relationships between Taiwan and the United States. His tireless work to not forget Latvia, Lithuania and Estonia; that they should be members of NATO. And I know he will continue to work on that when he leaves this great body.

But I would like to remember some of our travels with the North Atlantic Assembly. I remember particularly one time going with him to Maras, Turkey. We went on a boat up a river. It kind of reminded you of Moses and the papyrus and the reeds along the Nile. We got a terrible rain but we got up there.

Another time we were in Brussels and we had a meeting with Sir Leon Britton, who represents very ably the European Community and the European Union on trade, and he really took on Sir Leon, so much so that, and these meetings with the Europeans always start late and finish later, but this one finished early. They were dumbfounded. And his great debates with the liberal labor member from Great Britain on defense, Bruce George.

Mary Virginia and I loved being with JERRY and Freda. We will sorely miss you, Mr. Chairman. You have been a great friend. We have not always agreed, but you have always been helpful and a great inspiration to all of us. Godspeed.

JERRY SOLOMON is a true American patriot. He is an ardent anti-communist who supported the policies of Ronald Reagan. These policies brought down the Berlin Wall and won the Cold War. JERRY was only in his second term when Reagan entered office but Reagan knew he could count on JERRY to lead the charge on his anti-communist policies.

Love of God, love of family, and duty, honor, country best describe JERRY. As a Marine, JERRY know peace did not come cheaply. JERRY fought strenuously for causes he cared

about as our colleague. His love of God and country guided him in his legislative accomplishments on Capitol Hill.

His most significant accomplishment was the creation of the Department of Veterans Affairs. During the bill signing, President Reagan paid tribute to JERRY. President Reagan remarked, "We have it this year because Marine veteran Congressman JERRY SOLOMON worked to make sure the job would be completed before Congress adjourned."

In JERRY's unabashed style, he passed legislation which barred federal aid to those who refuse to register for the Selective Service; he also championed legislation that halts federal aid to colleges and universities that bar military recruiters from campus. And next year, JERRY, it will be the year a Constitutional Amendment banning flag burning passes both the House and the Senate and is sent to the States for ratification.

JERRY, my friend you have a lot to celebrate in your retirement. In 1978, when you were first elected to Congress, the Soviet Union and the spread of communism was running rampant. America was told by its President we were in a great malaise. Well, JERRY did not believe America's best days were behind us, and neither did a former Governor of California.

Ronald Reagan believed in a Shining City on the Hill when he entered the White House. So did JERRY and I. We worked to strengthen the military because peace through strength is the only guarantee that America's freedom will be secured. We worked to pass President Reagan's tax cut that led to the longest peacetime expansion of the economy. JERRY was a leader on the war against drugs.

Your leadership will be missed by many of us in Congress. JERRY, thank you for your friendship and camaraderie for the last 18 years. I have enjoyed traveling with you on our important North Atlantic Assembly missions.

I wish you and Freda well in your retirement. You fought the good fight for the country you have loved. We owe you a debt of gratitude for your service to our country. The country is in better shape since you entered Congress 20 years ago. America's best days lie ahead and I know JERRY will never stop fighting for his country and his beliefs.

Mr. DREIER. Mr. Speaker, I yield 1½ minutes to the gentleman from Ocala, Florida (Mr. STEARNS).

(Mr. STEARNS asked and was given permission to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, JERRY, it is with joy but also with sadness that I come down here in this short amount of time to tell you what a great guy you are and how much we are going to miss you.

I think a lot of people do not realize JERRY was an entrepreneur, an insurance agent. He was making a lot of money. And for him to come here, he gave up a lot of his business. It has been quite a sacrifice. In fact, I imagine he would be a multi-millionaire by now if he had still kept his business.

Many of my colleagues talked about his experience in the Marine Corps. He also has served with distinction as an active member of the Disabled American Veterans, the American Legion and the Marine Corps League. So I think his patriotism is there for all of us to see.

This gentleman also served with distinction on the Foreign Affairs Committee and on the House Committee on Veterans' Affairs. And we talk about his great distinction as chairman of the Committee on Rules, but those committees also were his forte. In addition, he is a former chairman of the Prisoners of War, Missing in Action Task Force, and is still an active participant in this task force.

He has been identified with various issues, but the issue that I really identify with him is the second amendment and the fourth amendment. I will never forget on the House floor, in the evening, when Mr. SOLOMON stood up to argue for the right to bear arms, in which he talked about his wife alone in upstate New York. There was silence and quiet, stillness on the House floor, when he said, she is alone tonight, and I want to ensure that my wife, who is alone, should have the right to protect herself against unwanted intruders. I know his debate and his expression carried the day.

So we all know of JERRY SOLOMON'S patriotism. We know he has the wisdom of Solomon, and we are going to miss him. He certainly lives up to the Marine Corps motto: Semper fidelis. Always faithful. God bless you JERRY SOLOMON and God bless America.

□ 1130

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. I want to look you right in the eye, Mr. Chairman, because this is a special day.

When I first came to this Congress just a few years ago, I was looking for this "Mr. Chairman," Mr. SOLOMON. He was described to me as a shy and retiring person, someone whom you might not often know what his opinion was; quite the contrary JERRY SOLOMON did let you know where he stood. After a few times on the floor, someone came to me and said, "You know, you are just as shy and retiring as Chairman SOLOMON." That was a compliment.

Mr. SOLOMON, our experiences together were quite interesting. I came frequently to the Rules Committee, and I would like to thank you, for even though disagreeing with me, you treated me fairly and gave me the opportunity to express my views and to come to the gateway committee and say that I think this particular legislation should be done this way or that way.

This is an appropriate time to give you honor and appreciation, for you helped us understand the ultimate sacrifice made by veterans, those living today as well as those in the military who gave their lives for our country. We thank you for that.

One of my fondest memories since I see Chairman GILMAN sitting next to you, was that I was able to join you along with Chairman GILMAN when we honored the fallen men in World War II and honored them by placing wreaths on their graves in Europe. That was a particularly special occasion for those of us who claim birth after World War II, for it helped us understand fully what this country's freedom truly means.

I applaud you also for the love that you express for your family, your wife, your daughter, and that great New York community that has a lot of apples in it which you represent. Finally, I just simply wanted to thank you for teaching me a thing or two about the Rules Committee, however, I also want to let your colleagues know and the gentleman from Massachusetts (Mr. MOAKLEY), whose service I appreciate, I will be back. We look forward to being with you in the future. Mr. SOLOMON, Godspeed!

Mr. DREIER. Mr. Speaker, it is a great tribute to the gentleman from New York that more than a couple of people want to talk about him; as some said celebrate his planned departure.

Mr. Speaker, I ask unanimous consent that we extend the allotted time 5 minutes for the gentleman from Massachusetts (Mr. MOAKLEY) and 5 minutes for our side.

The SPEAKER pro tempore (Mr. UPTON). Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. DREIER) is allocated an extra 5 minutes as is the gentleman from Massachusetts (Mr. MOAKLEY).

Mr. DREIER. Mr. Speaker, I yield 1½ minutes to my very good friend, who also is retiring, the gentleman from Naperville, IL (Mr. FAWELL).

Mr. FAWELL. Mr. Speaker, I thank the gentleman very much for yielding time. JERRY, I want you to know that I am not going to miss you in the 106th because I am not going to be here, either. But I know that Congress will miss you very much.

You are the leader of the Rules Committee. You are a leader in many ways. I would describe you simply as a leader of men and people in general. There are two kinds of people I have been told in this world when faced with a problem and they ask either how can I help or what is in it for me. In politics sometimes it is the latter, where the ego takes control. I have never found that to be the case with you. I have found that what you see is what you get in JERRY SOLOMON. You know exactly where you do stand and basically that means that here is a man who is very interested in serving people because he is empathetic and concerned about people. Time and again I can say as one who did not serve in any committee with you, that when I was in trouble on the floor, many times I was in trouble, you were there. Many times when I did not even ask you, you would come down here, when I was a pork-buster,

for instance, and time and time again you did give me so much help.

You are a man that believes in giving. You know that by giving, that is how you receive. You know that by loving, that is how you really are loved. That is why the people in this Congress, I think, think so very much of you. You got a big file, but you do not need that. You are a big man, anyway.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. RANGEL) the ranking member of the Committee on Ways and Means.

(Mr. RANGEL asked and was given permission to revise and extend his remarks.)

Mr. RANGEL. Mr. Speaker, let me thank my colleagues for extending the time. I never would have forgiven myself if I had not been here to join with my colleagues to say thank you for the friendship that JERRY has extended to all of us in this Congress. It is great being an American. It is great being a Member of this august body. It is even better being a New Yorker type of an American, but for those people that have never been able to serve in the past, it was a different atmosphere than we have today, and the friendships that we made then have proven that no matter how testy the issue, no matter how partisan the House, it has never really affected the friendships that we have had over the years.

In the Rules Committee, whether in the minority or as the chairman, the courtesy, the professionalism that has been extended even when you know that you are not going to get what you want, you leave knowing that you have been treated fairly. Certainly as the dean of the New York State delegation where we have political views from the left and the right, you have been the hub, JERRY, for all of us, because no matter how contentious the issue, you have always maintained a friendship, your smile, and your personality.

I would just like to say in closing, however, that once you came to me and indicated that I had been in combat in Korea with the Marines and you were semper fi-ing and everything to me, and I wondered whether or not you really had the right guy and whether you were so friendly because you thought I was in the Marines and I had to tell you, that, no, it was my son that was in the Marines and I was in the Army, and I often wondered as to whether or not it made a difference. But I value your friendship. You have made a great contribution to this House, but more importantly in the lives of those of us who have been fortunate enough to serve, you have made a difference.

Mr. DREIER. Mr. Speaker, my friend from New York (Mr. RANGEL) has just touted the greatness of being from New York. I think it is great to be from California.

Mr. Speaker, I yield 1½ minutes to my fellow Californian, the gentleman from Newport Beach (Mr. COX).

Mr. COX of California. Mr. Speaker, I thank my colleague from California for yielding time. It is fitting that we are here on the floor giving tribute to JERRY SOLOMON under a structured rule that limits the time for debate. Most of us would like to take an hour at least to say what we have on our minds and in our hearts.

When 48 years ago JERRY SOLOMON left college to volunteer for the Marine Corps, to deal with the Communist invasion of South Korea, he started a lifetime of service to his country. As I look on the floor and see the portraits of George Washington and the Marquis de Lafayette, I see two men whom we can see in JERRY SOLOMON, soldier statesmen who loved their country even when for them it was just an idea, the idea of freedom to which JERRY has committed his life.

There was somebody else that I met and had a chance to work for that I thought was unique, President Ronald Reagan. I worked for him in the White House. I was quite sure that I should have given up my job in California and come to work for Ronald Reagan because there would never be another one like him, but I found here in the House of Representatives one like him, one very much like him, JERRY SOLOMON, the chairman of the Rules Committee, who is tough as nails on issues, just like Ronald Reagan was, but who interpersonally is friendly and courteous and respectful of his colleagues and of his constituents. He smiles a lot. Because just as much as he loves his country, he loves life. He loves his family, he loves this institution, and I daresay in our better moments all of us. Your way, JERRY, your sense of patriotism, your love of everything in which you have involved yourself is contagious. You have brightened this institution for a generation. You have brightened my life. Even when you are not here, when you come back as maybe a Supreme Court Justice to give us shorter, more to the point opinions, we will always know that we are your friends and you ours. Thank you so much for the opportunity to serve with you.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentlewoman from New York (Mrs. KELLY).

Mrs. KELLY. JERRY, you have been such a great friend and a neighbor of mine ever since I came to this body and really before I got here in 1994, 1995. But mostly you have been a mentor to me. You have been a true leader of this House. You have built support for various legislative initiatives over the course of so many years. The experience you have brought here to this body has made the body a better place. It has brought more of New York common sense to Washington than many of the others of us. You have stood, you have fought not only for the Nation but you fought for our State and our Nation as a whole. I think that is a wonderful attribute, JERRY. So many people are here that do not speak with quite as loud a voice as you have, JERRY, and I have to tell you, that strong, loud voice is something we New Yorkers love and appreciate and are going to miss tremendously. The House is going to seem less next year. That is because the very large role that you, JERRY SOLOMON, have crafted here in Congress is going to be empty. So those of us from New York will continue to build consensus and make the bills we pass good for New York and this Nation we will try to make as good as possible, but we will do that with you in our hearts, JERRY.

Mr. DREIER. Mr. Speaker, I yield 1½ minutes to my very good friend, the gentleman from Winter Park, FL (Mr. MICA).

(Mr. MICA asked and was given permission to revise and extend his remarks.)

Mr. MICA. Mr. Speaker, and my good colleague Mr. SOLOMON, I am really sad that JERRY is leaving us now. He served 10 years with my brother Dan Mica and the truly sad part about his leaving is after 6 years, he no longer calls me Dan.

All kidding aside, Mr. Speaker and Mr. SOLOMON, at a time when our country is really cynical about its leadership in Congress and politicians in general, I cannot think of anyone who has set a better example by his life and his conduct than JERRY SOLOMON. JERRY SOLOMON has been in all instances a national leader, someone who typifies what people want of their individuals who serve in politics. He came from business, gave up his fortune, time with his family to dedicate it here to his country.

JERRY SOLOMON, I tell you this from the bottom of my heart, I know is a true patriot and his top priority has been those who wear the uniform and his daily concern has been to strengthen our national security. No one exemplifies true patriotism more than JERRY SOLOMON.

Lastly, JERRY SOLOMON, if you do not know him or have not known him, is a family man. No one greater sets an example for this country or for this Congress than JERRY SOLOMON and the example he has set as a family man. I salute everyone and particularly JERRY as my friend and will miss him, but he has a special place in all of our hearts and our memories.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. FOX).

Mr. FOX of Pennsylvania. I thank the gentleman from Massachusetts (Mr. MOAKLEY) for yielding time.

Mr. Speaker, I rise today to salute a great individual, a role model Congressman, JERRY SOLOMON from New York. He has showed in every way he has worked, whether as an advocate on the floor, whether in committee work, the perseverance for the people.

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His high character shows about what he is all about, a proud veteran, a Marine's Marine, someone who fights for

not only people from New York but all across America, for veterans matters, for military matters, for anything that matters to the people of this country. He has been fair, he has been compassionate, he has been our great friend, and I look forward to seeing him be back on the floor, and hopefully maybe some day in the Senate, maybe some day President.

Mr. Speaker, I know he wants to retire from this body, but we need him back for this country because he has been a fighter for the people, he has done a great job, and we could not be more proud of him.

God love you and your family, may God's blessing be on you from every day here forward.

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Kennedyville, Maryland (Mr. GILCHREST), fellow Marine with the gentleman from New York, Mr. SOLOMON.

Mr. GILCHREST. JERRY, I guess some decades ago when you occasionally were barely able to hold up your M–1 rifle because you were holding it for hours in the rain with sand fleas on that glorious place called Paris Island you did not really dream of serving your Nation in this capacity as an U.S. Member of Congress. But those early days on Paris Island gave you a sense of pride, not pride in yourself, but pride in America, and your presence here on the House floor has lifted us up with your pride because your pride comes from your love of your country, your love of your colleagues, and so that gift that you have given to us has been enormous.

I heard one time, JERRY, from a Marine that there are five words that make up a person's life, and you really are the epitome of those things when someone gets to know you personally, and that is humility, commitment, compassion, faith and love. And that is being American, JERRY, and you have given us quite a gift.

So we salute you. Semper fi.

Mr. DREIER. Mr. Speaker, I yield 1½ minutes to the gentleman from Staten Island, New York (Mr. FOSSELLA).

(Mr. FOSSELLA asked and was given permission to revise and extend his remarks.)

Mr. FOSSELLA. Mr. Speaker, I thank the gentleman from California (Mr. DREIER) for yielding this time to me, and I have been listening to this tribute to an American original. The gentleman from upstate New York is the essence of what this country really is all about, the notions of liberty and freedom. But more important, the willingness to die for those things.

I have only been here about a year, and I have not had the privilege of serving for the 20 years that so many other Members of this body have had to serve with JERRY SOLOMON. But in less than a year I have come to respect the man who is the benchmark for integrity, and in days when there are so many relatives around in terms of, well, it is relatively okay or it is okay for now, JERRY SOLOMON represents the notions that there are absolutes: truth and integrity.

The people of upstate New York are some wonderful, wonderful people, and they represent the best of this great country, and they have exercised their great judgment for the last 20 years in sending us an American original. Mr. SOLOMON, as the gentlewoman from New York (Mrs. Kelly) said, you are a mentor to many of us. I salute you.

Mr. DREIER. Mr. Speaker, I yield 1½ minutes to another great gentleman from New York (Mr. FORBES).

Mr. FORBES. Mr. Speaker, I thank my friend from California for yielding this time to me, and it is with great emotion frankly and eternal respect for my good friend, JERRY SOLOMON, who served not only this Nation so ably, but the people of the 22nd district, and I remember almost 23 years ago when I first met JERRY SOLOMON, and at the time he was a member of the Assembly of the State of New York and distinguished himself there as a champion for the Empire State and took that great leadership role that he had in New York and brought it to Washington when he was elected in 1978. And for me it has been a wonderful ride with JERRY.

JERRY, you are truly, as my friend from Staten Island noted, you have been a mentor to many of us. I remember as a young staffer in the State Assembly how you at that time became a role model and, even more so, when I was distinguished and allowed to represent the first district of New York.

I have to tell you that it is with great sadness that we watch as you prepare to accept new challenges at the end of the year. You have served this Nation so ably.

And when I think of terms like ''a man of the people,'' I mean, my colleagues, you must know that JERRY SOLOMON treated the 22nd district and worked so hard every day as if it was a cliff hanger for him. He would drive up and down the Northway and the Thruway and Route 9, and at a moments notice he would stop in on a community and meet with constituents, any group of constituents, and he did that, and he never took the people for granted, he worked very, very hard. And frankly when I think of terms like ''patriotism'' JERRY SOLOMON to me embodies all the best attributes of patriotism. He has been not just a role model, but a dedicated patriot, and God love you JERRY, and Godspeed.

Mr. DREIER. Mr. Speaker, I ask unanimous consent to extend the debate for 5 minutes on each side.

The SPEAKER pro tempore (Mr. UPTON). Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. Mr. Speaker, I thank the distinguished ranking member for yielding this time to me and thank him also for giving me this opportunity to speak about our mutual friend and colleague, Mr. SOLOMON of New York.

Mr. SOLOMON and I have nothing in common politically; is that not correct? However I have enjoyed following his leadership on human rights issues throughout the world where he has been an unsurpassed champion. It speaks, I think, to how the House used to be that people so far a part on the political spectrum could come together and work on an issue.

I first became acquainted with Mr. SOLOMON and his magnificent wife, Frieda, in the North Atlantic Assembly proceedings and saw his leadership on behalf of our country there, and, yes, his patriotism there. When he became Chair of the Committee on Rules, although that meant the Democrats were no longer in power, he always with a smile either granted an amendment on those rare occasions or with a smile turned down an amendment or even admonished us, but always with a smile.

But the one overriding observation I would like to make is how devoted Mr. SOLOMON was and is to the district he represents. Every time he spoke on the floor he spoke from the perspective of his constituents and certainly his conscience and the Constitution, but never forgetting his constituents. How many times you took off that jacket and showed us that shirt that used to be made in his district demonstrating his concern for the workers in his district, and in that way workers throughout America who are caught up in this change of globalization.

So on behalf of my own constituents, Mr. SOLOMON, I want to thank you for your leadership on human rights issues throughout the world, I want to thank you for your leadership on behalf of American workers, I want to thank you for your cooperation from time to time, but even when not cooperating, always with a smile. And I want to wish you and Frieda all the best as you go forward.

Thank you for your service. Congratulations on your decision. We will miss you. It is hard to imagine the House of Representatives here without Mr. SOLOMON and without the famous Solomon folder.

Mr. DREIER. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Jacksonville, Florida (Mrs. FOWLER), my good friend.

(Mrs. FOWLER asked and was given permission to revise and extend her remarks.)

Mrs. FOWLER. Mr. Speaker, I rise today to express my appreciation to a good friend for his leadership and his service to the American people. As my colleagues know, in addition to being an advocate, strong advocate, of conservative ideals, JERRY has always been concerned about our issues of national security. As has been mentioned here several times today, he is a former Marine, fought during the Korean war, and he has always remained semper fi

to his country and the duty of protecting its military interests.

It has been said that the test of a vocation is the love of the drudgery that it involves, and I do not know for sure if JERRY loves that aspect of serving as a chairman of the Committee on Rules, but he certainly deserves all of our heartfelt thanks for his service in this difficult and sometimes very thankless job.

So as we approach the final days of the 105th Congress, I wish JERRY and his wife, Frieda, the best of luck. I know they are going to enjoy the time they can now spend with their family, including their six grandchildren, but I will say I am going to miss a good friend, a good adviser. I went to him so many times for advice, and it was always good.

So, JERRY, we wish you well, and we will truly miss you.

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Somerset, Kentucky (Mr. ROGERS), my good friend.

Mr. ROGERS. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I do not know what we will do around here for opinions when JERRY SOLOMON leaves. I suspect we will find a way to give opinions, but certainly the opinionated Mr. SOLOMON, the Marine that is still a Marine in this body is someone we are going to miss, all of us.

You always knew where JERRY SOLOMON stood. He was not hesitant to let you know what his feelings were about a given topic, and that continues to this day. We need more of that around here, but certainly JERRY SOLOMON gave us during his tenure here his ideas and his passionate feelings about every issue that hit this floor, and that is what we admire about him. We admire his honesty and his truthfulness and his integrity because you knew exactly what he was telling you came from directly in the heart, and that heart was of course made of solid gold, molded during some of our Nation's most tumultuous times in Korea in combat and otherwise.

So, JERRY, we are going to miss you. Your service, especially these last few years as the traffic cop of all legislation coming to the floor of the House, Chairman of the Committee on Rules, is a service that is a pretty thankless job, but we are all here to say thank you.

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Enterprise, Alabama (Mr. EVERETT) my good friend.

(Mr. EVERETT asked and was given permission to revise and extend his remarks.)

Mr. EVERETT. Mr. Speaker, I want to associate myself with all these great things that have been said about Jerry Solomon, but I also like to tell the Members something that is going to surprise them.

I got here in the 103rd Congress, and there were two Members from a little place called Midland City, Alabama, population 400, myself and my friend Earl Hutto, the gentleman from Florida. We found that we lived in the same house in this small Dale County, Alabama town. Well, also my good friend, the gentleman from Georgia (Mr. JOHN LEWIS) is from about 18 miles up the road, just over the Dale County line in Pike County, Alabama. Being very proud of that, I told JERRY SOLOMON the story one day, and he started laughing.

I said, ''What are you laughing at?''

He said, ''You don't know where I'm from?''

I said, ''Well, I guess you're from New York. You've represented them now for 18 years.''

He said, ''No, I'm from Echo.''

Mr. Speaker, Echo is 7 miles from Midland City, Alabama, and then had a population of about 40 people. We had in the 103rd Congress 4 U.S. Congressmen from a rural southeast county of Alabama.

I recently, last week, gave JERRY a note from a relative of his who stated how much his Dale County family they loved and admired him. JERRY, I think you have heard here today we love you, and we admire you, and we are going to miss you.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. HALL).

Mr. HALL of Texas. Mr. Speaker, I am honored to get to rise and say a few words for JERRY SOLOMON.

I served as a Judge for 12 years in Texas. I was 10 years in the Texas Senate. I have been up here 18 years. As my colleagues know, part of the compensation we get for public service is getting to know people like JERRY SOLOMON. I know of no one in the years whom I have met all through the years, anyone that has influenced me more or that I have been more impressed by or that I would rather be a role model for my sons than this man we are honoring here today.

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I know there is a tombstone in Blairsville, Pennsylvania that says ''Stop here my friend and cast an eye. You are now; so was I. As I am now, you will be. Prepare for death and follow me.'' And, JERRY, somebody added later, ''To follow you, I am not content until I know which way you went.''

Let me tell you we know which way you are going. You are going home to a family that loves you. You are going home to a district that respects you. You are going home to a country that you served well. You lit the fire to the Reagan revolution here. You are my kind of guy.

God bless you. And how lucky I am to have known you and how lucky the people are to have come home.

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Pleasantville, Pennsylvania (Mr. PETERSON).

Mr. PETERSON of Pennsylvania. Mr. Speaker, I rise to share my admiration for a Member of Congress who I think is unique. If I had a list of top 10 effective Members of Congress to affect this country, JERRY, you would be in it and near the top.

JERRY, I admire your tenacity, your toughness, your intensity, but your soft and gentle kindness and good spirit. Now those yet good spirits may change when people cheat you or lie to you or are unfair. But that is the way it should be.

I admire that you fear nobody, that it does not seem to matter what the issue is. You do not show fear. You do what is right.

I admire how you fought for our veterans and how you fought for the defense and sovereignty of America as much as anyone in this country ever has.

JERRY, you are the kind of Congressman I hope to be. You are the kind of person I want my son to be like. You are a model to us all, and you have made a huge difference as you have served us here, and I thank you.

Mr. DREIER. Mr. Speaker, I ask unanimous consent again that we extend the debate for 5 minutes on each side.

The SPEAKER pro tempore (Mr. BLUNT). Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Reno, Nevada (Mr. GIBBONS).

Mr. GIBBONS. Mr. Speaker, I thank my colleague, the gentleman from California, for yielding to me. I find it a true honor as a freshman to be here standing and addressing my good friend, the gentleman from New York (Mr. SOLOMON), because you do not have to be here 20 years, as I have been only 1 year, to find him to be a true friend and a man that we all look up to.

I say, as we look out today among our colleagues here, we are approaching the end of an era at the end of the 105th, the era of Solomon in this Congress. The gentleman from New York will be truly missed as a gentleman who fought for veterans, fought for the flag, fought for this country.

I think of General MacArthur when he said, and I will paraphrase, ''Duty, honor, country.'' Those three hallowed words mean and reflect all that you can be, all that you should be, all that you will be. I think those of us who admire JERRY SOLOMON believe those three words are indeed the reflection of JERRY.

JERRY, as you go home to your family and a loving constituency, I want to wish you the very best and to your wife and family as well. I salute you for your hard work, your dedication, and your friendship in this body.

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from New Hartford, New York (Mr. BOEHLERT).

Mr. BOEHLERT. Mr. Speaker, it is indeed a special pleasure for me to be

here in this well to talk about a man with whom I have had some of my fiercest battles with in my service in these 16 years in the Congress and some of the most pleasant satisfying victories.

I know of no individual who is a better friend of the veteran, of the farmer, of the working men and women in America than JERRY SOLOMON. He will be missed for all the right reasons.

He is as conservative as any Member of this House; but underneath that hard veneer, he has got a heart as big as all outdoors. There are a lot of people who have benefited from the service of JERRY SOLOMON in the Congress of the United States. So it is a privilege for me to be here in this well saluting this very distinguished American.

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Syracuse, New York (Mr. WALSH), one of our distinguished cardinals.

Mr. WALSH. Mr. Speaker, I thank the gentleman from California (Mr. DREIER) for yielding me time to come here and say some nice things about my friend, JERRY SOLOMON, as so many others are.

You are rich in friends, Mr. Chairman, and it is deservedly so. You are truly one of the leaders of our country. You are truly the leader of the New York State delegation. I owe you my position that was just mentioned on the Committee on Appropriations. Without your strong support, fiery support, I probably would not be there. So I am indebted to you for that.

You are a gentleman, a soldier, a Congressman, and a true defender of this country, its flag, and its veterans and all its marvelous institutions. We thank you for your sense of humor and, more importantly, we thank you for your sense of honor.

Mr. DREIER. Mr. Speaker, I yield 1 minute to my good friend, the gentleman from Huntington Beach, California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Speaker, JERRY SOLOMON has given a new meaning to the words ''the wisdom of Solomon.'' All of us who have served with him, and I have served with him for the last 10 years, understand what that means.

JERRY SOLOMON, first and foremost, and this is, I think, the word that best describes JERRY, is that JERRY SOLOMON is a patriot. That is what America has always depended on, the likes of JERRY SOLOMON. I am very proud to have served at your side, JERRY. JERRY SOLOMON is a patriot. JERRY SOLOMON is courageous. He is a man of integrity.

To all of us who you are leaving behind, you are leaving behind friends. You are a good friend. We respect you. We admire you. We wish you luck, JERRY. Thank you very much for the service you have done for the United States of America. You have done a good job for our country.

Mr. DREIER. Mr. Speaker, I yield 1 minute to my friend, the gentleman from Saint Joseph, Michigan (Mr. UPTON).

Mr. UPTON. Mr. Speaker, it has been a great delight for me to serve as Speaker pro tempore during part of this great tribute to a wonderful man who loves this House, JERRY SOLOMON.

I have had the opportunity to know the gentleman from New York (Mr. SOLOMON) for a long time from my days when I served for Ronald Reagan and now as a Member of this House. We all love this House. No greater love comes from a man with terrific respect, JERRY SOLOMON.

It is a great tribute to you that, as you finish this year, we have a balanced budget; and now we can, in fact, use that surplus to reduce the debt. That is the next battle.

I can remember the days and the issues where we met together on so many different times moving the Solomon budget. Yes, it was bipartisan. We got one Democrat, we got 19 Republicans, and we fell far short of getting the battle won. But somehow, some way, today we prevailed.

It is because of your great efforts in so many different ways that we do love this House and we love the men and women who serve it. Thanks to people like you, a man with courage, with heart, thoughtfulness and compassion, a great man that we look forward to seeing again. Thank you, JERRY.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to close this debate by saying that this was clearly one of the most moving testimonials, to a Member who is going to retirement, that I have seen in the 18 years that I have been privileged to serve here.

Many people have talked about great things but one of the things that struck me is this issue of sacrifice. It is a privilege for all of us to serve here, and most everyone enjoys their service, but, in fact, there is sacrifice that goes with service as a Member of the United States Congress.

Those of us who sit on the Committee on Rules have had the opportunity on many occasions to hear JERRY SOLOMON refer to the fact that when he came to the Congress he had to sell his real estate, his securities and his insurance businesses, and, it, in fact, has been a sacrifice for him.

We often hear of our Founders who gave their lives, their fortunes and their sacred honor. We are glad that JERRY has not given his life and we know that he has not given up his sacred honor, but we know that he did have to give up much of his fortune to do that. So he has made a great sacrifice.

His book, The Balanced Budget, has been a dream that he has had for many, many years, long before he came here. I am very gratified that we have been able to pass the first balanced budget in a quarter of a century while JERRY was here serving as a member of that committee.

God and the voters willing, I will have the chance in the 106th Congress to keep the gentleman from Massachusetts (Mr. MOAKLEY) sitting at my right as the ranking member, and to try to fill JERRY's shoes as chairman of the Committee on Rules.

It will be an impossible task, but I have been privileged to enjoy his encouragement and support for the many years that I have served there.

Mr. Speaker, while I know the time is rapidly coming to a close, I yield one minute to my very, very dear friend, the gentleman from Glens Falls, New York (Mr. SOLOMON).

Mr. SOLOMON. Mr. Speaker, I thank the gentleman from California for yielding.

Mr. Speaker, I will not take but a minute because there are a lot of things I like to brag about that I am good at but I am not good at this. I am afraid of what might happen if I stood up here and talked too much because I am an emotional person. In 20 years, I have had some emotional events on this floor. Some that I'm proud of, some that I might not be so proud of.

I can recall something a couple of years ago. I was raised by my grandmother and my grandfather. They were of Scottish descent and they always taught me first and foremost that you always respect and honor women. And I remember I got into a debate late one night with the gentlewoman from New York (Ms. SLAUGHTER), on that side of the aisle, and I did something that I was always ashamed of because I was rude to a woman. I was rude to a Member of this body, and that is something we should never, never do.

I would just tell the Members that we can be emotional, we can be opinionated, as I am, but we should always be respectful of each other.

Ron Dellums, like the gentlewoman from California (Ms. PELOSI), is on the opposite end of the political and philosophical spectrum from me. Ron Dellums and I had some tremendous battles on this floor but we always walked off the floor and we were friends afterwards. That is what will make this place a success, and I would just thank all of the Members for their remarks. It means a great deal to me.

I better not talk any longer, but I will say this right now, I am going to invite all of the Members, men and women, the Members of this body, to step outside so that I can hug the women and shake hands with the men and tell them how much I love and respect this great institution. It has been a great honor and privilege to serve here for two decades and I have cherished every minute of it. I thank all of you for your generous remarks. I love you all.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, there is a large group of people who are unable to speak here on the House floor. They sit here regularly; they work upstairs in the Committee on Rules, on many occasions around-the-clock, and I would like to, on behalf of those members of the staff

of the Committee on Rules, say how much they will miss the gentleman from New York (Mr. SOLOMON) and how much they have appreciated their great time of service with him.

Mr. Speaker, I will say that there are many other Members who have indicated to me that they would like to have had the chance to participate in this tribute to the gentleman from New York (Mr. SOLOMON), but because of the exigencies of their schedule they were unable to.

GENERAL LEAVE

Mr. DREIER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this tribute to the gentleman from New York (Mr. SOLOMON) that surrounds House Resolution 574.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CRANE. Mr. Speaker, I rise with my many colleagues on both sides of the aisle to offer a many-gun salute to one of the clearly most vigorous, admired, and truly respected leaders ever to come to these Halls of Congress.

My colleagues, this courageous and dynamic Marine veteran who arrived on the Hill twenty years ago has not only been a credit to the Marine Corps in terms of the vitality and drive with which he discharged his duties, but also to this House to which he has for so long given so much of his energy and good judgment. These Halls will remain desolate for a long time after our very good friend GERALD SOLOMON has departed.

As the Chairman of the Rules Committee, one of the most important and difficult tasks on Capitol Hill, JERRY attacked his work with a spirited dedication rarely seen on the Hill. Involved in every serious piece of legislation, his ability to control the flow of business and determine which alternatives should be brought up for a vote has been close to legendary.

The 22nd District of New York, which includes much of Hudson Valley, has been a Republican area since the birth of the Republican Party, and JERRY SOLOMON has aggressively supported most of the conservative programs of the Party, reflecting his own convictions and those of his loyal constituents. Year after year the voters have returned him to office by wide margins because they could see that GERALD SOLOMON was no sleeping Rip van Winkle, the legendary figure which Washington Irving placed historically in JERRY's district high up on the Hudson River. According to the story, Rip van Winkle slept for twenty years. No one can accuse JERRY SOLOMON of sleeping during the twenty years he has been the two-fisted Representative of the 22nd District of New York.

My colleagues, we will not soon again see the likes of this genial and industrious Marine veteran who has easily earned the warm friendship of so many of his colleagues in this maelstrom of legislative activity.

May he find real solace in retirement on the quiet banks of the Hudson and in the hollows and the hills of upper New York area of his youth. We are sure that JERRY will not be satisfied with just an occasional short emulation of Rip van Winkle, because we really expect that he will father a memoir or two, giving his perspective on his many years of generous and cheerful jousting on the Floor of this House.

We will sorely miss this good man, a friend of so many and a model for every new member to emulate. We would be most unhappy if JERRY did not come back to the Floor often to reacquaint us all with the cordiality and enthusiasm with which he so often greeted us these many years. God bless, JERRY, and Godspeed!

Mr. PORTMAN. Mr. Speaker, I am pleased to speak in tribute to JERRY SOLOMON and his many years of service and leadership to this country.

Chairman SOLOMON is a strong, effective and passionate chairman of the Rules Committee. He is a true Leatherneck—no-nonsense, patriotic and capable of getting the job done.

I had the pleasure of working closely with JERRY SOLOMON on the Unfunded Mandates Reform Act—which has effectively ended the irresponsible practice of Congress passing the bill to state and local governments and the taxpayers they represent. JERRY's commitment to unfunded mandates relief—and his tireless advocacy were key to passage of this landmark legislation.

JERRY has also been one of the most vocal Members of Congress in the vital fight to reduce drug abuse in this country. I've been pleased to work with him on a number of issues—the Drug Free Communities Act and the recently passed Drug Demand Reduction Act. There is no member of this body more committed to reducing substance abuse than JERRY SOLOMON. The issue burns in his heart.

The U.S. House of Representatives is losing a real fighter in JERRY SOLOMON. Happily, he is leaving the Rules Committee's gavel in capable hands, but we'll miss his drive, energy and determination.

I know Chairman SOLOMON will be watching C–SPAN in upstate New York to keep an eye on us, and I hope and expect to continue to hear his firm and passionate voice on issues of concern to our country.

Mr. GIBBONS. Mr. Speaker, what can I say, at the end of this Congress America is going to truly miss one of it's great Conservative leaders.

The powerful Chairman of the House Rules Committee, JERRY SOLOMON will be retiring to pursue new opportunities.

This former Marine, serving the United States House of Representatives since 1978, has been known for defending the American flag, fighting the war against drugs, protecting our nations veterans, the interests of our nations military, and running a committee that is fair to this body and fair to the American people.

Not only has Congressman SOLOMON been known for his policy, he is also know for his great sense of humor, his devotion to his family, and his pride in his work.

Congressman SOLOMON, it has truly been an honor serving this great nation together, and you will be greatly missed. I wish you, your wife Freda, and your entire family all the best.

As a veteran, and man who loves this country, as I know you do, today sir I salute you for your hard work, honesty, integrity, and devotion to this country.

Mr. ORTIZ. Mr. Speaker, I rise to speak about a great friend of mine who throughout his congressional career has been a strong and passionate leader whom I am personally proud to have served alongside of in the House of Representatives.

He is a loyal patriot to his country and devoted husband and father to his family. No one can doubt his allegiance to the Marine Corps and no one can doubt his sincerity nor his passion to serve his country.

I have had the privilege of traveling with him as members of the National Security Committee and throughout our travels have gotten to know him on a personal basis. His strong devotion to our country and military has been an inspiration to me. Every place we traveled, he was always interested in the issues of that country and how the United States could act on those issues and provide leadership.

I wish him happiness and a long productive life in his retirement. We will greatly miss his presence in this House.

Mrs. MCCARTHY of New York. Mr. Speaker, although I am one of the newer Members of this body and have had the privilege to serve with Mr. SOLOMON for only one term, I am very sorry to see him leave us. When I first came to Congress, Mr. SOLOMON asked me to call him JERRY, but I have never been able to do that. Not because I didn't feel close to him but because I have such a deep respect for him both as a person and as a public servant that I felt that he deserved a title reflecting that respect.

Sometimes as Members of Congress, we don't always treat each other or this institution with the respect that it deserves. We let partisanship cloud our better judgment and we aren't very civil in our debates. Although Mr. SOLOMON and I couldn't have held more opposite points of view on certain issues, I always felt that we could be open and honest in our disagreement. And we would always part ways, maybe disagreeing but with a mutual respect for each other and our differences. He is a true gentleman, one that will be greatly missed by this body and the New York delegation in particular. God's speed, Mr. SOLOMON, and thank you for your years of service to this country and to New York.

Mr. KIM. Mr. Speaker, I rise to pay tribute to the Chairman of the Rules Committee, my friend JERRY SOLOMON.

JERRY SOLOMON was one of the first members I met when I came to Congress six years ago as a freshman. I had never served in a legislature before and the challenges of Washington seemed overwhelming. He was a cool veteran with many years of experience. From his initial hello and genuine interest in making sure I got off to a good start, I knew JERRY SOLOMON was a colleague I could respect and trust. I'm proud to call him a friend.

As a little boy growing up in Seoul, Korea during the war, my family and I were rescued by the U.S. Marines from the living hell of communist North Korean occupation. I will never forget the sacrifices these brave Americans made to save a little soul like mine far, far away from the comfort and safety of their own homes. Their caring attitude, determination and patriotism made me want to be an American right then and there. Now, I don't think JERRY SOLOMON was one of the Marines who came down my street, but he very well could have been. Even today, many years after his service in the Marines, JERRY still embodies those same qualities and that same Marine can-do spirit. He's what America is all about.

As a faithful and effective Representative, I know that his constituents in upstate New York will miss his service in the House as much as the rest of us will. After 20 years in Congress, Chairman SOLOMON can retire, though, knowing that he has left a very positive and enduring legacy for others to follow. Good luck, JERRY.

Mr. DREIER. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. LEWIS of California. Mr. Speaker, pursuant to House Resolution 574, I call up the conference report on the bill (H.R. 4194) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 574, the conference report is considered as having been read.

(For conference report and statement see proceedings of the House of Monday, October 5, 1998, at page H9359.)

The SPEAKER pro tempore. The gentleman from California (Mr. LEWIS) and the gentleman from Ohio (Mr. STOKES) each will control 30 minutes.

The Chair recognizes the gentleman from California (Mr. LEWIS).

GENERAL LEAVE

Mr. LEWIS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report to accompany H.R. 4194, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

□ 1215

Mr. LEWIS of California. Mr. Speaker, I yield myself such time as I may consume.

As this bill went off the floor not so long ago, we may all recall that we spent much of half a day discussing my colleague, my chairman, and now the ranking member of this subcommittee of appropriations, the gentleman from Cleveland, Ohio (Mr. STOKES). We are not going to repeat that extended period this go-round, but it certainly should be brought to the attention of Members and his friends that the gentleman is in the process of presenting his last bill on the floor of the House of Representatives.

This conference report involves all of the funding for programs that are very important to the American public, those that relate to veterans' medical care, for example; all of the many public housing programs, the funding for the Environmental Protection Agency, the funding for NASA and the like.

The gentleman from Ohio (Mr. STOKES) we all know is an appropriator's appropriator, but the gentleman has done another thing during this legislative year. He wanted to make sure that each of us remember that before appropriations there was authorization. And so just to make a demonstration of that fact, this year he has accomplished that which is almost unbelievable to those of us who have watched this process for some time. He has snuck into this little package just about 60 pages of minor legislation that deals with his favorite field, and that is the field of housing. For working with our colleague on the banking subcommittee, the gentleman from New York (Mr. LAZIO) on this side and the gentleman from Massachusetts (Mr. KENNEDY) on the other, the gentleman from Ohio has proceeded to include what was the Housing Reauthorization Act within this appropriations bill, a bill that is called a ''must-pass bill.''

Now, frankly, those who really know the gentleman know that he actually went about this because his friend and the ranking member of that same subcommittee of the Committee on Banking has his last bill on the floor today as well, and that is the bill that was tucked away here, and I was quite surprised when the gentleman brought this to my attention, and he was going to such an extent to recognize the years of the very capable work of our friend, the gentleman from Massachusetts (Mr. KENNEDY).

So there are many details that I might go over with my colleagues regarding this bill, such as the fact that within VA medical care we are some $300 million over the President's budget in that category of funding. We are responding to the crisis that is ahead of us that deals with NASA's funding because of problems in Russia and some changes of government in the European space agencies.

In the meantime, I will spare my colleagues those details, for we all have heard this bill discussed in great detail before.

So I look forward to further conversation with my friend from Cleveland (Mr. STOKES).

Mr. Speaker, I reserve the balance of my time.

Mr. STOKES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is not without a certain bittersweet feeling that I rise today in support of this conference agreement. This is the final appropriations bill that I will help bring to the House, along with the chairman of the subcommittee, the distinguished gentleman from California (Mr. LEWIS). Thanks to his leadership and patience, we present today a balanced, bipartisan conference report that is worthy of the Members' support.

In many ways the bill we present today is better than the House-passed version. I will mention several instances that demonstrate this point. First, while the House bill included no funding for Americorps, the conference provides the Senate amount of $425 million. Given the President's personal interest and commitment to this program, I think we all realize there would be no bill without this funding.

Several environmental provisions that were of great concern have been modified, including the ones dealing with the Kyoto protocol, Mercury, and contaminated sediment dredging.

The House provision regarding domestic partners that would have restricted funds available to the City of San Francisco has been dropped. One-half of the reduction to the housing opportunities for persons with AIDS program imposed by a floor amendment has been restored. More than one-half of the House-recommended increase for veterans' medical care has been retained without any adverse impact on the Federal housing administration. Mr. Speaker, 50,000 new housing vouchers have been included to help families make the transition from welfare to work. This is a significant increase above the levels originally recommended by both the House and the Senate.

The Housing Authorization bill, which my chairman, the gentleman from California (Mr. LEWIS) has just made reference to, H.R. 2, has been included. Now, this version has been crafted by a bipartisan group from both bodies and has the support of the ranking Democrats involved in the negotiations. I want to take a moment too to say, as did my chairman, that we really owe a debt of gratitude to the gentleman from Massachusetts (Mr. KENNEDY) for the excellent work he did, along with the gentleman from New York (Mr. LAZIO) in giving leadership to the bill that we now include in H.R. 2 as a part of the Committee on Appropriations.

I want to take a moment too, Mr. Speaker, just to say that one of the things I have enjoyed so much working from the appropriations aspect has been the great work that has been done over on the Subcommittee on Housing and Community Opportunity by its ranking member, the gentleman from Massachusetts (Mr. KENNEDY). I do not know of anyone in the House that has any greater knowledge or greater commitment to those who live in public housing and who has been the kind of an expert he has been in trying to get the kind of legislative reforms that would help those people who are relegated to public housing have the kind of decent housing that they are entitled to live in. I just want to take a moment to commend him for the great work he has done as he too prepares to leave this body.

I might say also I have talked with the Secretary of Housing and Urban Development, and he supports H.R. 2 that has been included in this bill.

Although I have not seen a formal statement of administration policy on

the conference agreement, I believe this compromise should be endorsed by them. I am hopeful this measure will soon be signed into law so that the departments and agencies funded in the bill can have the benefit of congressional guidance and drop out of the continuing resolution.

Now, although we have not been able to do everything in this bill that I would like to see or that the administration would like to see, I feel that given the constraints under which we had to operate, the conferees have done a very credible job, and no small part of the credit belongs to the gentleman from California (Mr. LEWIS), our chairman.

Rather than go into detail about the specific provisions of the conference agreement, I would like to take just a moment or 2 to tell the House what a pleasure it has been to serve on this subcommittee with the gentleman from California. He has been patient, courteous to the extreme, always willing to listen and try to accommodate opposing views, but all the while nudging and cajoling and moving the process forward.

This is a very large and complex bill with many diverse elements that are sometimes pitted against one another. It is a difficult task to navigate this legislation through the minefields and the shoals that could easily torpedo it. It is a testament to the gentleman's legislative skills that once again he has been able to bring to the House a free-standing bill deserving of the support of all of us. I count the gentleman not only as a valued colleague, but also as my personal friend. Along with my wife, Jay, I look forward to many more years of friendly association with you, JERRY, and with your lovely wife, Arlene.

Mr. Speaker, I also want to take a moment to express my personal appreciation to the subcommittee staff director, Frank Cushing, for his professionalism and for the manner in which he has worked with me and the other members of the minority. I also want to express my appreciation to Paul Thomson, Tim Peterson, Valerie Baldwin, Dena Baron, who is a detailee to our subcommittee, along with Jeff Shockey and Alex Heslop on the chairman's personal staff. My special thanks also to 2 members of the Minority staff whom I have grown to be very close to and who have both been invaluable to me, Del Davis and David Reich, along with Fredette West of my own congressional staff.

Mr. Speaker, I reserve the balance of my time.

Mr. LEWIS of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. KNOLLENBERG).

(Mr. KNOLLENBERG asked and was given permission to revise and extend his remarks.)

Mr. KNOLLENBERG. Mr. Speaker, I rise in strong support of the VA-HUD conference report. I extend congratulations to the gentleman from California (Mr. LEWIS) and the ranking member, the gentleman from Ohio (Mr. STOKES).

Mr. Speaker, I rise in strong support of the VA–HUD Conference Report. I want to commend Chairman LEWIS and Ranking Member STOKES for their leadership on this bill. This is a good bill that contains many important provisions, one of which I would like to highlight this morning.

During the VA–HUD Conference last Thursday, I worked with my colleague, the senior Senator from West Virginia, on a provision to protect workers, manufacturers, farmers, and every citizen in this country from the devastating impact of mandated greenhouse gas reductions required under the Kyoto Protocol. The product of this carefully crafted agreement will prohibit the Environmental Protection Agency from implementing the Kyoto treaty through ''back door'' regulatory actions.

Specifically, the Conference Report language reads as follows: ''none of the funds appropriated by this Act shall be used to propose or issue rules, regulations, decrees, or orders for the purpose of implementation, or in preparation for implementation'' of the Kyoto treaty until it has been ratified by the Senate.

The Kyoto Protocol is a bad deal for the American people. It would exempt the developing world from having to reduce its greenhouse gas emissions, placing the entire burden on the United States and other industrial nations. This exemption creates an enormous loophole for nations like China, India, Mexico, and Brazil which are estimated to be the largest emitters of greenhouse gases in the next century.

This gross inequity will have a chilling effect on the U.S. economy. Those who can least afford it would be hardest hit by increases in the cost of electricity, gasoline, food, and other goods.

Mr. Speaker, the language included in this Conference Report is critical to stop the implementation of a fatally flawed treaty. I urge every member of the House of Representatives to support the VA–HUD Conference Report and this vital funding limitation.

Mr. LEWIS of California. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. SOLOMON), the chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman from California for yielding me this time.

I am only going to take a minute just to, more than anything else, praise and commend the gentleman from California (Mr. LEWIS) and the gentleman from Ohio (Mr. STOKES) for the outstanding job that they have done, not just on this bill but on the bills that they have brought to this body every single year for so many years under the chairmanship of the gentleman from California (Mr. LEWIS) and before that, the chairmanship of my very good friend, the gentleman from Ohio (Mr. STOKES).

When we look at this particular appropriation bill, to think that the Veterans' Administration is getting $42.6 billion out of a total allocation of $70 billion, and that is outstanding. I know we will have Members that say it is not enough, and maybe even I think it may not be enough, but my colleagues have such a difficult situation as they deal with not only the Veterans' Administration, but the Department of Housing, which is extremely important and very costly; when they are dealing with the Environmental Protection Agency; when they are dealing with the National Aeronautics and Space Administration; and just dozens and dozens of all of the other independent agencies.

I do not know how my colleagues do it with the allocation that they get, but they have done a tremendous job, and I just want to sing the praises of both of my colleagues and their staffs on both sides of the aisle. Because they are good, but they would not be as good if they did not have the great staff to go with them. So I salute all of my colleagues, they have done a great job. And I thank the gentleman from Ohio (Mr. STOKES) for all of his service.

Mr. STOKES. Mr. Speaker, I mentioned a few moments ago in my remarks the outstanding job that the gentleman from Massachusetts (Mr. KENNEDY) has done with reference to the inclusion of H.R. 2 in this bill, and it is indeed a pleasure for me to yield 5 minutes to the distinguished gentleman from Massachusetts (Mr. KENNEDY).

Mr. KENNEDY of Massachusetts. Mr. Speaker, first of all, let me thank my good friend, the gentleman from Cleveland, Ohio (Mr. STOKES) for the tremendous job that he has done, not only in this particular bill, but in so many other bills over the years of making sure that the poorest people in our country are provided the basic protections that I think all Americans believe in. I also want to thank the gentleman from Ohio for the tremendous years of service that he has provided all of the people across this country, not just in his own home district, but any poor American who feels that they can look to their government for a helping hand from time to time ought to recognize that behind the helping hand of the government was always LOU STOKES' long shadow. I am just so honored to be able to have worked with him in this process on bringing this bill to the House floor this afternoon.

I also want to thank the chairman of the subcommittee, the gentleman from California (Mr. LEWIS) for the fine work that he continues to do and will continue to do into the future in terms of looking out after the Nation's housing needs, in particular.

It is important that we understand that we have a major commitment to housing our poor and our senior citizens, our elderly people across our country, and it is only through the generosity and the willingness of people like LOU STOKES and Chairman LEWIS to take stands to protect those people that we are able to bring this bill to the floor.

I also want to pay particular thanks to my good friend, the gentleman from New York (Mr. LAZIO) who I crashed with more than once over this piece of legislation, but I am glad to say that

we both found ways of working together and coming up with what I believe is a very, very good compromise.

I said to the gentleman from Ohio (Mr. STOKES), I have never heard more nice things said about he and the gentleman from New York (Mr. SOLOMON), and even the Boston Herald wrote a nice story about me yesterday.

□ 1230

I was figuring that I would highly recommend quitting, if Members want to get good press around here. Maybe I should recommend that to a few more guys on the other side. But nevertheless, I do want to say a brief word about this legislation, because I do think it is important.

We have a basic principle in America that we are going to look out after the poor. We are going to make sure that they get protected when they need a helping hand in terms of housing. And what we have done is seen this country, over the course of the last several years, house over 3 million families in our country. What we have not done, however, is provided them the necessary subsidies to keep those housing units in good shape.

As a result, every American is now familiar with the sight of some monstrosity that is called public housing that is deteriorating, that is full of very poor people and full of violence and crime and drugs. And people say look at public housing, it simply does not work.

Mr. Speaker, the fact of the matter is that if we continue to have policies where we just concentrate the poorest of the poor in large public housing units and do not provide them with the subsidies they need to keep those housing units in decent shape, we are going to see further deterioration. If we do not, in fact, provide the funding levels to make sure that the apartments are kept up and what we end up doing is just concentrating the poor, then we see the deterioration.

If, in fact, on the other hand, as the Republican chairman of the Subcommittee on Housing and Community Opportunity, the gentleman from New York (Mr. LAZIO) had proposed, that all we do is simply bring in more moderate-income people into public housing, that might solve the issue of looking at buildings and saying, well, they are in much better shape. The problem is what it does do is it leaves the very poor without shelter.

So, what we found is a way of making certain that we provide protections for the very poor, and that is a great tribute to the gentleman from Ohio (Mr. STOKES) and the gentleman from California (Mr. LEWIS) in terms of their capability of finding us an additional 50,000 vouchers to make certain that any poor person that is going to be displaced by the basic provisions of this bill are, in fact, going to find their housing needs met by our country in any event.

There are also some other protections that come in the form of the Brook amendment, which continues to be in place, but we do make certain that other kinds of requirements making certain that there are not work disincentives in the bill are eliminated.

I am happy to say in working with Secretary Cuomo that we have been able to raise the FHA loan limits, which will open up home ownership opportunities for millions and millions of families all across this country. And I think that HUD today is an agency that has come back a long way from the days of an agency that was full of difficulties, of bureaucratic anomalies and all sorts of issues pertaining to how public housing and assisted housing was getting built. It is now an agency that is well-run, and I think that people on both sides of the aisle have recognized the fact that there has been professionalism brought back to HUD, and we now see the Congress of the United States being willing to pump billions of dollars worth of increased funding into this agency and into the housing units that it provides to the poor.

So, I want to very much thank my friend, the gentleman from New York (Chairman LAZIO), for the great leadership he has shown and tell him what a great pleasure it has been to work with him over the course of the last few years, and I look forward to working with him for at least a few more days.

Mr. LEWIS of California. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. LAZIO), the chairman of the subcommittee of the Committee on Banking and Financial Services that deals with housing, as I thank him for his cooperation and fine work this year.

Mr. LAZIO of New York. Mr. Speaker, I want to begin with a few ''thank yous'' of my own. First of all, I would like to thank the gentleman from California (Mr. LEWIS), and the gentleman from Ohio (Mr. STOKES) for their assistance and for their leadership in helping to bring this bill to the floor and for allowing us on the authorizing side to carry almost 400 pages of authorizing provisions that comprise the Quality Housing and Work Responsibility Act to this floor.

I would be remiss if I did not also at this time thank another important person, the gentleman from New York (Mr. SOLOMON), who was responsible for helping to craft the rule, not just this time, but on three earlier occasions that helped bring this to the floor.

JERRY SOLOMON is a great New Yorker. People say JERRY is three things. He is a marine, he is a Republican, and he is an insurance agent, not necessarily in that order. He has always been a man who has done great service to this body, who has brought honor on this institution, and so it is my pleasure to tip my hat as I say to JERRY, ''Good luck as you just 'step outside.' ''

Let me thank also my staff who have been very important to this. This process began over 3 years ago, Mr. Speaker, in my office when we got out a chalk board and started developing policy about what we needed to do after visiting a number of different public housing authorities that were just devastating in their impact on tenants.

I want to thank Paul Callen from the Legislative Counsel's Office, who worked countless long hours when we knew there was going to be final legislation and kept on redrafting and redrafting. He was enormously helpful, and personifying the very best of the staff work in this House. Aquiles Suarez, Clinton Jones, Sarah Chapman, Richard Scott, the staff director, Joseph Ventrone and David Horne, who as counsel to the committee literally bled and sweated through this process. I want to thank all of them for their extraordinary hard work.

I want to thank the House leadership. As I mentioned earlier, Mr. Speaker, this is the third incarnation of this bill. Three times this bill was passed on the House floor, once in the last Congress in a bipartisan fashion with over 100 Democrats supporting, once this Congress with over 70 Democrats supporting and virtually every Republican supporting this monumental reform of public welfare, and a third time as part of VA–HUD. This legislation really is the second step of reforming the welfare system by reforming public housing. And I want to acknowledge the work of my friend and colleague, the gentleman from Massachusetts (Mr. KENNEDY). And as I bid him a farewell after this week, I want to say it has been a pleasure to work with him, and I compliment him for his very good work.

This Quality Housing and Work Responsibility Act speaks to the concepts that we hold dear as Americans of family, of accountability, of responsibility, of working, of stronger communities, of safer communities, of empowerment of the individual and of neighborhoods over Washington institutions.

We have in this bill made significant changes that remove the disincentives to work.

There are more tenant choices in this bill, giving tenants the incentive to go to work and to have a family without being punished by the perverse rules that have punished work and punished family.

We allow tenants to use vouchers for home ownership, giving them an opportunity of the American dream.

This is a victory of one, dynamic vision of public housing over a static vision. One is to defend the status quo, which we reject here and which we have rejected in the past, and the second, which we embrace today, which is to create a dynamic environment in public housing where the working poor and the people who are not employed can live together; where people can fulfill their greatest ambitions, including going to work or creating a family; where we remove the sense of despair and loss and a sense of failure with success, with a sense of opportunity, with a sense of progress, with a sense of growth.

We embrace in this bill a policy that encourages an American work ethic. We say that community service is very important to build our own communities. People in public housing deserve to live in peaceful enjoyment in their own apartments just like other Americans. We screen out people who are violent criminals. They will not even get a first strike. They will not get into public housing. For people who disrupt other tenants in the halls, they will be removed from public housing.

We say to public housing authorities that work well and to the successful public housing authorities that they will be rewarded with more flexibility. We are going to trust them. We are going to reject the immorality of rewarding failure and penalizing success. We will look at public housing authorities that have been doing a poor job year after year after year and say, ''No more.'' No more are we going to throw good money after bad. And, in fact, we are going to expect performance. We are going to expect that our dollars are going to be used effectively. We are going to expect that people will have a chance to be transformed. We are going to expect that good tenants and good neighbors are going to be embraced and celebrated.

This bill is every principle that we say as Americans we support. I have had the opportunity to visit many housing authorities in many urban areas. In New Orleans I spoke with a cabdriver who came from the very housing authority that I was going to visit and refused to take me there because he said it was too dangerous for me. Yet children are expected to grow up there. Families are expected to be formed there. Lives are expected to be nurtured there.

That is not right, Mr. Speaker. This bill marks a pivotal point in transforming those housing authorities. In Chicago, which I visited 4 years ago, there are the Robert Taylor Homes, with broken windows and garbage in the hallways and drug addicts controlling hallways, broken playgrounds, abysmal maintenance, money wasted, nobody working. Four years later, that reality is still the same.

This bill marks the turning point. This bill embraces a sense of change, of transformation, of expecting success, of not tolerating family deterioration, of embracing accountability and responsibility.

Mr. Speaker, I feel passionately about this. I feel passionately about the House success in making this happen, because I know in my heart that without this bill, the Quality Housing and Work Responsibility Act being on this VA–HUD bill, we would not be at this point. We would not have the parties at the table. We would not have agreement, and we would not be able to promise the change and improvement and opportunity that we are going to promise to public housing residents throughout America.

So, I urge passage. I thank my colleagues. I thank the House leadership for their extraordinary efforts on our behalf. I thank the gentleman from New York (Mr. LEACH), chairman of the full Committee on Banking and Financial Services, for his trusting me and his help throughout the process. And again, I want to thank Mr. LEWIS (of California) my colleagues on the Committee on Appropriations for their patience and for their leadership.

TITLE V OF THE FY99 VA/HUD APPROPRIATIONS CONFERENCE REPORT, ''THE QUALITY HOUSING AND WORK RESPONSIBILITY ACT OF 1998'' SUBTITLE SUMMARY OF MAJOR PROVISIONS

The short title of the bill is the Quality Housing and Work Responsibility Act of 1998. The bill removes disincentives for residents to work and become self-sufficient, provides rental protections for low-income residents, deregulates the operation of public housing authorities, authorizes the creation of mixed-finance public housing projects, and gives more power and flexibility to local governments and communities to operate housing programs.

Generally provisions are effective for Fiscal Year 1999. Specific provisions are made effective for Fiscal Year 2000 primarily due to budgetary impact.

SUBTITLE A—GENERAL PROVISIONS

Declaration of Policy and Public Housing Agency Organization. States that it is the policy of the United States to assist States and political subdivisions of States to remedy unsafe housing conditions and housing shortages and to vest in public housing agencies (PHAs) the maximum amount of responsibility and flexibility in program administration. Recognizes that the Federal Government cannot through direct action alone provide for the housing of every citizen, but must promote the independent and collective actions of private citizens to develop housing and strengthen neighborhoods.

Requires that the board of directors of a PHA include at least one resident of assisted housing (who may be elected by the residents, if provided in the PHA plan). Exceptions to the requirement are (1) where the PHA is required by State law to have a salaried, full-time Board of Directors, or (2) where a PHA oversees less than 300 public housing dwelling units and no resident has agreed to serve on the Board.

Minimum Rent. Provides that a public housing authority may establish minimum rental contributions of not more than $50 per month. Establishes certain mandatory financial hardship exemptions from the requirement.

Determination of Adjusted Income and Median Income. Defines ''adjusted income'' for purposes of this Act to mean the difference between the income of the members of the family residing in a dwelling unit or the person on a lease and the amount of any income exclusions—some of which are mandatory—for the family as determined by HUD. Mandatory exclusions are for: (1) elderly and disabled families ($400); (2) medical expenses; (3) child care expenses; (4) allowance for minors residing in the household; (5) certain child support payments; (6) spousal support expenses, (7) earned income of minors. PHAs may establish other permissive exclusions, such as for excessive travel expenses, for example.

A twelve-month mandatory income disregard is established for persons who have been unemployed for 1 or more years and who obtain employment, whose income increases as a result of participation in a family self-sufficiency or job training program, or who was within six months assisted under any State program for temporary assistance for needy families (TANF).

Family Self-Sufficiency Program. Transition provisions which maintain the Family Self-Sufficiency requirements for vouchers currently used by PHAs in such programs, maintaining current obligations but eliminating program requirements prospectively.

Public Housing Agency Plans. Requires each PHA to submit a plan, composed of an initial five-year plan showing the PHA's statement of needs and goals for that period (updated every five years), and a moral detailed operating plan, which shall be submitted annually. The contents of the annual plan (which may be submitted as part of a comprehensive housing affordability strategy) much include, among other things, information on the housing needs of the locality, population served, method of rent determination, operations, capital improvements, unmet housing needs of families with incomes less than 30 percent of median, homeownership efforts, and efforts to coordinate the program with local welfare agencies and providers and other items. One or more resident advisory boards must be established by the PHA, and the plan must be developed in consultation with the resident advisory boards. The Secretary may grant waivers from some of these requirements for PHAs managing less than 250 units.

Discusses the standards by which the Secretary may review PHA plans, notice of approval or disapproval, treatment of existing plans, and authority of a public housing authority to amend plans. Enhanced rulemaking procedures are required to ensure sufficient participation by public housing agencies and other appropriate parties in developing HUD regulations governing the plan.

Community service and family self-sufficiency requirements. Requires adult residents of public housing to contribute no less than 8 hours of work per month within the community in which the adult resides, or to participate on an ongoing basis in an economic self sufficiency or job-training program. Annual leases are required in public housing. Annual compliance reviews are required for the work requirement, and leases shall not renewed unless a resident is in compliance with the work requirements. Exceptions from community work are provided for working families, senior citizens, disabled families, persons attending school or vocational training, or physically impaired persons. PHAs may administer work requirements through resident groups or third-party nonprofit organizations.

Income Targeting. Forty percent (40%) of public housing units are reserved for families whose income do not exceed 30 percent of area median income (''AMI''). Seventy-five percent (75%) of Section 8 vouchers shall be reserved for those whose income does not exceed 30% AMI. A PHA shall be able to reduce targeting requirements in its public housing program, with regard to specific projects that are located in poverty census tracts, by offsetting increases (on a one-for-one basis) in Section 8 targeting (''fungibility''). A floor of 30% is established in public housing, so that reductions in public housing targeting levels will not result in less than 30% of public housing being reserved for those at or below 30% of area median income. Current law requirements are maintained for Section 8 Project-Based projects, but targeting is reduced to the same as in public housing (40%) of those under 30% of AMI). Targeting changes are effective upon enactment of the Act.

PHAs are prohibited from concentrating the poorest families only in certain developments. A PHA is required to submit with its annual plan an admissions policy, for review

by HUD, designed to encourage income-mixing of residents. PHAs may offer incentives in connection with such admissions plans. Certain income and eligibility restrictions may be waived by an authority that provides units to police officers, law enforcement and security personnel.

Repeal of Federal Preferences. Permanently repeals imposition of federal preferences. Appropriations acts have repealed such provisions annually.

Joint Ventures and Consortia of Public Housing Agencies. Authorizes PHAs to enter into consortia with other PHAs, or into joint ventures with third parties, to administer public housing programs or the provision of supportive or social services to public housing residents.

Public Housing Agency Mortgages and Security Interests. Authorizes PHAs to mortgage or grant security interests in any public housing project or property of the PHA, subject to terms and conditions prescribed by the Secretary. No action taken may result in any liability to the Federal Government.

SUBTITLE B—PUBLIC HOUSING

Public Housing Capital and Operating Funds. Provides general parameters for developing capital and operating funds for distribution of funding to PHAs. Funding for the Capital Fund is $3 billion for FY 99 and such sums as may be appropriated annually thereafter through FY 2003. Funding for the Operating Fund is $2.818 billion for FY 99 and such sums as may be appropriated annually thereafter through FY 2003. Mandates that such formulas include a factor that would reward superior performance by PHAs.

Beginning in FY 2000 and thereafter, PHAs shall have the ability to use up to 20 percent of their capital grants for PHA operations. Beginning in FY 99 and thereafter, PHAs with less than 250 units are afforded full flexibility between operating and capital funds.

PHAs that receive income from non-rental sources may retain and use such amounts for the benefit of low-income housing purposes without any decrease in the amounts otherwise received by the PHAs under this section.

Total Development Costs. Deletes from the calculation of total development costs the costs associated with demolition of public housing projects, or the costs of remediation of environmental hazards associated with public housing units. Excludes HOME and CDBG funding from total development cost limitations.

Family Choice of Rental Payment. Families residing in public housing will have a choice as to whether they would rather pay a flat rent for a unit, to be established by the public housing authority for each unit in its inventory, or to pay no more than 30% of the family's adjusted income as rent. The purpose is to allow public housing authorities to create rental structures that would reflect the asset value of the unit, similar to the private rental market and which would remove disincentives to families obtaining employment and achieving self-sufficiency, while maintaining income protections for the residents.

Site-Based Waiting Lists. A PHA is given authority to establish site-based waiting lists notwithstanding any other HUD handbook or regulation, provided such site-based waiting list is in compliance with civil rights laws.

Pet Ownership. Residents of public housing may own one or more common household pets subject to the reasonable requirements of the public housing agency and in accordance with state and local laws and regulations.

Conversion of Public Housing to Vouchers. Permits public housing authorities, in accordance with the PHA plan, to move toward a voucher program for certain buildings after a cost-benefit analysis of maintaining and modernizing the building as well as an evaluation of the available affordable housing. Mandates that a one-time cost assessment be done of every public housing project within two years of the date of enactment of the Act to determine the relative costs of converting the project to vouchers versus maintaining it as public housing.

Transfer of Management of Certain Developments to Residents. Allows residents or non-profit resident management corporations to assume the responsibility of managing or purchasing a development. Allows a public housing authority to contract with a resident management corporations to manage one or more developments.

Homeownership. Authorizes PHAs to design homeownership programs for sale of public housing units to public housing residents, to entities for resale to residents or other low-income persons, or directly to low-income persons. There is a downpayment requirement, the amount of which is determined by the PHA, for the purchase of any unit to be provided by the purchasing family. Resale restrictions are imposed on purchasers for five years after sale to prevent purely speculative purchases. Homeownership programs under this section are not subject to the demolition or disposition requirements. Allows high-performing PHAs to use proceeds from disposition of scatter-site public housing to purchase replacement scattered-site housing which will be considered public housing.

Required Conversion to Tenant-Based Assistance. Contains a mandatory conversion provision requiring PHAs to provide housing assistance in the form of vouchers in lieu of continuing to subsidize certain distressed developments. Requires notification of tenants in public housing developments subject to conversion and provides them tenant-based housing assistance or occupancy in a unit operated or assisted by the PHA. Authorizes the Secretary to determine whether a PHA has failed to comply with this subsection and, in such case, to withdraw funding from the development.

Mixed-Finance Public Housing. Provides authority for PHAs to develop mixed-financed projects, which may include projects containing some public housing units with non-assisted market rate units. PHAs may provide assistance to such developments from operating or capital funds, in accordance with regulations established by the Secretary of HUD, in the form of grants, loans, guarantees, or other forms of investment in the project. Allows PHAs to deposit certain grant funds in escrow accounts for use as collateral in connection with certain tax credit development financing.

SUBTITLE C—SECTION 8 RENTAL AND HOMEOWNERSHIP ASSISTANCE

Merger of Certificate and Voucher Programs. Merges and consolidates the Section 8 certificate and voucher programs. Allows PHAs to establish a set of local preferences based on local housing needs and priorities. The screening and selection of tenants shall be the responsibility of the owner. PHAs are given the power to terminate contracts with owners who fail to evict tenants that engage in activity which threatens the health, safety or peaceful enjoyment of the premises of other tenants or that is drug-related or violent criminal activity.

Administrative Fees. For FY99, sets administrative fees for public housing authorities at 7.65 percent of grant amount for the first 600 units at fair market rent for a two bedroom and 7.0 percent of the grant amount for all units in excess of 600. The Secretary may increase this fee in certain circumstances.

Advance Notice to Tenants of Expiration, Termination or Owner Non-renewal of Assistance Contracts. Authorizes a Section 8 owner and HUD to enter into a five-year renewal agreement, whereby the owner agrees to continue in the program each year for five years provided funds are appropriated. Owners who enter into five-year agreements with HUD are not required to provide annual notice to tenants. For owners who have not entered into five-year renewal agreements with HUD, they shall provide notice to tenants which shall include certain required information.

Homeownership Option. Allows public housing authorities to use funds under this title to assist a low-income families trying to attain homeownership through lease-purchase programs. HUD is authorized to establish a demonstration homeownership program.

Authorizations. Contains a specific authorizes for FY 2000 and 2001 of an amount sufficient to fund 100,000 incremental vouchers under this section for each of those years; authorizes such sums for FY 99 through FY 2003 for relocation and replacement housing, witness relocation, and other uses.

SUBTITLE D—HOME RULE FLEXIBLE GRANT DEMONSTRATION

Flexible Grant Program. Provides localities with substandard PHAs a ''home-rule flexibility option'' that would allow them great latitude to design and implement creative solutions to local problems. Jurisdictions with PHAs that rank in the lower 40% of HUD assessment scores are eligible to develop alternative housing programs and apply for waivers from certain existing program rules. PHAs classified as ''high performers'' under HUD assessment scores would be excluded from eligibility. HUD has discretion to approve programs from up 100 jurisdictions over four years (throughout 2002). HUD would enter into ''performance agreements'' with the jurisdictions setting forth specific performance goals.

SUBTITLE E—ACCOUNTABILITY AND OVERSIGHT OF PUBLIC HOUSING AGENCIES

Study of Alternative Methods for Evaluating Public Housing Agencies. Requires that a study be conducted of alternative methods to evaluate the performance of public housing agencies. HUD is to contract if possible with the National Academy of Public Administration (NAPA) to conduct the study. The findings are to be reported to Congress 12 months after execution of the contract.

Expansion of Powers for Dealing with PHAs in Substantial Default. Authorizes the Secretary to (a) solicit competitive proposals from other entities to manage all or part of the authority's assets, (b) take possession of all or part of the authority's assets, (c) require the authority to make other arrangements to manage its assets, or (d) petition for the appointment of a receiver for the authority, upon a substantial default by a housing authority of certain obligations. Mandates that after two years of being designated as a ''troubled'' PHA, the Secretary shall take one of the prescribed actions unless HUD determines that the PHA has improved its performance by more than 50% as measured by HUD assessment scores. The Secretary may provide emergency assistance to a successor entity of an authority. Allows an apponted receiver to abrogate contracts that impede correction of the default or improvement of the authorities classification, demolish and dispose of assets in accordance with this title, and create new public housing authorities in consultation with the Secretary.

Audits. Provides that the Secretary may withhold amounts from assistance otherwise payable to a PHS for purposes of paying the reasonable costs of conducting an independent audit of the PHA.

SUBTITLE F—SAFETY AND SECURITY IN PUBLIC HOUSING

Provisions Applicable to Public Housing and Section 8 Assistance. Provides that the National Crime Center, police departments, state law enforcement agencies designated as registration agencies under a state registration program, or other law enforcement agencies shall provide to the PHA upon its request information regarding the criminal background of an adult applicant for housing assistance. An applicant must be given an opportunity to dispute any such information. PHAs may be charged a reasonable fee for provision of the information.

Screening of Applicants. Provides that a family is ineligible for federally-assisted housing for three years if evicted by reason of drug-related criminal activity or for a reasonable time (as may be determined by the PHA) for other criminal activity. A PHA or owner of federally-assisted housing shall establish standards prohibiting admission of persons or families who the PHA reasonably determines to be using an illegal substance or whose use of illegal substances or alcohol would interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

A PHA or owner of federally-assisted housing may deny admission to any applicant household that, during a reasonable period prior to applying for housing assistance, had engaged in any criminal activity. A PHA or federally-assisted housing owner may require that an applicant household prior to admission authorize the PHA to obtain any relevant criminal records from the National Crime Information Center, police departments, and other law enforcement agencies.

Termination of Tenancy and Assistance for Illegal Drugs Users and Alcohol Abusers. Requires a PHA or owner or federally-assisted housing to establish safeguards and lease provisions allowing termination of assistance to residents who the PHA or owner determines to be engaging in the use of a controlled substance or whose illegal use of a controlled substance interfers with the health, safety, or right to peaceful enjoyment of the premises by other residents.

Ineligibility of Dangerous Sex Offenders. Requires that owners prohibit admission to federally assisted housing to any household that includes any individual who is subject to a lifetime registration requirement under a State sex offender registration program.

SUBTITLE G—REPEALS AND RELATED PROVISIONS

Repeals Relating to Public Housing and Section 8 Programs. Repeals numerous obsolete individual public housing grant programs and authorities.

Amendments to Public and Assisted Housing Drug Elimination Act of 1990. Amends certain provisions of the Anti-Drug Abuse Act of 1988, which allows the Secretary of HUD to make grants for use in eliminating crime in and around public housing and other federally assisted low-income housing projects. An authorization of $310 million is provided for FY 1999, and such sums as may be appropriated through FY 2003.

Treatment of Occupancy Standards. Prohibits HUD from Establishing a national occupancy standard. Mandates that HUD publish by Notice in the Federal Register the contents of a HUD memo (the ''Keating Memorandum'') setting forth HUD's standards for enforcement with respect to discrimination complaints involving familial status.

Income Eligibility for HOME and CDBG Programs. The HUD Secretary shall within 90 days of enactment of the Act grant for not less than 10 jurisdictions exceptions to the limitations based on percentage of median income applicable to those jurisdictions under the HOME and CDBG programs.

Use of Assisted Housing by Aliens. Makes certain technical drafting corrections to the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (the Immigration Reform Act). The corrections are necessary to prevent a PHA from having the option not to enforce the provisions of the Immigration Reform Act contrary to the intent of Congress.

Protection of Senior Homeowners Under Reverse Mortgage Program. Permanently authorizes HUD's reverse mortgage program and establishes a limit of 150,000 mortgages. Requires that the Secretary consult with consumer groups to identify alternative approaches to providing consumer information regarding home equity conversation mortgages. Provides that HUD shall develop restrictions to prevent the elderly from being defrauded by third-party financial advisors. The Secretary is required to issue rules that would ensure that the mortgagor does not fund any unnecessary or excessive costs of obtaining the mortgage, including costs for estate planning, financial advice, or other related services.

Native American Housing Assistance. Makes technical amendments to the Native American Housing Act of 1996.

Amendments to Rural Housing Programs. Simplifies and expands Single Family Loan Guarantee Homeownership Program by basing homeownership opportunity solely on individual income, up to 115 of Area Median Income rather than area loan limits. Authorizes a permanent extension of undeserved areas program that requires a 5% set aside of rural housing programs for undeserved areas. Preference [current law] for these area will be given to projects where poverty is 28% or greater and where 13% of the housing is substandard.

Authorizes permanent extension of Section 515 program (Rural Multifamily Direct Loan Program) of rental housing for very low, low and moderate income families, the elderly and disabled in rural areas through direct government loans to eligible borrowers to construct or to acquire and rehabilitate rental housing.

Authorizes permanent extension of non-profit entities that requires that 9% of Sec. 515 funds be allocated to non-profit groups.

Authorizes permanent extension of Sec. 538 program (Rural Multifamily Loan Guarantee Program) to allow the USDA Secretary to guarantee eligible loans for the development of rural rental housing.

Requires the USDA Secretary to guarantee rural multifamily loans (Sec. 538) where funds from tax-exempt bond financing are involved and therefore expands the base of funds a group may use to leverage funding for rural multifamily housing.

Expands non-profit participation in Sec. 514—Farm Labor Housing by making limited dividend partnerships, controlled by non-profit corporations, eligible for farmworker housing loans and therefore expands the base of funds a group may use to provide farmworker housing.

Eases rules on Farm-Labor Housing and Rental Assistance by permitting seasonally operated farmworker housing projects to be funded on an operating basis and therefore eases paperwork burden by permitting project rents to be based on the area income of farmworkers rather than individual income.

Reauthorization of National Flood Insurance Program. Authorizes homeowner's flood insurance by extending authorization of the National Flood Insurance Program (NFIP) for homeowners through FY 2001.

Extends emergency implementation of NFIP to the end of 2001 by allowing certain communities lower flood premiums while in the middle of implementing mitigation and other flood control plans that ultimately reduce the community's risk for flooding.

Assistance for Self-Help Housing Providers. Expands competition of Self-Help Housing Program (SHOP) by requiring HUD to make self-help housing program nationally and regionally competitive. [Program provides funds for infrastructure and land acquisition to groups who sponsor self-help housing programs. Program started in FY 1996 with $40 million, assisting over 4,000 homes at an average government cost of $10,000 to provide homeownership.]

Extends time to complete FY96 SHOP projects by extending from 24 months to a total of 36 months the time grantees may use funds under this program to build housing. Extends SHOP program for FY 1999 and FY 2000 by granting two year extension.

Special Mortgage Insurance Assistance. Updates underutilized FHA program for high-risk borrowers by providing limited mortgage insurance for high-risk borrowers who participate in CDFI led pre- and post-purchasing counseling for mortgages under $70,000 and requires participation through a certificed CDFI who will share in any losses incurred.

Mr. STOKES. Mr. Speaker, I yield 15 seconds to the gentleman from Massachusetts (Mr. KENNEDY).

Mr. KENNEDY of Massachusetts. Mr. Speaker, I just wanted to acknowledge the tremendous work, and one of the great aspects of working in the Congress is to see the tremendous diligence and dedication of the staff,. I particularly want to thank Angie Garcia and Rick Maurano from the Committee on Banking and Financial Services for their hard work on the housing bill. Also, Scott Olson from my own staff, who has really worked very, very hard on this bill, and also Del Davis and David Reich for the hard work that they have done to continue to protect the interest of the poor who occupy our housing units.

Mr. STOKES. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. LAFALCE), the ranking member on the Committee on Banking and Financial Services.

(Mr. LAFALCE asked and was given permission to revise and extend his remarks.)

Mr. LAFALCE. Mr. Speaker, I thank the gentleman for yielding me this time very much.

Mr. Speaker, I rise in support of the conference report providing appropriations to VA–HUD and Independent Agencies for fiscal year 1999. First of all, I, too, want to join in the plaudits of the gentleman from Massachusetts (Mr. KENNEDY) for the tremendous staff work that we have received on this bill from both sides of the aisle, and he has enumerated the individuals.

As on every bill, there are some individuals in the Congress who are deserving of special attention. Certainly the gentleman from California (Chairman LEWIS), the gentleman from Ohio (Mr. STOKES) the ranking member, certainly

also the gentleman from New York (Mr. LAZIO) and the gentleman from Massachusetts (Mr. KENNEDY).

I point out in particular the work of the gentleman from Ohio (Mr. STOKES) and the gentleman from Massachusetts (Mr. KENNEDY), not because they are partisans on my side of the aisle, but because they will be leaving Congress this year, and this legislation can stand as one of the most significant hallmarks of their work here, something of which they can be very, very proud.

We would also be remiss if we did not acknowledge the tremendous impact and influence and tenacity of the Secretary of Housing and Urban Development, Secretary Cuomo, in attempting to come up with a bill that everyone could support. If it were not for that tenacity, that doggedness, that perseverance, we would not be standing here today as we are. So I applaud him, too.

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There are many reasons to support this bill. Core HUD programs, such as the modernization program for public housing; the Section 8 incremental account; the McKinney homeless programs, all receive needed increases. $42.6 billion is provided to veterans programs in benefits, $439 million more than requested by the administration. And the AmeriCorps program receives $22 million more than provided last year.

Most notably, however, the VA-HUD conference report includes landmark public and assisted housing reform legislation. The legislation, which was a product of months of bipartisan negotiations between Members of the House Committee on Banking and Financial Services and the Senate Committee on Banking, Housing, and urban Affairs, represents a balance between the need to reduce the concentration of very poor families living in public housing and the necessity to preserve adequate housing assistance for the very poor. I think that balance was achieved, in part because the authorizers agreed to establish targeting requirements that far exceed the provision in the original House-passed bill, H.R. 2, which I had to oppose. That balance, however, was enhanced by the work of the appropriators to fund new units of Section 8 assistance for those with families working to move from welfare to work. I do not think we would have had an adequate balance without those additional units of Section 8 housing.

Today, I rise in support of the conference report providing appropriations to VA–HUD and Independent Agencies for fiscal year 1999. As Ranking Member of the Banking Committee, there are many reasons to support this bill. Core HUD programs, such as the modernization program for public housing, the section 8 incremental account, and the McKinney homeless program, receive needed increases. $42.6 billion is provided to veterans programs and benefits—$439 million more than requested by the Administration. The Americorp program receives $22 million more than provided last year.

Most notably, however, the VA–HUD conference report includes landmark public and assisted housing reform legislation. The legislation—a product of weeks of bi-partisan negotiations between the House and Senate Banking Committees—represents a balance between the need to reduce the concentration of very poor families living in public housing and the necessity to preserve adequate housing assistance for the very poor. That balance was achieved, in part, because the authorizers agreed to establish targting requirements that far exceed the provision in the House-passed bill, HR 2, which I opposed. The balance, however, was further enhanced by the work of the Appropriators to fund new units of section 8 assistance for those with families working to move from welfare-to-work.

This balance, however, did not come easy. For years, the Congress has deliberated upon dramatic reforms to the public and assisted housing programs which serve over 4 million low-income, American families today. But today, I believe the four-year campaign of Congressional Democrats , the Administration, and tenant advocates against onerous rent reforms and irresponsible targeting levels has finally brought positive results. Policy issues of most concern to me and my Democratic colleagues—including maintaining affordable rents for tenants; reserving an adequate number of units of public and assisted housing for the poor; streamlining the administrative burdens on Public Housing Authorities (PHAs); and replacing dilapidated housing with sustainable, mixed income communities—have been resolved fairly and appropriately in this conference report.

For instance, the report targets 75 percent of section 8 tenant based housing and 40 percent of public housing for ''very poor'' families, those with incomes at and below 30 percent of the area median income. If a PHA has housing developments located in areas where there are high concentrations of very poor families, it may reserve up to 10 percent fewer units of public housing for the very poor as long as it increases the number of section 8 assistance reserved for the very poor from 75 percent to 85 percent. The conference report also provides that tenants may choose either an income-based rent of up to 30 percent of the tenant's adjusted income or a market-based rent. Protections for tenants who choose to pay a market-rate rent but then suffer a change in income making the market rent unaffordable, or who choose to pay an income-based rent and benefit from an increase in income, are also provided.

I do want to point out, however, that I would have preferred a less punitive resolution to the ''community work'' requirements promoted by my Republican colleagues. The conference report goes too far in making the requirement a condition of occupancy and authorizing a PHA to evict a tenant found in non-compliance. Certainly, I support encouraging all Americans to contribute to their community. But I cannot support an approach that could result in evicting families from public housing for failing to volunteer in their community.

I am also concerned that the conference report includes the Home Rule block grant that permits localities to apply to HUD to administer their public and assisted housing programs. Despite the fact that this provision was strongly opposed by PHA and without vocal support from the mayors or cities, the conference report permits 55 localities served by a troubled PHA and 45 localities served by a non-troubled, non-high performing PHA to apply to receive public housing operating and capital funds and section 8 funds directly and to administer comparable housing programs with such funds. I intend to closely monitor the implementation of this program to ensure that localities continue to serve as many families in need as possible and preserve the public and assisted housing stock as affordable housing.

Again, I want to express my appreciation to Secretary Andrew Cuomo and my colleagues on the Banking Committee—Chairmen LEACH and LAZIO, Ranking Member KENNEDY, Chairmen D'AMATO and MACK, Ranking Members SARBANES and KERRY—for working with me to develop a thoughtful and progressive public and assisted housing reform bill which I am proud to support.

Mr. LEWIS of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Iowa (Mr. LEACH), chairman of the Committee on Banking and Financial Services.

(Mr. LEACH asked and was given permission to revise and extend his remarks.)

Mr. LEACH. Mr. Speaker, I thank my distinguished colleague for yielding me this time, and let me just echo the comments of so many about the distinguished service of the gentleman from Ohio (Mr. LOU STOKES), whose friendship is much appreciated; as well as that of the gentleman from New York, (Mr. SOLOMON), who, through the Committee on Rules, has truly shaped the agenda of the last two Congresses.

Second, I would like to thank my good friend, the gentleman from California (Mr. JERRY LEWIS), for working with the authorizing committee in such a forthright way, in an appropriations context, which is a rather unusual circumstance but much appreciated.

Second, I would like to underscore, as the gentleman from Massachusetts (Mr. KENNEDY), the gentleman from New York (Mr. LAFALCE), and most of all, the gentleman from New York (Mr. LAZIO) have, that included in this appropriations bill is the Quality Housing and Work Responsibility Act of 1998, which represents the first major updating of our public housing laws since the depression.

This landmark legislation is one of the two or three most important issues before this session of this Congress. Outdated laws and programs are replaced with a new empowering approach for people in our smaller communities as well as our larger cities. There is much to be proud of in this bill, home ownership, local control, volunteerism, and empowerment, to name a few.

On a philosophical note, I am reminded of a speech given last year by the British Prime Minister Tony Blair. He stated: ''In the 1960s, people thought government was always the solution. In the 1980s, people said that government was the problem. In the 1990s, we know that we cannot solve . . . problems . . . without government, but that

government itself must change if it is to be part of the solution.''

Mr. Speaker, both the majority and minority members of the Senate and the House committees of jurisdiction, and as has been mentioned here, our extraordinary staffs, as well as the administration, led by Secretary Cuomo, worked tirelessly to craft a reasonable and responsible approach to reform public housing programs in a manner that I believe will achieve efficiencies at the Federal level and advantages at the local level, and empower some of the most needy in our society with the resources to become self-sufficient and to make decisions based on responsible choices.

The Quality Housing and Work Responsibility Act of 1998 makes necessary changes to be part of the solution. It symbolizes many things, not the least of which is that serious legislation can be considered during times of difficulties between the administration and the Congress.

Finally, let me just conclude by stressing again the extraordinary work of the gentleman from New York (Mr. LAZIO) in putting this bill together; the extraordinary thoughtfulness and cooperation of the ranking member, the gentleman from Massachusetts (Mr. KENNEDY); as well as the ranking member of the full committee, the gentleman from New York (Mr. LAFALCE); and, of course, the thoughtfulness of the gentleman from California (Mr. LEWIS); as well as the full committee chairman, the gentleman from Louisiana (Mr. LIVINGSTON).

I strongly urge support for this legislation. And I would be remiss if I did not say that I am very proud of this particular work product of this Congress.

Mr. STOKES. Mr. Speaker, I yield 2½ minutes to the gentleman from California (Mr. BROWN), the distinguished ranking member of the Committee on Science.

(Mr. BROWN of California asked and was given permission to revise and extend his remarks.)

Mr. BROWN of California. Mr. Speaker, I thank the gentleman very much for yielding me this time, and I will try to be brief.

I believe that we have before us an excellent bill, H.R. 4194, which, while not perfect, and no bill can be, goes a long way toward dealing with a lot of the problems which I have, particularly in my role as the ranking member of the Committee on Science. These problems involve NASA, the National Science Foundation, EPA research, and other related matters. Overall, the bill deals positively with all of these agencies, and I am proud to support the bill and acknowledge the fine work of my two good friends, the gentleman from California (Mr. LEWIS), and our ranking member, the gentleman from Ohio (Mr. STOKES).

I think perhaps more important than the matters that I have mentioned relating to the jurisdiction of the Committee on Science is the precedent set in this bill for approving authorizing legislation dealing with the housing problems that are the subject of this bill. This probably represents a greater degree of cooperation between authorizers and appropriators than we have seen in the history of this Congress. And by sheer coincidence, I spent part of my time in the last week drafting a revision to the rules of the House which would facilitate exactly what has been done in this bill, and it requires only rather minor changes in the wording of the rules. This will, of course, if appropriate, be brought up for discussion when we reorganize in the next Congress.

In addition to what I have already said, praising the overall impact of this bill, let me make special mention of the cooperation that I received from the committee in dealing with a small but I think significant program involving cooperative research between the U.S. and Mexico.

We have been working for a number of years establishing a joint U.S.-Mexico research foundation. And, of course, any time we try to do something new, we run into lots of problems. I would say that the work of the gentleman from California and the gentleman from Ohio has been critical to solving these problems, which are procedural in large part. The amount of money involved is not all that great. But I want to express my deep appreciation to them for their willingness to assist on this matter, and I am sure that the results will bear fruit that they will be proud of in improving our relationships with our neighbor to the south in future years. I look forward to continuing to work with them, assuming I am fortunate enough to be reelected in the years ahead.

Mr. STOKES. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Ohio (Mr. TRAFICANT).

(Mr. TRAFICANT asked and was given permission to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, I want to just take a few seconds to pay tribute. I missed an opportunity to pay tribute to a great American, a great marine, the gentleman from New York (Mr. SOLOMON), chairman of our Committee on Rules. And Godspeed. He is one of our greatest.

I want to pay tribute also to the chairman of this committee, and thank him for all the help that he has given my community and the Nation.

And I want to pay a special tribute to an individual who I consider to be one of the strongest legislators in the history of our Nation, the gentleman from Ohio (Mr. LOU STOKES), the first African American to be a cardinal in the Congress of the United States. Absolutely amazing. He is certainly one of the best.

Now, the business. I want to thank the committee for including the language of my bill, which will extend housing counseling services to veterans who are in danger of losing their homes. In addition to that, I want to thank them for the money for my community, hard-pressed, that will turn an old abandoned hospital into a community asset.

I also want to thank them once again for including ''buy American'' language, so that when these funds are spent, these agencies will keep in mind the fact that American taxpayers are American wage earners, and American wage earners are those who have American jobs. People have American jobs because Americans, as consumers, buy American products. And when our government buys, they should consider buying American.

So with that, in closing, I do want to make this last tribute on this appropriation bill to be handled by the distinguished Member, the gentleman from Ohio (Mr. STOKES). My community wants to thank the gentleman for all he has done for the Nation, for the State of Ohio, and for the 17th Congressional District of Ohio. Without a doubt, his legacy will long be remembered and felt here and he will be deeply missed.

I thank the chairman for all his help.

Mr. STOKES. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from New York (Ms. VELÁZQUEZ).

Ms. VELÁZQUEZ. Mr. Speaker, as the representative of one of this country's largest public housing populations, I strongly oppose this conference report. The public housing provisions in the agreement will only ensure that the difficult lives of the extremely poor become a nightmare.

Over the years, the nature of public housing has changed. Clearly, reform has become necessary. But the provisions in this report represent a significant departure from our national commitment to helping those most in need. This report simply gives up on housing the very poor.

A year ago, when the Republican leadership brought these provisions to the floor, they left little hope of a bright future for public housing tenants. Democrats fought hard and won on some points of basic fairness. Although this conference report eliminates some of the worst provisions in that bill, it still does not pass the compassion test.

Decent and affordable housing will remain out of reach for millions of the neediest families. People affected by this legislation are some of the most vulnerable members of society. Many of these families are working to become self-sufficient. We should be addressing those issues instead of unraveling one of our most vital safety nets.

My colleagues, if we are going to reform public housing, we must do so in a reasonable and compassionate way. Preserving rent limits and improved targeting are only a small step. The question we must ask ourselves is whether the poorest families are going

to be better off. The answer is clearly no.

I urge all of my colleagues to oppose this conference report.

Mr. STOKES. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas (Ms. SHEILA-JACKSON LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman for his kindness and for yielding me this time.

Let me pay special tribute to the gentleman from Ohio (Mr. STOKES) for the leadership that he has shown in Congress, and over this particular legislation that impacts so many Americans. We thank him for his leadership. And the gentleman from California (Mr. LEWIS), we thank him for cooperatively working with the gentleman from Ohio. They have been a dynamic team.

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I somewhat disagree with my good friend from New York on the pain of those living in public housing. Might I say that although there are some points of this bill that I certainly appreciate in this appropriations bill and agree with, but I do want to acknowledge that there are hardworking Americans in public housing, those who want to live at a higher level, and I am concerned that some of these elements may not do that. Frankly, I think the forced volunteerism certainly begs a lot of concern about putting something on one group of people because they happen to be in public housing.

I do applaud the fact of the reinstatement of the 1937 act which allows public housing residents to be hired. It is important, however, that we look to improve their working and living conditions. I am glad, however, of the $283 million for 50,000 new Section 8 vouchers. I encourage our community, the City of Houston, to use those vouchers. We have 10,000 families living on Section 8.

I also am glad that NASA is funded and particularly the Space Station. I think it is extremely important that we have continued research in support of the Space Station, the money tagged for minority research and education programs, and I am delighted that we are moving in that direction.

The National Science Foundation also will continue to be able to do its research and work extensively on teaching our children math and science and helping those teachers who need professional development.

For once we have recognized the value of the AmeriCorps Service. I thank the gentleman from Ohio and the House committee and this conference committee for understanding that young people are out there working to improve the lives of Americans. AmeriCorps has been finally funded so that those young people can go to college and help child care.

Lastly, Mr. Speaker, I say thank you for the veterans' support and thank you for the money for Covenant House that will help young people be housed in Texas. The runaways will now have a place to live because of the support of Covenant House in Texas.

I would ask the gentleman from Ohio to continue his good work and continue his good service.

Mr. Speaker, I rise today to voice my opinion on H.R. 4194, the VA–HUD–Independent Agencies Appropriations for FY 1999. Although the measure has some redeeming elements, I am still unhappy with some of the provisions.

First, this is a VA–HUD Appropriations bill, not a public housing authorizing bill. For the life of me I cannot figure out the why of the provision requiring unemployed public housing tenants to contribute eight hours of community serve each month to remain in public housing. The 13th Amendment of the Constitution states that ''Neither slavery not involuntary servitude will be permitted except for a punishment of crime where the party shall have been duly convicted.'' Forcing people into mandatory community service so that they can remain in public housing amounts to nothing less than slavery. This mandate would thrust this country back into the dark ages of slavery by encouraging forced labor of individuals who are down on their luck.

However, I am very relieved that as part of a deal with the Clinton Administration, we now have 50,000 new vouchers for Section 8 housing residents. In the city of Houston, there are approximately 10,000 families living on Section 8 assistance and approximately 15,000 families on the waiting list for Section 8 assistance. These additional vouchers in this bill are sorely needed to provide housing assistance to Americans with low incomes. This definitely makes this bill a lot more viable, especially for the Members who represent large urban areas where these needs are vast.

Although this bill continues our current trend of reducing NASA funding, I do appreciate the appropriations provided for this very important and very vital agency. By funding NASA at $13.7 billion, we will continue to viability of several important minority and gender-oriented programs. Also, $55,900,000 is tagged to fund minority research and education programs, $10,000,000 above the requested amount. Such appropriations are necessary and will insure the successful development of minorities and women in the fields of science and engineering.

The Appropriations Committee graciously raised the level of funding for other space-related programs. For instance, the funding for the Near-Earth-Asteroid budget was increased by $1,600,000. It is equally important that grater funds are provided for the Mars 2001 program, and the Life and Microgravity Science Department.

I also thank the Committee for providing funding for the National Science Foundation (NSF). We should always strive to continue advances in scientific research and development. The Committee has funded the NSF at $3.4 billion. Although the levels is $146 million below the Administration's request, it is good that we continue to support this significant Foundation. More specifically, appropriations for necessary upgrades and overhauls of important research and regulatory equipment are continued. Other provisions aptly address the NSF educational budget, which assists K–12 schools to teach their children about math and science. Funding for this budget is $10 million over last year's budget. However, I am concerned at the refusal of support of the Kyoto Global Warming Treaty. There are also some other research on the EPA that we must fix. The preservation of our environment is very important.

Finally, the budget for the Corporation for National and Community Service, better known as Americorps, was zeroed out in the House version of the bill. I was astonished at this move. Americorps has valiantly served our country during its short existence, and I hope that we will continue to support it. I believe that any program as positive as this, which highlights the American virtue of volunteerism and altruism, should be continued indefinitely. I am very pleased that the other body added the $426 million back in for 1999—equal to the 1998 funding.

I am also grateful that the Conference bill includes $42 billion in VA programs and benefits. This Report includes much needed funding for medical and prosthetic research, service connected compensation benefits and pensions, and major construction of veterans' facilities. I love our veterans, and I am glad that the Congress remains vigilant in taking care of those who have served our country through military service.

Lastly, I am very pleased that the funding for Covenant House has been added to the bill and $300,000 for the city of Houston. Covenant House Texas, located in Houston, is a non-profit agency which provides shelter and comprehensive service to homeless and runaway youths under the age of 21. There is a tremendous need for these programs in Texas, to serve at risk, young people who have had little in their lives in the way of basic education, career training, and independent living education. I thank both the chairman, Mr. LEWIS, and the ranking member, Mr. STOKES, and to all of the conferees for ensuring that this much needed program was included in the Conference Report.

Mr. STOKES. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. WAXMAN), the distinguished ranking member of the Committee on Government Reform and Oversight.

Mr. WAXMAN. Mr. Speaker, I thank the gentleman for yielding time.

When the VA–HUD appropriations bill was passed by the House in July, it contained numerous provisions in the accompanying report that were intended to interfere with the implementation of our environmental laws. In the legislation now before us, I see that the conferees have improved most of these anti-environmental riders. However, there is still some potentially damaging language in the bill and I want to mention some of these specific provisions.

The report urges EPA to start over in their efforts to clean up air pollution in our national parks. I understand this language was included by the Republicans at the request of coal-burning utilities in Colorado.

In the mid 1970s, there was growing public concern regarding air pollution clouding the beautiful vistas of our national parks. As a result, Congress directed EPA to address the problem in

the Clean Air Act Amendments of 1977. After a stalled effort, the program was improved and strengthened in 1990. Unfortunately, just as this program was finally beginning to be implemented, the program was stalled for 9 years by an anti-environmental rider attached to this year's highway bill. The language in the VA–HUD appropriations bill now adds insult to injury by urging EPA to start over and not encourage the States to even plan or think about addressing this serious issue.

There is language in this bill which is intended to prevent the reduction of mercury emissions from power plants until after the turn of the century. There is language which is intended to slant implementation of our pesticide safety laws in favor of pesticide chemical companies at the risk of public health. Additionally, there is language designed to interfere with the dredging of PCB contaminated sediments in our rivers and our lakes.

Mr. Speaker, I am somewhat comforted by the chairman's past assurances that this is all report language and is not binding on the agency. However, it is now up to Carol Browner, the Administrator of the EPA, to take the chairman at his word and to deal with or to ignore some of these harmful provisions. I am pleased that the bill before us is better than the one we passed through the House. I wanted to put in the RECORD some of my concerns.

Mr. LEWIS of California. Mr. Speaker, I yield myself such time as I may consume just by way of a brief reaction. I could not help but pay close attention to the comments of the gentleman from California, for he was expressing concern about report language in the bill, and we have discussed this before. He knows the relative impact of report language. But what he may not know is that for the riders he is really concerned about, we had serious discussions and negotiations and work with the Senator from West Virginia (Mr. BYRD) who was the key player involved in all of this and want to make sure we understand that he is a Democrat, that we recall that.

Mr. Speaker, I reserve the balance of my time.

Mr. STOKES. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Speaker, I rise to commend the conferees, especially the gentleman from California (Mr. LEWIS), the gentleman from Ohio (Mr. STOKES), the gentleman from Massachusetts (Mr. KENNEDY) and the gentleman from New York (Mr. LAZIO) for the outstanding work that they did on the housing report. Gone are the heavy-handed provisions that would have mandated community service for unemployed residents of public housing. In its place this bill requires either 8 hours of community service or 8 hours a month of participation in an economic self-sufficiency program. This is real problem-solving without the insensitive and stoic responsibilities to existing circumstances in public housing that we witnessed earlier in the process.

When I look at my congressional district in Chicago, where only 18 percent of the residents of Dearborn Homes are employed, where only 9 percent of the residents of Robert Taylor A are working; where only 9 percent of the residents of Stateway Gardens are working, there is clearly a need for job training. I believe that this is where we need to direct our focus. This is a most welcome undertaking and is proof positive of the type of agreements this body can reach. I thank the conferees for an outstanding piece of work.

Mr. STOKES. Mr. Speaker, I yield 1 minute to the gentlewoman from Florida (Mrs. MEEK), a hardworking and very dedicated member of the VA-HUD subcommittee.

Mrs. MEEK of Florida. Mr. Speaker, I thank our leader LOU STOKES who is retiring from Congress. I thank Chairman LEWIS. The two of them have what I have always described as a dynamic duo. With the fact that they work so well together as a member of that conference committee, the work was sometimes strenuous and caused us to have to make hard decisions, but they were good decisions.

At first I was a little bit dissatisfied with H.R. 2, but after the many compromises that were made, particularly those compromises that had to do with additional Section 8, also additional public service for the people who are in such distressed conditions, I want to give my full support to this conference report and hoping that the volunteerism that perhaps is forced on some of the residents will cause them to make this a virtue and work this into what they will give to society.

Mr. STOKES. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Tennessee (Mr. FORD).

Mr. FORD. Mr. Speaker, I rise in support of the conference report and to pay tribute to the leadership of this giant LOU STOKES, this gentleman and giant. The gentleman from Ohio deserves special praise for helping to produce today what will be his final VA-HUD appropriations bill. He was able to work with both the administration and his very able and amiable friend and chairman of the committee the gentleman from California to produce and craft a bill that includes a landmark housing reform package that provides opportunities, responsibilities, is less onerous and gives more autonomy to local public housing authorities.

The gentleman from Ohio is leaving a great legacy to this Congress. He has done so much to honor our veterans, to improve the lives of millions of Americans by expanding affordable housing, cleaning up our environment and advancing medical research in my district and districts around the Nation.

On a personal note, Mr. STOKES and Mr. CLAY and Mr. Dellums and Mr. RANGEL are like fathers to me. I have known them since I was a child. Aunt Jay and certainly Judge Stokes, and Chuck and Shelley and Lorie are like cousins. He will be missed not only by those of us in this House but those throughout this Nation. He is one that has provided me with great counsel and advice since being in the Congress and just on a very personal note, I want to say to my friend and uncle and father figure Mr. LOU STOKES, thank you for what you have meant to me, thank you for what you have meant to this Congress and thank you for what you have meant to this Nation. You are indeed a true patriot and you will be missed.

Mr. LEWIS of California. Mr. Speaker, I yield 1 minute to the gentlewoman from New Jersey (Mrs. ROUKEMA).

(Mrs. ROUKEMA asked and was given permission to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Speaker, I know there have been wonderful accolades given to the chairman and other members of the committee, the ranking member, and I want to join in that. I particularly want to commend the gentleman from New York (Mr. LAZIO) and the public housing provisions in this bill. Having been a member of the Banking Committee for a good number of years and the ranking member on the Subcommittee on Housing, I know what a giant step of reform this is. I want to commend them. But I especially want to reference the fact that the money was put in to deal with the veterans' needs in States like New Jersey and other States. After all, when our veterans served, they did not serve one region of the country or another. They served all Americans.

I just want to congratulate the committee for doing what is fair and right for all the veterans no matter what States they live in, and particularly for our veterans' hospitals in New Jersey.

Mr. Speaker, I rise today in strong support of the Conference Report for H.R. 4194, the VA, HUD Appropriations Act for FY 1999. This is a very good Conference Report with many strong aspects.

Public Housing.—This Conference Report includes H.R. 2, the Public Housing bill. I want to commend Chairman LAZIO for his strong leadership on this effort.

Our public housing programs have been a failure. For years I served as the Ranking Minority Member on the Banking Housing Subcommittee. While we made repeated attempts to address the waste, fraud and abuse inherent to our public housing system, this is the first time we have had a comprehensive plan offering effective solutions.

We have made great strides in reforming our welfare system in an effort to give people the hand up they need rather than a hand out. With the passage of this Conference Report, we move a step closer to completing the job of reforming our welfare system. These reforms are real and help people by giving public housing families the tools they need to achieve financial independence.

Ramapo.—In addition, I would like to thank the Chairman for his hard work and dedication. I would like to thank him and the Committee for including a grant to Ramapo College.

This grant will help to offset the cost of constructing a Center for the Performing and Visual Arts that will serve all the people of northern New Jersey.

Moderate Rehabilitation.—I would also like to thank the Chairman and the Committee for including language on Moderate Rehabilitation contracts. Moderate Rehabilitation properties are vital neighborhood assets in many lower income communities that hold neighborhoods together.

Veterans.—But, I would like to take the rest of my time to speak on an issue that is vital to the veterans of New Jersey and the Northeast. This Conference Report contains language that urges the Veterans Administration to provide for a one time credit of $20 million to the Veterans Integrated Service Network (VISN) Three, which serves veterans of New Jersey and the Northeast. This language is right and fair. The veterans served their country, and there should be no difference on their care and treatment according to state or regional locations. This Conference report puts the money back and brought equity for all our veterans.

A General Accounting Office (GAO) study revealed that the Network 3 returned $20 million for the Fiscal Year 1997 budget to the Veterans Administration national offices in Washington. According to the GAO, the Network 3 Director found ''no prudent use'' for these funds.

At the same time this money was returned to Washington, my office had numerous complaints from the East Orange and Lyons facilities. Most recently, a patient at Lyons Veterans Affairs Medical Center, which mainly serves psychiatric patients, was found dead after wandering off site unsupervised. He was missing for three days and found only 150 feet from the Hospital's administration building. It is also interesting to note that due to funding restraints, New Jersey's VA hospitals have eliminated over 240 jobs. It is obvious to me that the $20 million could have been spent in many prudent ways.

The crisis facing our veterans, brought about by implementation of the VA's new funding formula known as Veterans Equitable Resource Allocation (VERA), has negatively impacted funding of veterans' health care in New Jersey and the northeastern United States. New Jersey and the Northeast will lose millions of dollars over the next several years.

To save money, the VA has cut back on numerous services for veterans and instituted various managed care procedures that have the impact of destroying the quality of care the veterans receive. For instance, the VA has reduced the amount of treatment offered to those who suffer from Post Traumatic Stress Disorder (PTSD) and reduced the number of medical personnel at various health centers.

As a result of these cutbacks on top of the $20 million give away, there has been an erosion of confidence between veterans and the VA. This erosion threatens to destroy the solemn commitment that this nation made to its veterans when they were called to duty.

This credit of the $20 million will help to restore the confidence of our veterans in the VA. I call on the Secretary of the VA to act immediately on the Committee's direction after this bill is signed into law.

I thank the Chairman and urge adoption of this Conference Report.

Mr. STOKES. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. VENTO).

(Mr. VENTO asked and was given permission to revise and extend his remarks.)

Mr. VENTO. Mr. Speaker, I rise in support of the conference report.

Mr. Speaker, I rise in support of the Conference Agreement on H.R. 4194, the VA, HUD and Independent Agencies Appropriations for FY 1999.

Overall, I am supportive of the funding levels for the Veterans programs and for the Department of Housing and Urban Development. I have concerns about the wisdom of limiting the implementation of the Kyoto global warming treaty in the manner prescribed. It is short sighted to ignore the facts that are building on global warming and it is more short sighted for the United States not to be taking a lead role in the international community on these efforts to control greenhouse gases. So, although this bill has been tempered from what was in the House bill it is still overreaching. It is also regrettable that this bill contains hundreds of millions of dollars of earmarks among housing and environmental programs, continuing a usual pattern for this bill that I find less than appealing, with the limited funds available, the report picks winners and losers for such funds based on nonobjective criteria.

There is always too much to say about appropriations bills that cover the whole range of issues and programs that we have before us. That task has been multiplied by the inclusion of the authorizing legislation, H.R. 2, which has many provisions that I have worked on over the past few Congresses.

I do support the agreement brought together in this bill on H.R. 2. Because I have not had adequate time to study the nuances of all the language, I cannot unequivocally endorse the entire product. I remain concerned about the community work requirements and the inclusion of the Home Rule Flexible Grants Demonstration program in the agreement and have some concerns about the potential negative effect of public housing operating subsidy and modernization formulas that are as of yet, not created and therefore, untested. The final provisions are limited in scope and time and attempts to avoid duplication with other Federal requirements.

Nonetheless, I must praise those who came to this agreement for moderating the House bill which was extreme in its so-called reforms. From not repealing the 1937 Housing Act to providing much better targeting of scarce housing resources to the very poor, this agreement is a significant improvement and a reasonable compromise. The inclusion of this agreement today shows that Public Housing Authorities (PHAs) can be given flexibility without destroying the underlying protections for those in need of housing assistance: the Brooke amendment which limits families' rent contributions, and targeting of 75 percent of Section 8 assistance vouchers and 40 percent of public housing units to the very poor.

I am pleased that some form of the changes I had worked on for several years in Housing Authorization bills in the past three Congresses have been included in the agreement. In particular, I refer to the expansion of the Public Housing Drug Elimination Program (PHDEP) to a more comprehensive crime oriented program which had been called COMPAC. Section 586 of the bill does make amendments to PHDEP to assure that this program, already effective in many cities across the country, can be improved to include the eradication of drug-related and violent crimes, primarily in and around public housing buildings with severe crime problems. While not entirely including my COMPAC provisions that were in the House-passed bill, these changes will link community policing efforts and local anti-crime efforts with public and assisted housing security and crime reduction initiatives. I am concerned, however, that in lieu of an actual formula for distribution of the crime and drug elimination program funds to PHAs that apply and demonstrate security and crime reduction needs, there is only a preference for PHAs that have previously received funds under PHDEP with a small, undefined ''set-aside'' of funds for a ''class of public housing agencies that have urgent or serious crime problems.'' I believe the latter is an attempt to assure medium- to small-sized PHAs have an opportunity to receive funds even if they have not to date, and thus would not be subject to the preference for funds over the next four years. I would also hope that either in developing the preferenced set of PHAs and the special class of PHAs, that HUD will fairly allocate these funds across the country to PHAs like St. Paul that have received funding in the past, and to others that have needs that have not received PHDEP monies.

Thankfully, the agreement does not create the ill-advised Housing Accreditation Board that the House bill was to have foisted upon the system, regardless of whether it is necessary. The creation of a commission to study the effectiveness of current public housing performance assessment is a much better outcome and should be more useful and cost effective in the long-run than super-imposing a new government bureaucracy.

As the work of the appropriators, I wish to thank and commend the Conferees for including some relief, though not all that we hoped for, on the matter of tenant notification of the prepayment of a mortgage on the apartment building in which they live. As Members may recall, I offered an amendment to provide for 12-month of notice to affected tenants based on a Senate amendment accepted in the VA–HUD bill. However, the amendment was out of order at that time as it was legislating on an appropriations bill. Thankfully, we are over that hurdle by a long shot in this bill with extensive authorization to say the least. Since then, I have been working with my Minnesota colleague from St. Paul's sister city, Minneapolis, to ensure that tenants, state and local governments, and advocates have advance knowledge of prepayment, in part to enable them to the degree it is possible, to preserve the existing assisted housing. Without Preservation funding requests from the Administration and without the appropriations of funds for preservation, the real heavy lifting to keep affordable housing units isn't likely to be possible. I hope this policy path will change in the future. Until then, this notice is a small step forward to give tenants in states like Minnesota which has developed its own funding program for preservation the opporutnity to preserve a few buildings. I will continue to work to see that the federal government pulls its share of the weight on preservation and provides adequate funding by whatever means are available so that it is a true partner to the states and our citizens in this endeavor.

I am also very pleased that the Conference agreement has included an increase of the FHA loan limits: an increase in the floor to 48% of the Freddie/Fannie conforming loan limit that is almost as much as the 50% of the conforming loan amendment that I had offered successfully in the 1994 housing bill that died in the other body, and, an increase to $197,620 for the FHA ceiling that will help many middle income and first time home buyers in high cost areas. Both of these increases should be helpful to keep this program relevant in the market place and making it more responsive to the actual cost of building and buying a home in large and small, rural and suburban, urban and ex-urban real estate markets across the country. The five years delay in responding to the changes in the market speak to a need for autonomy for the FHA, administration so that the program is not hobbled by political limits. It is good to note, as well, the permanent authorization of the popular and proven FHA HECM program, better known as the Reverse Mortgage program for Seniors.

I do note that the Conference Agreement provides almost a billion dollars, or $975 million, for homeless assistance, thirty percent of which is targeted to permanent housing assistance. While I am pleased with that funding level for the HUD McKinney programs, I do regretfully note that the FEMA Emergency Food and Shelter Grant program has remained level funded at $100 million and would point out that the matching requirements have been diluted. Hopefully those who receive such funds will maintain their current efforts.

The Appropriations Conferees should be praised as well for the 50,000 incremental, or new, vouchers that this bill providing funding for. Democrats in the House have long been fighting for additional section 8 assistance, so it is indeed a good bill that can bring those new Section 8 vouchers to fruition. I would only note that I am a little concerned that many of those vouchers are earmarked for certain cities in a way that may not be what is reflected by actual need for the vouchers. Furthermore, the one-year commitment for the redefined vouchers continues to snowball into a larger commitment each year. Without a multiyear commitment the public and assisted housing sponsors have no clear long term policy from the Federal Government.

I would be remiss not to note the inclusion of $426 million of funding for the AmeriCorp program and $80 million for the Community Development Financial Institutions Fund, two Administration programs of which I am very supportive. As a supporter of the effective Neighborhood Reinvestment Corporation and its Neighborhood Housing Services, I am pleased at the $90 million allocation of which $25 million could be used for a pilot home ownership initative.

Mr. Speaker, it has been six long years since we have openly wrote a comprehensive housing policy measure for our nation into law. This product on balance is positive, but a weak substitute for what needs to be done our nation is on the CUSP of a Housing Crisis our Budget priorities and the agenda doesn't effectively deal with it. The Congress has been reduced to reacting to the crisis and while this measure is a positive step it is not the answer to the issue.

Nevertheless, I ask my Colleagues to support this Conference Agreement which has been tempered in many ways from the House-passed VA, HUD, and Independent Agencies appropriations bill that I could not support when it was considered earlier this year. Hopefully, we will see this kind of balanced and fair compromising as we continue to wrap up the appropriations bills this Congress, in the week ahead and beyond.

Mr. STOKES. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, this is a good bill. It has been a tough bill to craft. This bill is always a very tough bill to craft. Thanks to the leadership of the gentleman from California, we have crafted a bill that I can commend to all of the Members as being a good bill.

In closing, I want to take once again just a moment to say, we could not bring a better bill to the floor than this bill, the last bill on which I will be the ranking member of the committee.

JERRY, I want you to know, I am proud of this bill, I am proud of my association, of my friendship with you. It has been a great honor to serve with you. I am very proud to commend this bill to all the Members of the House.

Mr. Speaker, I yield back the balance of my time.

Mr. LEWIS of California. Mr. Speaker, I yield myself such time as I may consume. By way of closing the discussion on this bill, I first want to take a moment myself to express the same level of appreciation and respect to our very fine staff that was expressed by my colleague LOUIS STOKES earlier: Frank Cushing and Del Davis, Paul Thompson and David Reich, Valerie Baldwin, Fredette West; Jeff Shockey of my personal staff and Alex Heslop who have helped so extensively with this work. Tim Peterson and Dena Baron. And, of course, LOUIS, Arlene Willis had something to do with all this.

An item that may or may not be known by the gentleman from Ohio because in this world that we work in, there are no secrets, but you never can tell, we might have preserved one. Mr. Speaker, there is one matter that I do want to bring to the House's attention. It concerns my good friend LOUIS STOKES. For 24 years, the gentleman from Ohio has served on this subcommittee, what is now called the VA, HUD and Independent Agencies appropriations subcommittee, first as a member and then as chairman. While he is now ranking member, he will always be my chairman.

During that time, he has always been a strong supporter of veterans, and that is especially true for minority veterans. Among other things, LOUIS STOKES has worked to get the VA to reach out to minority veterans. He has worked to get VA to increase the number of minority employees in higher grades. He has worked to get the VA to make certain that more contract funds were available to minority firms.

LOUIS STOKES served honorably in the U.S. Army from 1943 to 1946. To honor and to recognize Congressman STOKES' long and distinguished career in support of veterans and veterans programs, the conferees on the VA–HUD appropriations measure have, I would say discreetly, my staff wants me to say secretly, agreed to rename the Cleveland VA Medical Center at Wade Park as the Louis Stokes Cleveland Department of Veterans Affairs Medical Center.

Mr. Speaker, I believe that all Members will agree that it is both fitting and proper to name the Cleveland Medical Center for our friend and colleague LOUIS STOKES.

Mr. FAZIO of California. Mr. Speaker, I rise in support of the conference agreement. I especially want to congratulate the gentleman from California, Chairman LEWIS, and the gentleman from Ohio, Mr. STOKES, the ranking member, for their evenhanded bipartisan work in putting together this difficult piece of legislation.

The bill has broad support from both parties and in both Chambers. In numerous ways this conference report addresses our nation's critical priorities and gives support to areas in need. This bill includes funding for the construction of a Greater Sacramento Urban League office on Marysville Boulevard in Del Paso Heights, California. This project will symbolize the renewal of hope and revitalization of one of northern California's most depressed areas.

According to the Sacramento Housing and Redevelopment Agency (SHRA), the area where this project will be suffers from an unemployment rate of 22% and a per capita income of only $5,551. Del Paso Heights is extremely economically depressed and suffers from a decaying infrastructure. The SHRA has also found that 31% of the residents receive AFDC and 40% live below the poverty line.

This earmark to help move the Greater Sacramento Urban League offices to this area can help turn these numbers around. Last year alone, 100 young people earned their G.E.D. from their Project SUCCESS program. 150 people graduated from their office technology program and 25 students earned certification as nursing assistants/health aides. Over 2,700 people have learned about HIV/AIDS prevention and personal responsibility. They have also helped over 1,000 people develop job readiness skills and placed 300 people in jobs.

I was also pleased to find that funding was made available for the new City of Citrus Heights, California. These needed funds will go towards the transitional costs that are associated when an area of this size becomes its own city.

In particular, these funds will be used for the continuation of the efforts of Citrus Heights to address and mitigate long term solutions to the problems that are priorities to the city and may not have been priorities to the county that they belonged to last year.

The County of Sacramento also received another year of funding for the Sacramento River Toxic Pollutant Control Program and the Combined Sewer System in the EPA section of the bill. These are vital multi-year projects that will help ensure the health and well-being of Sacramento's residents. Both projects are part of Sacramento County's long-range pollutant control plans, and I am pleased to have been able to support these projects over the past several years.

In short, this is a bill that is of benefit to my congressional district, my state and the entire

nation. I ask my colleagues to join me in supporting it.

Mr. DOYLE. Mr. Speaker, I rise today in support of H.R. 4194, the FY1999 VA/HUD/Independent Agencies Conference Report.

While there are many parts of this bill that I am proud to support, I am especially pleased that the Housing Opportunity and Responsibility Act, H.R. 2, was included in this Conference Report.

Mr. Speaker, it was not too long ago that the House considered and passed H.R. 2, which represents the first significant reform of public housing in several years. Among other substantial improvements, the bill eliminates many current obstacles that local housing authorities face in receiving funding. During the consideration of H.R. 2, I worked diligently with my fellow colleague from Pennsylvania Representative RON KLINK to successfully include the text of a bill we crafted, the Community Right To Know Act, as part of H.R. 2.

The Community Right to Know Act, H.R. 212, requires local public housing authorities to notify, and consult with, potentially impacted local governments when negotiating any settlement of, or consent decree for, significant litigation regarding public housing assistance from the Department of Housing and Urban Development (HUD). Thanks to our hard work and persistence, the House passed our bill in the form of an amendment unanimously, by voice vote last year.

When the House considers this Conference Report today, we will be requiring HUD to consult with local communities before they attempt to implement any housing program. This is especially important to my constituents in Allegheny County, Pennsylvania, where they have been working hard to implement the Sanders Consent Decree, a housing desegregation class-action lawsuit which involves HUD and the Allegheny County Housing Authority (ACHA).

The Consent Decree states that HUD, ACHA, and the plaintiff's attorney's will work to end alleged discriminatory housing policies in the County and distribute 100 public housing units throughout the County rather than concentrating them in blighted areas. Disputes stemming from the consent decree began early in the implementation process when HUD, ACHA, and the plaintiff's attorney's, as members of the Sanders Task Force, decided to schedule closed door meetings in which the general public was not invited.

To make matters worse, the Task Force does not include community leaders, private citizens, local officials or any Congressional Representatives and has made little or no effort to consult with citizens in developing their plans. As a result, the Task Force's initiatives are often ill-advised and poorly managed.

The Klink-Doyle ''Community Right To Know'' initiative would prohibit closed-door meetings and allow the public at-large to voice their concerns, comments and make suggestions as to how to implement consent decrees, and other HUD programs in the best possible manner. I am especially pleased that the House and Senate Conferees included this bill in this Conference Report.

This Conference Report is the product of a compromise between the Administration, the House and the Senate. I am proud to support this Conference Report and urge my colleagues to vote yes on H.R. 4194.

Mr. MORAN of Virginia. Mr. Speaker, I rise in support of the VA, HUD and Independent Agencies Appropriations bill.

I urge my colleagues to support this measure and I would like to express my appreciation to Chairman LEWIS and Mr. STOKES for crafting a bill that is both equitable and fair to veterans, homeowners and renters and supporters of cleaner environment.

It is never an easy task to establish the right priorities and funding levels for the Veterans Administration, the Environmental Protection Agency and the Department of Housing and Urban Development, but the conferees appear to have done so once again.

I would also like to express my appreciation for the spirit of compromise that was reached between the Administration, the authorizing committee and the appropriations committee on legislation that will substantially rewrite public housing programs.

Last year the House of Representatives passed H.R. 2, the Housing Opportunity and Responsibility Act, by a vote of 293 to 132. The public housing reforms contain key elements of H.R. 2, but are responsive to concerns raised by the administration and many low income housing groups.

I am especially pleased to see that all parties agreed to retain tough screening and eviction procedures that cover not just public housing but privately-owned publicly assisted housing.

As you know, I have a personal interest in the expedited eviction procedure.

Unfortunately, it took the tragic death of Alexandria police officer Charlie Hill before HUD began to explore procedures to expedite the eviction of drug dealers from public housing projects. The police and the community knew who the drug dealers were, but every time they attempted to do something, they were stymied by the legal aid advocates. Fortunately, Alexandria was successful and the city's subsidized housing units are a far different place to live in today.

The expedited eviction procedure works but it needed to be strengthened further.

Today's legislation builds on past efforts by permitting housing authorities to access criminal records for screening and evicting tenants. It also extends these useful tools to private owners and managers of Section 8 housing.

Mr. Speaker, this is a good bill, it deserves strong bipartisan support.

Ms. DELAURO. Mr. Speaker, I rise in support of this conference report. I am pleased that it increases funding for veterans health, public housing, and services for some of our most needy citizens. I remain concerned that under the VERA formula, Connecticut veterans may face additional cuts in their health services, and I look forward to working with the VA and the rest of the Connecticut delegation to address this problem.

I am pleased that the report includes language which directs the Consumer Product Safety Commission to revisit its flammability standards for children's sleepwear.

In 1996 the CPSC voted to weaken the standards for children's sleepwear which protect children from being burned. Those standards, which had been in place for more than 20 years, required children's pajamas to be made from material which self-extinguishes if it catches on fire. The standards are credited with saving tens of thousands of children from injury and death.

The language in the conference report gives the CPSC the opportunity to examine all the data and revoke, modify or retain its weakened standard without waiting for the numbers of children burned to rise.

I am proud to join Congressmen WELDON and ANDREWS, Fire Marshalls, Chiefs, and fire safety organizations from around the country in supporting this language and calling on the CPSC to return to its original, protective standard. This is truly a matter of life or death for many children, and I appreciate the assistance of Chairman LEWIS, Ranking Member STOKES, and all of the conferees in addressing this important issue.

Mr. CALVERT. Mr. Speaker, first, let me thank Chairman LEWIS and Ranking Member STOKES for their leadership in crafting this Conference Report.

As always, my good friend from California has presented this House with a bill that will improve the livelihood of our nation's veterans, preserve housing programs and maintain our commitment to scientific excellence at NASA, the National Science Foundation, and the EPA.

We are all aware of the Chairman's dedication to a healthy environment. By authoring the California Clean Air Act, Mr. LEWIS made possible the environmental advancements our region in southern California has experienced in recent years.

I share his dedication to clean air and a healthy environment. And I stand in strong support of the language in the Conference Report regarding the Administration's misguided Kyoto Protocol.

I went to Kyoto last December and talked to many of the international key players there. I was interested to hear from Chinese representatives that they had no intention of adhering to this international agreement.

Because China will become the number one emitter of Carbon Dioxide sometime in the next two decades, the treaty doesn't work.

I also held three hearings in my Science Subcommittee on Energy and the Environment before attending the conference. At those hearings, top climatologists told us that no clear scientific evidence exists indicating that there is human-induced global warming.

So, the treaty will not work and the science doesn't show that we need it. But that is not the only reason to support the language in the Conference Report.

I also support the language because it stops this Administration from implementing the Kyoto Treaty without Senate ratification. If they were able to do so they would be ignoring the sanctity of the Constitution.

If the President believes this treaty is good for America, let him send it to the Senate so it can be weighed on its merits in a full and open debate. That is what the Constitution demands.

Again, I thank Chairman LEWIS and Ranking Member STOKES for their excellent work on this Conference Report and urge a yes vote.

Mr. MCINTOSH. Mr. Speaker, the Kyoto Protocol is a bad deal for America. In the face of inconclusive science, this treaty goes too far, too fast, and involves too few countries. The fact is that, even if we stopped operating every car, truck, boat, train, and airplane in this country, the energy savings still would not be enough to meet the U.S. commitments under the Protocol.

Moreover, under this treaty, all of the burdens are imposed on the industrialized countries, while the developing countries enjoy all

the benefits. Huge emissions producers like China, India, South Korea, Brazil, and Mexico are totally excluded from any commitments. As a result, even if every developed country were to achieve its emissions reduction obligations, there still would be not net reduction in greenhouse gas emissions.

Without global participation, this country could well face crippling economic consequences: the elimination of millions of American jobs, significant increases in our energy prices, and deterioration of our standard of living. Given the scientific uncertainties, we don't need a Kyoto Protocol that hamstrings our future and leaves this country incapable of coping with real crises. Needless to say we cannot countenance any Administration attempts to make this treaty a reality before it is submitted to the Senate for advice and consent and before Congress can agree upon any necessary implementing legislation and regulations.

The Clinton/Gore Administration has recognized the Protocol's deficiencies and promised that it will not submit this treaty for ratification until there is ''meaningful participation'' by developing countries. Under Secretary of State Elizenstat also has repeatedly disavowed any intention of the Administration to implement the Protocol before it is submitted to the Senate.

But these assurances notwithstanding, EPA has taken actions that strongly suggest that the Administration may be trying to jump the gun on Congress and issue rules and regulations through the back-door. Take for example, EPA's attempt to cap carbon emissions in the Administration's electric utility restructuring plan. An internal Agency memorandum that was provided to my Subcommittee revealed that EPA saw this proposal as a ''concrete step to move forward domestically on global warming while continuing to work for progress internationally in follow-up to Kyoto.''

In a hearing before my Subcommittee, an EPA official also testified that the agency has the authority to regulate the carbon dioxide that we exhale every day as an air pollutant under the Clean Air Act, as if it were the same as other air pollutants, such as sulfur dioxide, nitrogen oxide, or mercury, that are already regulated.

We have to pass the bipartisan funding limitation in H.R. 4194 to put the breaks on back-door regulatory actions. We cannot allow EPA to make an end-run around fundamental democratic procedures to advance the Administration's social engineering.

The Kyoto Protocol is a fundamentally flawed treaty. Our only safeguard against this bad deal is our constitutional process of Senate advice and consent. The Clinton/Gore Administration must be held to its promises to Congress and the American public, while the treaty remains a ''work-in-progress,'' and while the Clinton/Gore Administration continues to ''explore'' ways to achieve ''meaningful participation.'' This is a global issue. ''Meaningful participation'' must mean global participation by all countries. We will settle for nothing less.

Mr. FRELINGHUYSEN. Mr. Speaker, I rise in support of this conference report and ask unanimous consent to revise and extend my remarks.

Mr. Speaker, I first would like to thank Chairman LEWIS, Congressman STOKES and the Subcommittee staff for their guidance throughout the year. As all of know this is the final VA, HUD Conference Report for LOU STOKES. Having served with LOU on this Subcommittee for four years I know that he will missed for his insight and knowledge of the vast array of issues that face this Subcommittee each year. LOU, you have made serving on this subcommittee a educational experience and I wish you all the best in your retirement.

Mr. Speaker, this conference report is a balanced one. It provides funding for many vital programs for our nation's veterans, for protection and preservation of our environment, for meeting the housing needs for our elderly and disabled and for scientific research and discovery.

In total this report provides over $93 billion for the Departments of Veteran Affairs, Housing and Urban Development and 17 independent agencies and offices. Nearly half of the bill's funding supports the Department of Veterans Affairs' efforts to provide health care, housing and benefits.

As a member of this subcommittee I am pleased that this bill provides increased funding for the VA Health Care System. However, I remain concerned over the way the VA has chosen to implement the Veterans Integretated Network System (VISN) and intend to continue to follow this implementation very closely. Funding has increased each year for the last three years yet some area networks are not seeing any increases and in fact are receiving cuts in funding and services. As implementation continues, I intend to make sure that the quality of care for our veterans continue at a very high level.

During subcommittee mark-up I offered report language, accepted by the Conference Committee, which would require the Veterans Administration to give back $20 million to VISN 3. These funds were wrongly given back to the VA Headquarters any my report language will rectify this situation. There is no doubt that VISN 3 can use this funding and I will continue to monitor this situation to see that the VA uses this funding to provide services to my state's veterans and does not divert this funding for administrative needs.

In addition to veterans funding, H.R. 4194 provides funding for the Section 811 program, housing for people with disabilities, at $194 million, $20 million more than the President requested and the Section 202 program, housing for older Americans, at $660 million, $501 million more than the President's request. Both of these programs are working extremely well at the Department of Housing and Urban Development and I am pleased that the Committee provided increased funding for them.

The conference report also continues a set-aside program that the Committee started two years ago to meet housing needs for people with disabilities. The Committee has included $40 million for tenant-based rental assistance to ensure decent, safe, and affordable housing in communities for low income people with disabilities. I am also pleased that the Conference Committee has included language to direct the Secretary of HUD to use his waiver authority to allow non-profit organizations to apply directly for these funds instead of through a Public Housing Authority. It is my belief that this change will provide better access to housing for more individuals with disabilities. I sincerely hope that Secretary Cuomo and I can continue our mutual goal of giving more individuals with disabilities the opportunity to live independently.

On another issue, this report includes an increase for the National Science Foundation. Specifically, the bill includes $3.7 billion for NSF, $242 million over last years funding level. This increase will go along way towards moving scientific research forward. Scientific research has been a high priority of mine since being named to the Appropriations Committee and I am pleased that the FY99 Conference Report continues to emphasis the importance of basic science research.

Finally, there continues to be a desperate need for Superfund reform and change. The program needs to be re-authorized and it needs to promote actual clean-ups based on sound science, not the rhetoric of political science. Polluters need to pay and steps need to taken to assure that public or private funds are used for environmental clean-up, not to sustain endless litigation. Comprehensive reform is needed in order to continue a strong viable program.

Mr. Speaker, this is a balanced conference report and it deserves our support. I urge my colleagues to adopt this conference report.

Mr. PAYNE. Mr. Speaker, I appreciate the opportunity to rise and say a few words to my friend and colleague, HARRIS FALWELL. In the short time that I have served as Ranking Democrat on the Education and the Workforce Subcommittee on Employer-Employee Relations, I have found him to be thoughtful in pursuit of bipartisan agreement and compromise. When I first assumed the ranking position on that Subcommittee, HARRIS extended himself to me as a gesture of his trademark comity and friendship. Although we come from ideologically different perspectives, I appreciated the fact that he was open to debate and discussion on many issues. In fact, he encouraged it.

One of the most rewarding experiences I had while working with Chairman FAWELL was when we collaborated to introduce the Savings Are Vital to Everyone's Retirement (SAVER) Act, which was enacted into law last December. He solicited and encouraged input from all of our colleagues with an interest in this issue. As a result of the bipartisan participation, this effort was successful in creating a number of initiatives, both public and private, aimed at increasing public awareness about the importance of preparing for retirement. This project culminated in the first White House Summit on Retirement Savings.

Because of his leadership and legislative achievements, he served the 13th Congressional District of Illinois with distinction. I wish Chairman FAWELL continued success in his next endeavor and look forward to working with him again.

Mr. KUCINICH. Mr. Speaker, I rise in support today for the NASA funding provided in this bill. Last year at this time, there were rumors floating that NASA's proposed budget was going to be cut by $1 billion in 1999. This would have seriously damaged NASA's programs. Mr. WELDON and I rallied support for NASA. 201 Members of Congress signed a letter to the Speaker arguing for stabilization of NASA's budget. The $1 billion dollar cut was avoided in the President's budget as a result of the overwhelming bipartisan support which NASA enjoys in the House.

Today, I am very happy to see an increase in NASA's budget to $13.7 billion. This is more than the President's request and more than

the House and Senate in the VA–HUD Conference Report. NASA is a government agency that looks to the future. For every dollar we invest in the space program, we receive a return of at least $2 in direct and indirect benefits. With the International Space Station program close to launch and assembly, it is crucial that NASA receives no further cuts. I am especially pleased to see that more money is included for aeronautics research and for life and microgravity sciences, research areas at NASA Lewis Research Center in my district.

NASA Lewis is NASA's Lead Center for Aeropropulsion and also a NASA Center for Excellence in Turbomachinery. Microgravity research in combustion and fluids is also performed at Lewis.

Mr. LEWIS of California. Mr. Speaker, I yield back the balance of my time, as I congratulate LOUIS STOKES on his fantastic career.

□ 1315

The SPEAKER pro tempore (Mr. BLUNT). All time having expired, without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

Pursuant to clause 7, rule XV, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 409, nays 14, not voting 11, as follows:

[Roll No. 483]

YEAS—409

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fazio
Filner
Foley
Forbes
Ford
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riley
Rivers
Rodriguez
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaefer, Dan
Schumer
Scott
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Towns
Traficant
Turner
Upton
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)

NAYS—14

Conyers
Crane
DeFazio
English
Hostettler
Lipinski
Paul
Petri
Roemer
Sanford
Scarborough
Schaffer, Bob
Sensenbrenner
Velazquez

NOT VOTING—11

Brown (CA)
Fawell
Kennelly
Linder
McHale
Moran (VA)
Poshard
Pryce (OH)
Riggs
Torres
Wilson

□ 1334

Mr. LARGENT changed his vote from ''nay'' to ''yea.''

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. BROWN of California. Mr. Speaker, during rollcall vote No. 483 on H.R. 4194 I was unavoidably detained. Had I been present, I would have voted ''aye.''

PERSONAL EXPLANATION

Mr. MORAN of Virginia. Mr. Speaker, during rollcall vote No. 483 on October 6, 1998 I was unavoidably detained. Had I been present, I would have voted ''aye.''

APPOINTMENT OF CONFEREES ON H.R. 4276, DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

Mr. ROGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4276) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1999, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore (Mr. BLUNT). Is there objection to the request of the gentleman from Kentucky?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. MOLLOHAN

Mr. MOLLOHAN. Mr. Speaker, I offer a motion to instruct.

The Clerk read as follows:

Mr. MOLLOHAN moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill, H.R. 4276 making appropriations for the Departments of Commerce, Justice, State, the Judiciary, and related agencies, be instructed to not concur in any Senate legislative provisions or any extraneous legislative provisions, which are outside the scope of Conference, which could have the effect of causing a Government shutdown.

The SPEAKER pro tempore. The gentleman from West Virginia (Mr. MOLLOHAN) and the gentleman from Kentucky (Mr. ROGERS) each will control 30 minutes.

The Chair recognizes the gentleman from West Virginia (Mr. MOLLOHAN).

Mr. MOLLOHAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have made the motion to instruct conferees on the Commerce, Justice, State appropriations bill. In order to make clear that on one this

side of the aisle is interested in shutting down the government and to point out that there are several major legislative provisions being discussed in the context of the conference on this bill, they could, if not resolved to the satisfaction of the President, cause a government shutdown.

I am confident that the gentleman from Kentucky (Mr. ROGERS), the most capable manager of this bill, does not intend in any way to cause such a shutdown. In fact, I have heard the gentleman from Louisiana (Mr. LIVINGSTON) and members of the Republican leadership in both Houses make similar statements.

The purpose of taking the time of the House today is to simply point out some of the hurdles that exist in getting this bill into signable form.

The Senate bill contained major new legislation addressing numerous legislative issues. There are other potential extraneous issues we have heard about which are currently not contained in either the House or the Senate bills.

It may be that necessary solutions can be found on all of these issues so that the President can sign this bill. However, in several instances, the administration has indicated its strong opposition to these provisions and at the moment I am not aware of any direct negotiations with them which could lead to a solution of these difficulties.

I do not make this motion myself to speak for or against any of these provisions. However, I am aware of strong opposition on the Democratic side to several of these matters. I have done it to make clear that this bill already has several difficult issues, such as census funding and funding for the Legal Services Corporation, that will be difficult to resolve.

The bill also funds critical law enforcement and international security related matters that should continue without the interruption inherent in a government shutdown. So let us agree on this motion and get to conference and work out our differences so that a government shutdown can be avoided.

Mr. Speaker, I reserve the balance of my time.

Mr. ROGERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as I read the motion, it indicates that the conferees should not take certain actions outside the scope of the conference which could have the effect of causing a government shutdown.

As far as I know, no one, Mr. Speaker, has the intention to take any action to cause a government shutdown; certainly not on this side. We are determined to do our dead level best to keep this government operating.

The Congress is not going to abdicate its responsibilities to legislate on behalf of the American people, but we will send bills to the President. If he chooses to shut the government down, that is his business. We are not going to precipitate that, so no one on this side is in favor of a government shutdown, and if additional time is needed to work out remaining issues, continuing resolutions will be proposed to assure that there is no government shutdown.

Mr. Speaker, with that understanding, I have no objections to the motion. In fact, I would join in the making of the motion and ask for an immediate vote.

Mr. Speaker, I yield back the balance of my time.

Mr. MOLLOHAN. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the motion to instruct.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from West Virginia (Mr. MOLLOHAN).

The motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs. ROGERS, KOLBE, TAYLOR of North Carolina, REGULA, LATHAM, LIVINGSTON, YOUNG of Florida, MOLLOHAN, SKAGGS, DIXON and OBEY.

There was no objection.

GENERAL LEAVE

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the motion to instruct, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

WAIVING REQUIREMENT OF CLAUSE 4(b) OF RULE XI WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS

Mrs. MYRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 575 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 575

Resolved, That the requirement of clause 4(b) of rule XI for a two-thirds vote to consider a report from the Committee on Rules on the same day it is presented to the House is waived with respect to any resolution reported from that committee before the legislative day of October 11, 1998, providing for consideration or disposition of any of the following:

(1) A bill or joint resolution making general appropriations for the fiscal year ending September 30, 1999, any amendment thereto, any conference report thereon, or any amendment reported in disagreement from a conference thereon.

(2) A bill or joint resolution that includes provisions making continuing appropriations for fiscal year 1999, any amendment thereto, any conference report thereon, or any amendment reported in disagreement from a conference thereon.

SEC. 2. It shall be in order at any time before October 11, 1998, for the Speaker to entertain motions to suspend the rules, provided that the object of any such motion is announced from the floor at least two hours before the motion is offered. In scheduling the consideration of legislation under this authority, the Speaker or his designee shall consult with the Minority Leader or his designee.

□ 1345

The SPEAKER pro tempore (Mr. BLUNT). The gentlewoman from North Carolina (Mrs. MYRICK) is recognized for 1 hour.

Mrs. MYRICK. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts (Mr. MOAKLEY), pending which I yield myself such time as I may consume. During consideration of this resolution, all time is yielded for the purpose of debate only.

Mr. Speaker, yesterday the Committee on Rules met and reported H. Res. 575 providing for expedited procedures in the House. The resolution waives clause 4(b) of Rule XI, requiring a two-thirds vote to consider a rule on the same day it is reported from the Committee on Rules.

The resolution applies the waiver to any special rule reported before October 11, 1998, providing for a consideration or disposition of a bill or joint resolution, making general appropriations for the fiscal year ending September 30, 1999, any amendment thereto, any conference report thereon, and any amendment reported in disagreement from a conference thereon.

The resolution also applies a waiver to any special rule reported before October 11, 1998, providing for consideration or disposition of a bill or joint resolution, making continuing appropriations for the fiscal year ending September 30, 1999, any amendment thereto, any conference report thereon, and any amendment reported in disagreement from a conference thereon.

Finally, the resolution allows at any time before October 11, 1998, for the Speaker to entertain motions to suspend the rules, provided that the object of any such motion is announced from the floor at least 2 hours before the motion is offered, and that in the scheduling of legislation under this authority, the Speaker or his designee shall consult with the minority leader or his designee.

Mr. Speaker, as we all know, we are in the last days of the legislative session. House Resolution 575, short and simple, allows the House to complete its work for the year in a timely manner.

House rule 27 normally limits House consideration of suspension bills to Mondays and Tuesdays. But now, in the final weeks of the session, there is no reason to put off noncontroversial legislation until next year.

In addition, H. Res. 575 allows for the same-day consideration of urgent appropriations bills. Without congressional action, the funding for many

Federal agencies will expire on October 9. While the House and Senate continue to negotiate spending priorities, it is important that the House be able to act immediately to pass any measure that keeps the government working for the taxpayers.

H. Res. 575 is a reasonable measure that will allow us to finish our work for the year on time.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I thank my dear friend, the gentlewoman from North Carolina (Mrs. MYRICK) for yielding me the customary half-hour.

Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the fiscal year started just 6 days ago and my Republican colleagues have not finished, have not finished, 9 of the 13 appropriations bills. So unless this Congress gets to work on something other than investigating, the Federal Government may end up closing up for business.

This rule will enable them to bring up appropriations conference bills and continuing resolutions more quickly, but it could reduce the amount of time that Members have to read through these bills before they go to a vote. But, Mr. Speaker, without martial law, conference reports have to be available for at least 3 days before they are considered on the House floor. Otherwise, we may have only moments to look over very important appropriations conference reports as they come up for votes, and as members of the minority party, that is just unacceptable.

Mr. Speaker, the rule we are considering today is limited to the appropriations conference reports and it is further limited to the end of this week. This rule will also enable my Republican colleagues to bring up suspension bills with 2 hours notice. Mr. Speaker, they asked for this authority last week and they promised 2 hours notice, and they kept their promise, and I feel that they will keep their promise this time.

Mr. Speaker, I reserve the balance of my time.

Mrs. MYRICK. Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana (Mr. MCINTOSH).

Mr. MCINTOSH. Mr. Speaker, I thank the gentlewoman for yielding me this time.

I rise today with some serious questions about this rule, chiefly focusing not on the question of suspensions which I think many Members would like to have in this what is hopefully our final week here; not on the question of most of the bills that will be coming out, but a question on what is being labeled the omnibus appropriations bill, the final, large bill that will supposedly wrap all of those that we have not been able to pass in this House and the Senate and have signed by the President into one large spending package.

In previous years, that bill has been used to negotiate a lot of different issues, some of them having to do with spending, some of them having to do with totally extraneous matters, some of them having to do with tax cuts, which this House passed a little over a week ago. Unfortunately, it appears to me that right now, the likelihood of that bill coming out in a way that Republicans, conservative Republicans in particular, can be proud about is very nil, because the President has already indicated he is looking for a veto fight. He is hoping to veto that large spending bill, as he has indicated he will do with the agriculture appropriations bill that was passed in this House last Friday, simply to have more spending and to have his priorities in the way this government is operated. Many of us fear that that may be only part of the motive for why he would veto that and possibly engage in a strategy where he might shut down parts of the government in order to have that type of disagreement over priorities in that bill.

Mr. Speaker, conservatives want to avoid that type of shutdown. We also want to avoid a bill that would give away many of the priorities that this Republican Congress has laid out in the last 8 months.

Let me mention for the body some of those priorities that are at stake in this bill. The reason I talk about this bill and the rule is this rule would waive the 24-hour notice for consideration of that bill. So I think it is important that we know what we may be waiving notice about in order to allow us in a rush to leave town to give up on some of these important policy issues.

The first would have to do with the spending caps that were negotiated last year in the budget agreement. There is already on the table proposals from somewhere between $9 billion to $15 billion additional spending beyond those caps. In the agriculture bill, we in this Congress spend $4 billion above those caps. The President in his veto message indicates he wants to spend an additional $3 billion or $4 billion. So the total will be somewhere between $15 billion and $25 billion in one year above the budget deal that was agreed to just one year ago.

The second issue is on IMF spending, whether we will provide funds for the IMF to the full $18 billion. These are technically loans, but many of us realize that they may never be paid back, and so therefore, the American taxpayer will be paying the bill.

Another key issue is what we do on the so-called Mexico City policy, the question of whether this government will spend United States taxpayer funds in order to support lobbying for abortions around the world.

A fourth issue that is of importance to us is whether we will have a policy of national testing in our schools or whether we will continue the policy that says, we cannot spend taxpayer dollars to develop that national test here in Washington; we see testing as better done by the States and local community schools.

Other issues of importance will be the choice provision in the D.C. bill that allows scholarships to go to parents here in the District of Columbia so that they can afford to send their children to a good school; the ban on needle exchanges in drug programs that this House has passed; the ban on adoptions by 2 unmarried individuals for the District of Columbia. The question of whether there will be parental notification, which this House has not yet been able to address because we have not been able to bring the Labor-HHS Appropriations bill to the floor, and we hear rumors that perhaps that will never come to the floor, it will be part of this omnibus bill, presumably without that parental notification provision that the committee put into its draft of that bill.

So there are many weighty issues that will be resolved in these final days in negotiations between the White House, the Senate, and the House leadership, and there are many of us who have grave concerns about how those issues will be resolved.

One of the things that we have as a concern about this rule is whether we will have sufficient time to know what it is we will be voting on in this final day of this session. How will those issues be resolved? Will we bust the budget caps? Will we give $18 billion to the IMF of American taxpayer dollars? Will we allow needle exchanges in this country? Those are issues that we need to know about before we can make our decisions on how to vote on that final bill.

So, Mr. Speaker, I have grave reservations about that provision in this rule that governs our processes for the remaining days of this session. As I say, the other provisions in it, particularly allowing suspensions to occur, I fully support, and those of us on the Conservative Action Team fully support. But I think we need to have answers on how we as a body will be notified about these contentious issues with enough time to make our decisions on how we would vote in the final days of this session.

Mrs. MYRICK. Mr. Speaker, I yield myself such time as I may consume to tell the gentleman that I share his concerns and very much hope that we can deal with those issues in a way that is satisfactory to all of us.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield back the balance of my time.

Mrs. MYRICK. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MOAKLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the

point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 218, nays 206, not voting 10, as follows:

[Roll No. 484]

YEAS—218

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Crapo
Cubin
Cunningham
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Quinn
Radanovich
Ramstad
Redmond
Regula
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—206

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Clay
Clayton
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gonzalez
Goode
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kildee
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Murtha
Nadler
Neal
Neumann
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—10

Calvert
Clement
Davis (VA)
Kennelly
Kilpatrick
Linder
Poshard
Pryce (OH)
Riggs
Stearns

□ 1418

Messrs. EVANS, HEFNER, and STRICKLAND, and Ms. WOOLSEY changed their vote from ''yea'' to ''nay.''

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mrs. WILSON. Mr. Speaker, on rollcall No. 483, I was inadvertently detained. Had I been present, I would have voted ''yes.''

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 483

Mr. HASTINGS of Washington. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 483.

The SPEAKER pro tempore (Mr. QUINN). Is there objection to the request of the gentleman from Washington?

There was no objection.

HASKELL INDIAN NATIONS UNIVERSITY AND SOUTHWESTERN INDIAN POLYTECHNIC INSTITUTE ADMINISTRATIVE SYSTEMS ACT OF 1998

Mr. HASTINGS of Washington. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 576 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 576

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 4259) to allow Haskell Indian Nations University and the Southwestern Indian Polytechnic Institute each to conduct a demonstration project to test the feasibility and desirability of new personnel management policies and procedures, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Government Reform and Oversight. After general debate the bill shall be considered for amendment under the five-minute rule. Each section of the bill shall be considered as read. During consideration of the bill for amendment, the chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. The chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Washington State (Mr. HASTINGS) is recognized for 1 hour.

Mr. HASTINGS of Washington. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the distinguished gentleman from Texas (Mr. FROST), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

(Mr. HASTINGS of Washington asked and was given permission to revise and extend his remarks.)

Mr. HASTINGS of Washington. Mr. Speaker, House Resolution 576 is an open rule which waives points of order against consideration of the bill.

The rule provides 1 hour of general debate equally divided between the chairman and ranking member of the Committee on Government Reform and Oversight.

The bill shall be considered by section and each section shall be considered as read. The rule authorizes the Chair to accord priority in recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD.

The rule also allows the Chairman of the Committee of the Whole to postpone votes during consideration of the bill, and to reduce votes to 5 minutes on a postponed question, if the vote follows a 15-minute vote.

Finally, the rule provides for one motion to recommit with or without instructions.

Mr. Speaker, this bill would authorize a 5-year demonstration project for Haskell Indian Nations University in Lawrence, Kansas, and Southwestern Indian Polytechnic Institute in Albuquerque, New Mexico, to exempt them from the majority of service civil law and allow them to develop alternative personnel systems. Also, the bill allows current employees who have at least 1 year of government service to maintain their Federal retirement, life insurance and health benefits.

The Committee on Rules has reported an open rule for this bill, Mr. Speaker, and I encourage my colleagues to support both the rule and the underlying bill, H.R. 4259.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, to date, the major accomplishment of the 105th Congress has been to rename Washington National Airport for former President Ronald Reagan. Now, 5 or 6 days away from adjournment, after this trailblazing session, we have sent only 2 of the 13 necessary appropriations acts to the President. Yet today, Mr. Speaker, we are going to consider a bill which was not subjected to hearings and which has virtually no chance of passing the entire Congress, much less gaining the signature of the President. But, at the very least, Mr. Speaker, we will be able to consider this bill under an open rule.

Mr. Speaker, H.R. 4259 was opposed by the Democratic members of the Committee on Government Reform and Oversight and deserves to be opposed when it is considered by the full House. The bill mandates that the only two federally-owned, federally-funded, and federally-operated institutions of higher education in the country, Haskell and Southwestern Indian Universities, establish demonstration projects to develop new personnel procedures. The demonstration projects would be entitled to exempt Haskell and Southwestern Universities from civil service laws covering leave and benefits, and would reduce the role of the Office of Personnel Management in the development of these demonstration projects to that of a consultant.

Mr. Speaker, because there were no hearings on this legislation, the proponents did not have the opportunity to establish a record to support the need for these special authorities. Nor was there an opportunity for the proponents to establish a record that might refute claims that this legislation would severely weaken the rights and protections currently available to the Federal employees of these two universities. Given the late date in our session, Mr. Speaker, I think the lack of a record on these points is reason enough to reject this legislation.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. SHIMKUS). Pursuant to House Resolution 576 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4259.

□ 1429

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4259) to allow Haskell Indian Nations University and Southwestern Polytechnic Institute each to conduct a demonstration project to test the feasibility and desirability of new personnel management policies and procedures, and for other purposes, with Mr. QUINN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Kansas (Mr. SNOWBARGER) and the gentleman from Maryland (Mr. CUMMINGS) each will control 30 minutes.

The Chair recognizes the gentleman from Kansas (Mr. SNOWBARGER).

Mr. SNOWBARGER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I introduced H.R. 4259, the Native American Higher Education Improvement Act, in July.

□ 1430

This legislation is the final product of over 2 years of work that started with my predecessor, Congresswoman Jan Meyers, along with Senator Nancy Kassebaum Baker and Haskell Indian Nations University, which is located in my district.

Haskell Indian Nations University, or Haskell, and Southwestern Indian Polytechnic Institute, or SIPI, are owned and operated by the Federal Government. Because of this, the institutions must currently participate in the Federal civil service system. As Members know, the civil service system is very rigid and does not allow the schools to tailor their employee positions to more adequately serve the needs of their students. Unfortunately, this rigidity has stifled the growth of these two institutions. The Federal Government's position classification system does not address job classifications unique to colleges and universities, such as academic dean, professor and associate or assistant professor.

Haskell and SIPI have already begun to feel the effects of the confines of this civil service system. For example, highly qualified faculty from other universities and colleges who have inquired about vacancies at Haskell have refused to apply after learning that Haskell has no teaching positions above the rank of instructor.

Efforts by SIPI to properly staff their recruitment office have been stifled by these civil service classifications. Due to this, SIPI's efforts to attract students to its new high-tech programs, such as Environmental Science and Agricultural Technologies, have been hindered. Unfortunately, students without ties to SIPI alumni never learn of the opportunities available there.

Over the past few years, Haskell and SIPI have made great strides in increasing the educational opportunities available to Native American and Alaskan Indian students. In 1993, SIPI was granted community college status and began offering associate degrees, in addition to offering advanced technical training. Haskell conferred its first baccalaureate degree in elementary education in the spring of 1996 and has since received accreditation to offer degrees in environmental education and Indian studies.

Congress saw the need for this type of fix several years ago. The Improving America's School Act passed by the 103d Congress included a provision directing the Secretary of the Interior to conduct a study to evaluate the need for alternative institutional and administrative systems at Haskell and to provide draft legislation. The Department of Interior provided draft legislation, which was then revised by Congresswoman Meyers and Senator Kassebaum and introduced in the 104th Congress. At the beginning of this Congress, I introduced similar legislation in the House with the late Congressman Steve Schiff. Companion legislation was introduced by Senator ROBERTS of Kansas. Additionally the Senate legislation was cosponsored by Senators BROWNBACK, BINGAMAN, DOMENICI and the chairman and ranking member of the Senate Indian Affairs Committee, Senators CAMPBELL and INOUYE.

The product under consideration today is the culmination of over 8

years of planning, input and compromise between all of the parties involved. In 1990, Haskell created a long-term planning task force to specifically address their concerns about faculty recruitment. This task force was succeeded by a Personnel Quality Improvement Team appointed in 1993. Both of these task forces have included representatives from the local union, the faculty and the student body. At every single step in the process, employees from Haskell have been involved in the creation of this legislation.

Mr. Chairman, Haskell has been educating Native American students for over a century. In 1884, Haskell was founded as the United States Indian Industrial Training School to provide agricultural education for Native American and Alaskan Indian students grades 1 through 5. From this humble beginning, Haskell has grown throughout the 20th century from an elementary school to a 4-year institution of higher learning. Throughout this process, Haskell has struggled to ensure that they provide an excellent education for their students while continuing to be an integral part of the Bureau of Indian Affairs. This legislation seeks to continue that fine tradition while assuring that Haskell and SIPI have the necessary tools to increase the quality of the education they provide for the more than 1,500 students who attend each year.

Mr. Chairman, I would like to insert into the RECORD letters of support from the National Haskell Board of Regents, the Southwestern Indian Polytechnic Board of Regents and the American Indian Higher Education Consortium. In addition, I would like to submit resolutions from more than 32 tribes and the Congress of American Indians supporting legislation that would allow Haskell to successfully complete its transition into a 4-year institution.

The documents referred to are as follows:

HASKELL INDIAN NATIONS UNIVERSITY,
Lawrence, KS, September 24, 1998.

RE: H. R. 4259: ''Haskell Indian Nations University and Southwestern Indian Polytechnic Institute Administrative Systems Act of 1998.''

Thank you for your support of Southwestern Indian Polytechnic Institute (SIPI) and Haskell Indian Nations University (Haskell). As the only two post-second schools within the Department of Interior, these schools provide baccalaureate and associate degree programs for all members of federally recognized tribes.

The intent of H. R. 4259 is to give Haskell and SIPI demonstration project authority to move the personnel functions to campus and to design personnel systems that meet the needs of institutions of higher education.

BACKGROUND OF H. R. 4259

In October of 1994, Congress mandated (section 365 of the ''Improving America's Schools Act'') that ''the Secretary of the Interior shall conduct a study [of administrative systems], in consultation with the Board of Regents of Haskell . . . [And] if the study's conclusions require legislation to be implemented, the study shall be accompanied by appropriate draft legislation.'' The study found that compliance with certain laws and regulations impedes Haskell's ability to effectively manage its transition to a high quality four-year institution. A report with draft legislation was forwarded to the Secretary and to Congress.

By September 1996, Senator Nancy Kassebaum and Representative Jan Meyers introduced the first legislation in the 104th Congress, entitled ''Haskell Indian Nations University Administrative Systems Act of 1996.''

By July 1998, the Act has been revised to include SIPI and to be first conducted as a demonstration project. This Act is currently known as H. R. 4259 ''Haskell Indian National University and Southwestern Indian Polytechnic Institute Administrative Systems Act of 1998.''

DEVELOPMENT OF PLAN FOR HASKELL

The Development of an alternative personnel systems at Haskell has always been seen as a ''Work in progress.'' In 1993 and 1995 two teams composed of faulty, staff and students identified concerns with Haskell's current personnel system and to make recommendations for improvement. These recommendations were forwarded to the Board of Regents for review. By October 1995, the Haskell Board of Regents passed Resolution 96–03 directing the President of Haskell to work with the Board Advisor and the Kansas Congressional Delegation to develop and implement any regulatory processes legislation necessary for the evolution of Haskell as a University. Again, the first legislation was introduced to Congress in September 1996.

In July 1997 a Haskell Implementation Team review previous findings and recommended ''a personnel management system appropriate for a university.'' These recommendations were also forwarded to the board. By October 1997, the Board incorporated the values established by this team into the Institutional Values and Code now contained in Haskell's Vision 2005.

Further development occurred in May 1998 when the Board passed the enclosed Resolution 98–10 stating that the alternative systems be developed in a spirit of cooperation and input from administration, faculty, staff, and students.

Haskell is now ready to develop the plan for submission to Congress as required in H. R. 4259. Haskell looks forward to you continued support in providing high quality education to the American Indian/Alaska Native peoples.

If you have any other questions, please feel free to call me at 785–749–8495.

Respectfully yours,

BOB MARTIN,
President.

AMERICAN INDIAN
HIGHER EDUCATION CONSORTIUM,
Alexandria, VA, August 10, 1998.

Hon. VINCE SNOWBARGER,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN SNOWBARGER: I am writing on behalf of the American Indian Higher Education Consortium (AIHEC), to express our support for the passage of H.R. 4259 the ''Haskell Indian Nations University and Southwestern Indian Polytechnic Institute Administrative Systems Act of 1998''.

The Civil Service personnel system is not designed to serve the needs of institutions of higher education. Yet, Haskell Indian Nations University and Southwest Indian Polytechnic Institute are the only two BIA institutions, which are still required to follow the current Civil Service Personnel system. All of the other Bureau of Indian Affairs schools are elementary and secondary schools, and are no longer required to follow the Civil Service system. These schools have already been authorized through legislation to establish alternative personnel methods appropriate for educational systems.

The ability to recruit and retain qualified university-level faculty and staff is one of the more critical concerns in higher education. This is of particular importance for Haskell's continuing transition from junior college to university status. This transition includes three new baccalaureate degree programs to begin in the fall of this year.

Again, thank you for all of your support of American Indian education and reiterate our support for H.R. 4259.

Sincerely,

VERONICA N. GONZALES,
Executive Director.

SOUTHWESTERN INDIAN
POLYTECHNIC INSTITUTE,
Albuquerque, NM, October 5, 1998.

Congressman VINCENT SNOWBARGER,
Cannon HOB, Washington, DC.

DEAR CONGRESSMAN SNOWBARGER: The Board of Regents of the Southwestern Indian Polytechnic Institute wishes to thank you for introducing H.R. 4259: ''The Haskell Indian Nations University and Southwestern Indian Polytechnic Institute Administrative Systems Act of 1998.''

As representatives of federally recognized tribes, we see this bill as essential to improving educational programs for the hundreds of American Indians/Alaska Natives that attend SIPI each trimester. We have received similar indications of support from members of New Mexico's Congressional delegation.

We see H.R. 4259 as bringing to SIPI a personnel system that truly meets the needs of a post-secondary educational institution, while unburdening the college from the current unwieldy and ineffective personnel routine that really was not designed for college hiring. The end results of these improvements will be better instructors and administrators working to support quality education of American Indians/Alaska Natives.

Your efforts to include SIPI for the 105th Congress' consideration of these possible administrative changes under Section 365 of the ''Improving America's Schools Act (10/20/94) is appreciated.

Be sure of our continued support in behalf of your bill.

Sincerely,

LORENE WILLIS,
Chairwoman, SIPI Board of Regents.

LOS COYOTES RESERVATION,WARNER SPRINGS, CA.

RESOLUTION SUPPORTING LEGISLATION GRANTING ADMINISTRATIVE OVERSIGHT TO HASKELL INDIAN NATIONS UNIVERSITY TO BE KNOWN AS ''HASKELL INDIAN NATIONS UNIVERSITY ADMINISTRATIVE SYSTEMS ACT OF 1996; RESOLUTION NUMBER 1196–2

Whereas, Haskell's vision is to become a national center for Indian education, research and cultural programs that increase knowledge and support the educational needs of American Indian/Alaska Natives, and

Whereas, Haskell has identified the need to properly administer a quality education and student life program for American Indian and Alaska native students attending Haskell, and

Whereas, Haskell's ability to make a successful transition from a junior college to a university vision is being compromised by not having control of their administrative systems, and

Whereas, the lack of control affect the quality of higher education offered to American Indian students, and

Whereas, the Board of Regents of Haskell Indian Nations University seeks to increase local control of the university with the passage of appropriate legislation;

Now therefore be it resolved, that the Los Coyotes Reservation supports Haskell's Board of Regents efforts to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in its transition to a 4 year university.

CERTIFICATION

At a duly called meeting of the Los Coyotes Reservation on November 10, 1996 of the general membership this resolution was passed with a vote of For, 25; Against, 0; Abstaining, 0.

Adult members present; 27.

Spokesman; Frank Taylor.

Committee: Ruth Cassell et al.

LAC COURTE OREILLES TRIBAL GOVERNING BOARD, HAYWARD, WI

RESOLUTION NO. 96–102

Whereas, Haskell's vision is to become a national center for Indian education, research and cultural programs that increase knowledge and support the educational needs of American Indian/Alaska Natives, and

Whereas, Haskell has identified the need to properly administer a quality education and student life program for American Indian and Alaska Native students attending Haskell, and

Whereas, Haskell's ability to make a successful transition from a junior college to a university vision is being compromised by not having control of their administrative systems, and

Whereas, the lack of control affect the quality of higher education offered to American Indian students, and

Whereas, the Board of Regents of Haskell Indian Nations University seeks to increase local control of the university with the passage of appropriate legislation;

Now therefore be it resolved, that the Lac Courte Oreilles Band of Lake Superior Chippewa nation supports Haskell's Board of Regents efforts to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in its transition to a 4-year university.

CERTIFICATION

I, the undersigned, as Secretary/Treasurer of the Lac Courte Oreilles Tribal Governing Board, hereby certify that the Governing Board is composed of seven members, of whom 4 being present, constituted a quorum at a meeting duly called, convened and held on this 20 day of November, 1996; that the foregoing resolution was duly adopted at said meeting by an affirmative vote of 3 members, 0 against, 0 abstaining and that said resolution has not been rescinded or amended in any way.

DON CARLEY,
Secretary/Treasurer.

COLORADO RIVER INDIAN TRIBES,
Parker, AZ, November 20, 1996.

BOB G. MARTIN,
President, Haskell Indian Nations University, Lawrence, KS.

DEAR MR. MARTIN: The Colorado River Indian Tribes' Tribal Council recently addressed Haskell Indian Nations University's request for support to increase its control over its administrative system in an effort to undergo a smooth transition to become a four-year university.

The Tribal Council took action to support this effort, in the form of the attached resolution. The Colorado River Indian Tribes would like to express gratitude to your university as far as the educational studies that have been provided to members of our Tribe; many of whom have graduated from your university. The passage of this resolution, therefore, enables our Tribe to assist in providing continued education to our members as well as to students from other Tribes.

We wish your University success in your endeavor.

Sincerely,

RUSSELL WELSH,
Acting Tribal Chairman.

DELAWARE TRIBE OF WESTERN OKLAHOMA, ANADARKO, OK

RESOLUTION NUMBER 97–01: A RESOLUTION OF THE DELAWARE TRIBE OF WESTERN OKLAHOMA SUPPORTING LEGISLATION GRANTING ADMINISTRATIVE OVERSIGHT TO HASKELL INDIAN NATIONS UNIVERSITY TO BE KNOWN AS ''HASKELL INDIAN NATIONS UNIVERSITY ADMINISTRATIVE SYSTEM ACT OF 1996''

Whereas, Haskell's vision is to become a national center for Indian education, research and cultural programs that increase knowledge and support the educational needs of American Indian/Alaska Natives; and,

Whereas, Haskell has identified the need to properly administer a quality educational and student life program for American Indian and Alaska Native students attending Haskell; and,

Whereas, Haskell's ability to make a successful transition from a junior college to a university vision is being compromised by not having control of their administrative systems; and,

Whereas, the lack of control affects the quality of higher education offered to American Indian students; and,

Whereas, the Board of Regents of Haskell Indian Nations University seeks to increase local control of the university with the passage of appropriate legislation;

Now therefore be it resolved, that the Delaware Tribe of Western Oklahoma supports Haskell's Board of Regents efforts to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in its transition to a 4-year university.

CERTIFICATION

This is to certify that the foregoing resolution was adopted at a meeting of the Delaware Executive Committee in a meeting held on October 11, 1996 at Anadarko, Oklahoma by a vote of 5 for 0 against, and 0 abstaining, a quorum of the committee being present.

Attest: Linda Poolaw, Secretary.

Approve: Lawrence F. Snake, President.

DUCKWATER SHOSHONE TRIBE,
Duckwater, NV, October 30, 1996.

BOB G. MARTIN, Ed.D.,
President, Haskell Indian Nations University Lawrence, KS.

DEAR MR. MARTIN: Enclosed please find Resolution No. 96–D–21 enacted by the Duckwater Shoshone Tribal Council during their Regular Meeting duly held the 21st day of October 1996. The Resolution is self explanatory.

If you should have any questions, please contact Jerry Millett, Tribal Manager. Thank you.

Sincerely,

LORINDA SAM,
Executive Secretary,
Duckwater Shoshone Tribe.

RESOLUTION NO. 96–D–21

Whereas, the Duckwater Shoshone Tribe is organized under the provisions of the Indian Reorganization Act of June 18, 1934, as amended to exercise certain rights of homerule and be responsible for the general welfare of its membership; and

Whereas, the Duckwater Shoshone Tribe is in support of the Haskell Indian Nations University in Lawrence, Kansas; and

Whereas, Haskell's vision is to become a national center for Indian education, research and cultural programs that increase knowledge and support the educational needs of American Indian/Alaska Natives; and,

Whereas, Haskell has identified the need to properly administer a quality educational and student life program for American Indian and Alaska Native students attending Haskell; and,

Whereas, Haskell's ability to make a successful transition from a junior college to a university vision is being compromised by not having control of their administrative systems; and,

Whereas, the lack of control affects the quality of higher education offered to American Indian students; and,

Whereas, the Board of Regents of Haskell Indian Nations University seeks to increase local control of the university with the passage of appropriate legislation; Now, therefore be it

Resolved, That the Duckwater Shoshone Tribe supports Haskell's Board of Regents efforts to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in its transition to a 4-year university.

THE EASTERN BAND
OF CHEROKEE INDIANS,
Cherokee, NC, December 4, 1996.

Mr. BOB G. MARTIN,
President, Haskell Indian Nations University, Lawrence, KS.

DEAR PRESIDENT MARTIN: As Principal Chief of the Eastern Band of Cherokee Indians, I am happy to lend the unanimous support of our tribe to Haskell Indian Nations University.

Attached please find a copy of Resolution 440 which was passed on November 21, 1996 with the full support of Tribal Council.

We too believe that self determination begins at the local level and in order to make improvements must be controlled by those who are most affected.

Please call upon me if I can be of further assistance.

With regards, I am

Sincerely,

JOYCE C. DUGAN,
Principal Chief.

Attachment.

RESOLUTION 440—''HASKELL INDIAN NATIONS UNIVERSITY ADMINISTRATIVE SYSTEMS ACT OF 1996''

Whereas, Haskell's vision is to become a national center for Indian education, research and cultural programs that increase knowledge and support the educational needs of American Indian/Alaska Natives; and,

Whereas, Haskell has identified the need to properly administer a quality educational and student life program for American Indian and Alaska Native students attending Haskell; and,

Whereas, Haskell's ability to make a successful transition from a junior college to a university vision is being compromised by not having control of their administrative systems; and,

Whereas, the lack of control affects the quality of higher education offered to American Indian students; and,

Whereas, the Board of Regents of Haskell Indian Nations University seeks to increase local control of the university with the passage of appropriate legislation: Now, therefore, be it resolved, That the Eastern Band of Cherokee Indians supports Haskell's Board of Regents efforts to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in its transition to a 4-year university.

FORT INDEPENDENCE RESERVATION,
Independence, CA, November 7, 1998.

RESOLUTION 96–026—SUPPORTING LEGISLATION GRANTING ADMINISTRATIVE OVERSIGHT TO HASKELL INDIAN NATIONS UNIVERSITY TO BE KNOWN AS ''HASKELL INDIAN NATIONS UNIVERSITY ADMINISTRATIVE SYSTEMS ACT OF 1996''

Whereas: Haskell's vision is to become a national center for Indian education, research and cultural programs that increase knowledge and support the educational needs of American Indian/Alaska Natives; and,

Whereas: Haskell has identified the need to properly administer a quality educational and student life program for American Indian and Alaska Native students attending Haskell; and,

Whereas: Haskell's ability to make a successful transition form a junior college to a university vision is being compromised by not having control of their administrative systems; and,

Whereas: the lack of control affects the quality of higher education offered to American Indian students; and,

Whereas: the Board of Regents of Haskell Indian Nations University seeks to increase local control of the university with the passage of appropriate legislation: Now, therefore be it

Resolved, That the Fort Independence Paiute Tribe supports Haskell's Board of Regents efforts to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in its transition to a 4-year university.

GRAND PORTAGE
RESERVATION TRIBAL COUNCIL,
Grand Portage, MN, October 24, 1998.

RESOLUTION 49–96

The Grand Portage Reservation on behalf of the Grand Portage Band of Chippewa enacts the following resolution:

Whereas, the Grand Portage Reservation Tribal Council, under the terms of the Treaty of 1854 and P.L. 93–638, the Indian Self-Determination Act, is the duly recognized governing body of the Grand Portage Reservation, and

Whereas, the Grand Portage Reservation Tribal Council supports legislation granting administrative oversight to Haskell Indian Nations University to be known as Haskell Indian Nations University Administrative Systems Act of 1996.

Whereas, Haskell's vision is to become a National Center for Indian Education, Research and Cultural Programs that increase knowledge and support the Educational needs of American Indian/Alaska Natives; and,

Whereas, Haskell has identified the need to properly administer a quality educational and student life program for American Indian and Alaska Native students attending Haskell, and

Whereas, Haskell's ability to make a successful transition from a Junior College to a University vision is being compromised by not having control of their Administrative Systems, and

Whereas, the lack of control affects the quality of Higher Education offered to American Indian students, and

Whereas, the Board of Regents of Haskell Indian Nations University seeks to increase local control of the University with the passage of appropriate legislation: Now, therefore be it

Resolved, That the Grand Portage Reservation Tribal Council supports Haskell's Board of Regents efforts to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in its transition to a 4-year University.

IOWA TRIBE OF
KANSAS AND NEBRASKA,
White Cloud, KS, October 17, 1996.

BOB G. MARTIN,
President, Haskell Indian Nation School, Lawrence, KS.

DEAR MR. MARTIN: Enclosed please find the Iowa Tribal Resolution 96–R–16, supporting the University in its transition to a 4-year University.

Sincerely,

LEON CAMPBELL,
Chairman, Iowa Tribe of Kansas and Nebraska.

RESOLUTION 96–R–16

Whereas, the Iowa Executive Committee being duly organized met in Regular Session this 16th day of October, 1996; and,

Whereas, the Iowa Executive Committee has authority to act for the Iowa Tribe under the present Constitutional authority as provided in Sec. 2, Article IV, Governing Bodies; and,

Whereas, the Iowa Tribe of Kansas and Nebraska being organized and empowered by their Constitution and Bylaws (approved November 6, 1978); and,

Whereas, the Haskell Indian Nations Universities vision is to become a national center for Indian education, research and cultural programs that increase knowledge and support the educational needs of American Indian/Alaska Natives; and,

Whereas, Haskell has identified the need to properly administer a quality educational and student life program for American Indian and Alaska Native students attending Haskell; and,

Whereas, Haskell's ability to make a successful transition from a junior college to a university vision is being compromised by not having control of their administrative systems; and,

Whereas, The lack of control affects the quality of higher education offered to American Indian students; and,

Whereas, The Board of Regents of Haskell Indian Nations University seeks to increase local control of the university with the passage of appropriate legislation; and,

Now therefore be it resolved, That the Iowa Tribe of Kansas and Nebraska supports Haskell's Board of Regents efforts to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in its transition to a 4-year university.

Be it further resolved, That the foregoing Resolution was duly adopted this date.

MIAMI TRIBE OF OKLAHOMA,
Miami, OK.

RESOLUTION 97–03

SUPPORTING LEGISLATION GRANTING ADMINISTRATIVE OVERSIGHT TO HASKELL INDIAN NATIONS UNIVERSITY TO BE KNOWN AS ''HASKELL INDIAN NATIONS UNIVERSITY ADMINISTRATIVE SYSTEMS ACT OF 1996''

Whereas: the Miami Tribe of Oklahoma is a federally recognized Tribe, organized under the Oklahoma Indian Welfare Act of 1936, with a Constitution and By-Laws approved by the Secretary of the Interior on February 22, 1996; and,

Whereas: the Business Committee of the Miami Tribe of Oklahoma is empowered to act on behalf of the Tribe, under Article VI of the Constitution and By-Laws; and,

Whereas: Haskell's vision is to become a national center for Indian education, research and cultural programs that increase knowledge and support the educational needs of American Indian/Alaska Natives; and,

Whereas: Haskell has identified the need to properly administer a quality educational and student life program for American Indian and Alaska Native students attending Haskell; and,

Whereas: Haskell's ability to make a successful transition from a junior college to a university vision is being compromised by not having control of their administrative systems; and,

Whereas: the lack of control affects the quality of higher education offered to American Indian students; and,

Whereas: the Board of Regents of Haskell Indian Nations University seeks to increase local control of the university with the passage of appropriate legislation.

Now therefore be it resolved, That the Miami Tribe of Oklahoma supports Haskell's Board of Regents efforts to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in its transition to a 4-year university.

PEORIA TRIBE OF
INDIANS OF OKLAHOMA,
Miami, OK.

RESOLUTION # R–11–05–96

SUPPORTING LEGISLATION GRANTING ADMINISTRATIVE OVERSIGHT TO HASKELL INDIAN NATIONS UNIVERSITY TO BE KNOWN AS ''HASKELL INDIAN NATIONS UNIVERSITY ADMINISTRATIVE SYSTEMS ACT OF 1996''

Whereas, the Peoria Tribe of Indians of Oklahoma is a federally recognized Indian Tribe organized under the Oklahoma Indian Welfare Act of June 26, 1936, and is governed by its Constitution approved by the Commissioner of Indian Affairs on May 29, 1980; and

Whereas, the Business Committee of the Peoria Tribe of Indians of Oklahoma is authorized to enact resolutions and act on behalf of the Peoria Tribe under Article VIII, Section I, of the Constitution; and

Whereas, Haskell Indian Nations University has a vision to become a national center for Indian education, research and cultural programs that increase knowledge and support the educational needs of American Indian/Alaska Natives; and

Whereas, Haskell has identified the need to properly administer a quality educational and student life program for American Indian and Alaska Native students attending Haskell; and

Whereas, Haskell's ability to make a successful transition from a junior college to a university vision is being compromised by not having control of their administrative systems; and

Whereas, the lack of control affects the quality of higher education offered to American Indian students; and

Whereas, the Board of Regents of Haskell Indian Nations University seeks to increase local control of the university with the passage of appropriate legislation.

Now therefore be it resolved, The Peoria Tribe of Indians of Oklahoma supports Haskell's Board of Regents efforts to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in its transition to a four-year university.

PUEBLO OF ISLETA,
Isleta, NM, November 12, 1996.

BOB G. MARTIN, Ed.D.,
President, Haskell Indian Nations University, Bureau of Indian Affairs, Lawrence, KS.

DEAR MR. MARTIN: Enclosed please find Pueblo of Isleta Resolution 96–096 supporting your efforts for the transition of Haskell to become a four-year university. I wish you much success in your endeavors.

Sincerely,

ALVINO LUCERO,
Governor.

RESOLUTION NO. 96–096

SUPPORTING LEGISLATION GRANTING ADMINISTRATIVE OVERSIGHT TO HASKELL INDIAN NATIONS UNIVERSITY TO BE KNOWN AS ''HASKELL INDIAN NATIONS UNIVERSITY ADMINISTRATIVE SYSTEMS ACT OF 1996''

Whereas, Haskell's vision is to become a national center for Indian education, research and cultural programs that increase knowledge and support the educational needs of American Indian/Alaska Natives; and

Whereas, Haskell's has identified the need to properly administer a quality educational and student life program for American Indian and Alaska Native students attending Haskell; and

Whereas, Haskell's ability to make a successful transition from a junior college to a university vision is being compromised by not having control of their administrative systems; and

Whereas, the lack of control affects the quality of higher education offered to American Indian students; and

Whereas, the Board of Regents of Haskell Indian Nations University seeks to increase local control of the university with the passage of appropriate legislation;

Now therefore be it Resolved, That the Isleta Tribal Council supports Haskell's Board of Regents efforts to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in its transition to a 4-year university.

RESOLUTION TLS–96–008

Whereas, we, the members of the National Congress of American Indians of the United States, invoking the divine blessing of the Creator upon our efforts and purposes, in order to preserve for ourselves and our descendants rights secured under Indian treaties and agreements with the United States, and all other rights and benefits to which we are entitled under the laws and Constitution of the United States to enlighten the public toward a better understanding of the Indian people, to preserve Indian cultural values, and otherwise promote the welfare of the Indian people, do hereby establish and submit the following resolution; and

Whereas, the National Congress of American Indians (NCAI) is the oldest and largest national organization established in 1944 and comprised of representatives of and advocates for national, regional, and local Tribal concerns; and

Whereas, the health, safety, welfare, education, economic and employment opportunity and preservation of cultural and natural resources are primary goals and objectives of NCAI; and

Whereas, Haskell Indian Nations University's vision is to become a national center for Indian education, research, and cultural programs that increase knowledge and support the educational needs of American Indians and Alaska Natives; and

Whereas, Haskell has identified the need to properly administer a quality educational and student life program for American Indian and Indian and Alaska Native students in attendance; and

Whereas, Haskell's ability to make a successful transition from a junior college to a university vision is being compromised by not having control of their administrative systems; and

Whereas, the lack of control affects the quality of higher education offered to American Indian and Alaska Native students; and

Whereas, the Board of Regents of Haskell Indian Nations University seeks to increase local control of the university with passage of appropriate legislation; now therefore be it

Resolved, That the National Congress of American Indians does hereby support legislation granting Haskell's Board of Regents the authority to administer the administration services for Haskell Indian Nations University, providing a greater degree of autonomy for Haskell in its transition to a four-year university.

CERTIFICATION

The foregoing resolution was adopted at the 1996 Mid-Year session of the National Congress of American Indians, held at the Adam's Mark Hotel at Williams Center in Tulsa, Oklahoma, on June 3–5, 1996 with a quorum present.

PRARIE BAND POTAWATOMI NATION,
Mayetta, KS, August 4, 1998.

Hon. VINCE SNOWBARGER,
Cannon House Office Building,
Washington, DC.

DEAR CONGRESSMAN SNOWBARGER: I am writing to ask your strong support of H.R. 4259—''Native American Higher Education Improvement Act.''

A vote for this legislation is a vote for improving the delivery of higher education to American Indians and Alaska Natives.

This legislation provides the authority for Haskell Indian Nations University (''Haskell'') and Southwestern Indian Polytechnic Institute (''SIPI'') to initiate demonstration projects for the development of personnel systems suitable for each school. The main purpose of each demonstration project is to develop classification and hiring systems that are more appropriate and more effective in providing the education programs that meet the needs of American Indians and Alaska Natives.

At present, Haskell and SIPI are the only two Bureau of Indian Affairs institutions which still are required to follow the current Civil Service personnel system, a system not designed to serve the needs of institutions of higher education. The other twenty-eight members of the American Indian Higher Education Consortium (AIHEC) have established personnel systems appropriate to college systems and thus are not required to adhere to the Civil Service system. Likewise, the other 200 other BIA schools (elementary and secondary schools) are not required to follow the Civil Service system, having already been authorized through legislation to establish alternative personnel systems appropriate for educational institutions.

National Haskell Board of Regents ''Resolution 98–10,'' approved unanimously on May 6th, 1998 reflects strong support for this legislation developed through input from not only from Board of Regents members, but also from faculty, staff, NFFE local #45, and tribal members and leaders. There is no provision within this legislation which would alter employee rights. Please note this important fact in responding to opposition from federal employee unions.

Your strong support is needed on behalf of H.R. 4259. This legislation effectively addresses one of the most critical concerns in higher education, namely, having a personnel system that facilitates the recruitment and retention of qualified university-level faculty and staff. This is a particularly critical concern for Haskell's continuing transition from junior college to university status and the beginning of three new baccalaureate degree programs by fall, 1998.

Thank you for your support of American Indian and Alaska Native higher education.

Sincerely,

MAMIE RUPNICKI,
Chairwoman.

ALL INDIAN PUEBLO COUNCIL,
Albuquerque, NM, July 29, 1998.

Hon. VINCE SNOWBARGER,
Cannon House Office Building,
Washington, DC.

DEAR CONGRESSMAN SNOWBARGER: I am writing to ask for your strong support of HR 4259—''Native American Higher Education Improvement Act.'' A vote for this legislation is a vote for improving the delivery of higher education to American Indians and Alaska Natives.

This legislation provides the authority for Haskell Indian Nations University (Haskell) and Southwestern Indian Polytechnic Institute (SIPI) to initiate demonstration projects for the development of personnel systems suitable for each school. The main purpose of each demonstration project is to develop classification and hiring systems that are more appropriate and more efficient in providing the education programs that meet the needs of American Indians and Alaska Natives.

At present, Haskell and SIPI are the only two Bureau of Indian Affairs institutions which still are required to follow the current Civil Service personnel system, a system not designed to serve the needs of institutions of higher education. The other twenty-eight members of the American Indian Higher Education Consortium (AIHEC) have established personnel systems appropriate to college systems and thus are not required to adhere to the Civil Service system. Likewise, the over 200 other BIA schools (elementary and secondary schools) are not required to follow the Civil Service systems, having already been authorized through legislation to establish alternative personnel systems appropriated for educational institutions.

National Haskell Board of Regents ''Resolution 98–10,'' approved unanimously on May 6, 1998, reflects strong support for this legislation developed through input from not only the members of the Board of Regents, but also from faculty, staff, NFFE local #45, and tribal members and leaders. There is no provision within this legislation which would alter employee rights. Please note this important fact in responding to opposition from federal employee unions.

Your strong support is needed on behalf of HR 4259. This legislation effectively addresses one of the most critical concerns in higher education, namely having a personnel system that facilitates the recruitment and retention of qualified university-level faculty and staff. This is a particularly critical concern for Haskell's continuing transition from junior college to university status and the beginning of three new baccalaureate degree programs by fall, 1998.

Thank you for your support of American Indian/Alaska Native higher education.

Sincerely,

ROY W. BERNAL,
Chairman.

RESOLUTION 98–10

Whereas, Haskell's vision is to become a national center for Indian education, research and cultural programs that increase knowledge and support the educational needs of American Indians and Alaska Natives; and,

Whereas, Haskell has identified the need to properly administer a quality educational and student life program for American Indian and Alaska Native students attending Haskell; and,

Whereas, Haskell's ability to make a successful transition from a junior college to a university vision is being compromised by not having control of their administrative systems; and,

Whereas, The Board of Regents of Haskell Indian Nations University has by prior Resolutions No. 96–03 and No. 96–09 authorized the

development of legislation to increase local control necessary for Haskell to evolve as a university; and,

Whereas, Legislation has been drafted and is ready for introduction in the United States Congress that would allow Haskell Indian Nations University to provide culturally sensitive curricula for higher education to members of Indian tribes and improve education for American Indian/Alaska Native students as Haskell continues to make the transition to a four-year university; not therefore be it

Resolved, That the Haskell Indian Nations Board of Regents supports the efforts of the Kansas Congressional delegation in introducing and pursuing passage of legislation presently titled at the ''Haskell Indian Nations University and Southwestern Indian Polytechnic Institute Administrative Systems Act of 1998''; and be it further

Resolved, That Haskell develop its alternative administrative systems in a spirit of cooperation and input from administration, faculty, staff, and students, that its newly developed pay, leave and benefit packages emphasize comparable support for current employees, and that implementation of these alternative systems will not eliminate the right of federal employees to engage in collective bargaining.

We hereby certify that Resolution No. 98–10 was duly considered, voted upon, and passed unanimously on this 6th day of May, 1998, during the annual spring meeting of the National Haskell Board of Regents, held on the campus of Haskell Indian Nations University at which a quorum was present.

SENECA NATION OF INDIANS,
COMMUNITY PLANNING AND DEVELOPMENT DEPARTMENT,
Irving, NY and Salamanca, NY, July 24, 1998.

Hon. VINCE SNOWBARGER,
Cannon House Office Building, Washington, DC.

DEAR CONGRESSMAN SNOWBARGER: I am writing to ask for your strong support of H.R. 4259—''Native American Higher Education Improvement Act.''

A vote for this legislation is a vote for improving the delivery of higher education to American Indians and Alaska Natives.

This legislation provides the authority for Haskell Indian Nations University (''Haskell'') and Southwestern Indian Polytechnic Institute (''SIPI'') to initiate demonstration projects for the development of personnel systems suitable for each school. The main purpose of each demonstration project is to develop classification and hiring systems that are more appropriate and more efficient in providing the education programs that meet the needs of American Indians and Alaska Natives.

At present, Haskell and SIPI are the only two Bureau of Indian Affairs institutions which are still required to follow the current Civil Service personnel system, a system not designed to serve the needs of institutions of higher education. The other twenty-eight members of the American Indian Higher Education Consortium (AIHEC) have established personnel systems appropriate to college systems and thus are not required to adhere to the Civil Service system. Likewise, the over 200 other BIA schools (elementary and secondary schools) are not required to follow the Civil Service system, having already been authorized through legislation to establish alternative personnel systems appropriate for education institutions.

National Haskell Board of Regents ''Resolution 98–10,'' approved unanimously on May 6th, 1998, reflects strong support for this legislation developed through input from not only the Board of Regents members, but also from faculty, staff, NFFE local #45, and tribal members and leaders. There is no provision within this legislation which would alter employee rights. Please note this important fact in responding to opposition from federal employee unions.

Your strong support is needed on behalf of H.R. 4259. This legislation effectively addresses one of the most critical concerns in higher education, namely, having a personnel system that facilitates the recruitment and retention of qualified university-level faculty and staff. This is a particularly critical concern for Haskell's continuing transition from junior college to university status and the beginning of three new baccalaureate degree by fall, 1998.

The Board of Regents of Haskell Indian Nation University is comprised of 15 Indian people who represent all of the Bureau of Indian Affair's Services Areas, as well as the Student Senate President of Haskell and the President of the National Haskell Alumni Association.

Attached please find resolution #98–10 which the Haskell Board of Regents approved on May 6, 1998. This resolution gives full support to H.R. 4259: National American Higher Education Improvement Act.

Thank you for your support of American Indian/Alaska Native higher education.

Sincerely,

LANA REDEYE,
Member, Haskell Board of Regents, United Southern and Eastern Tribes Representative.

NATIONAL HASKELL BOARD OF REGENTS,
Lawrence, KS, October 2, 1998.

DEAR CONGRESSMAN SNOWBARGER: Thank you for introducing H. R. 4259, the ''Haskell Indian Nations University and Southwestern Indian Polytechnic Institute Administrative Systems Act of 1998.''

The effort to secure congressional action to further Haskell's transition to a 4-year university has had long-standing support from the Kansas Congressional delegation, the National Haskell Board of Regents, the federally recognized tribes, and the employees of Haskell.

Section 365 of the ''Improving America's Schools Act'' (10/20/94) mandated that ''the Secretary of the Interior shall conduct a study [of administrative systems], in consultation with the Board of Regents of Haskell . . . [And] if the study's conclusions require legislation to be implemented, the study shall be accompanied by appropriate draft legislation.'' That legislation was first introduced in the 104th Congress. Your continued support is appreciated.

I understand that the intent of H. R. 4259 is to give Haskell the authority to have the personnel function moved on campus and to design the personnel system in a way that meets the needs of an institution of higher education. These improvements will be a great support to the quality of education being provided to the American Indian/Alaska Native people.

Respectfully yours,

JEAN WAGNER,
Student Senate President and Member, National Haskell Board of Regents.

TABLE BLUFF RESERVATION WIYOT TRIBE

RESOLUTION #66

Haskell Indian Nations University Administrative System Act of 1996

Whereas Haskell's vision is to become a national center for Indian education, research and cultural programs that increase knowledge and support the educational needs of American Indian/Alaska Natives; and,

Whereas Haskell has identified the need to properly administer a quality educational and student life program for American Indian and Alaska Native students attending Haskell; and,

Whereas Haskell's ability to make a successful transition from a junior college to a university vision is being compromised by not having control of their administrative systems; and,

Whereas the lack of control affects the quality of higher education offered to American Indian students; and,

Whereas the Board of Regents of Haskell Indian Nations University seeks to increase local control of the university of the passage of appropriate legislation: Now therefore be it

Resolved, That the Table Bluff Wiyot Nation supports Haskell's Board of Regents efforts to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in its transition to a 4-year university.

CERTIFICATION

I, the undersigned, as the Tribal Chairperson of the Table Bluff Wiyot Nation, hereby certify this resolution on this 12th day of November, 1996.

CHERYL A. SEIDNER,
Tribal Chairperson.

PINOLEVILLE INDIAN RESERVATION

RESOLUTION #10–15–96–01

Haskell Indian Nations University Administrative Systems Act of 1996

Whereas Haskell's vision is to become a national center for Indian education, research and cultural programs that increase knowledge and support the educational needs of American Indians/Alaska Natives; and

Whereas Haskell has identified the need to properly administer a quality educational and student life program for American Indian/Alaska Native students attending Haskell; and

Whereas Haskell's ability to make a successful transition from a junior college to a university vision is being compromised by not having control of their administrative systems; and

Whereas the lack of control affects the quality of higher education offered to American Indian students; and

Whereas the Board of Regents of Haskell Indian Nations University seeks to increase local control of the university with the passage of appropriate legislation: Now therefore be it

Resolved, That the Pinoleville Band of Pomo Indians of the Pinoleville Indian Reservation supports Haskell's Board of Regents efforts to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in its transition to a 4-year university.

CERTIFICATION

The Tribal Council of the Pinoleville Indian Reservation does hereby certify at a meeting duly called, noticed, and convened on the 15th day of October, 1996 where a quorum was present, this action was duly adopted by a vote of 4 for, 0 against, and 1 abstaining.

LEONA L. WILLIAM,
Tribal Chairperson.

LENORA BROWN,
Secretary.

ELK VALLEY RANCHERIA

RESOLUTION 96–14

Haskell Indian Nations University Administrative Systems Act of 1996

Whereas: the Elk Valley Rancheria is a Federally recognized Indian Tribe, pursuant to Tillie Hardwick et al vs United States, Civil No. C–79–171–SW, as having Tribal sovereignty status: and

Whereas: the Elk Valley Rancheris has been fully authorized to exercise full governmental powers and responsibilities through the Elk Valley Rancheria Tribal Council: and

Whereas: Haskell's vision is to become a national center for Indian education, research and cultural programs that increase knowledge and support the educational needs of American Indian/Alaska Natives: and

Whereas: Haskell has identified the need to properly administer a quality educational and student life program for American Indian and Alaska Native students attending Haskell; and

Whereas: Haskell's ability to make a successful transition from a junior college to a university vision is being compromised by not having control of their administrative systems; and

Whereas: the lack of control affects the quality of higher education offered to American Indian students; and

Whereas: the Board of Regents of Haskell Indian Nations University seeks to increase local control of the university with the passage of appropriate legislation; then

Therefore Be It *Resolved*: that the Tribal Council of Elk Valley Rancheria supports Haskell's Board of Regents efforts to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in its transition to a 4-year university.

CERTIFICATION

We the unresigned officers of the Elk Valley Rancheria Tribal Council do hereby certify that the Elk Valley Rancheria Tribal Council adopted this Resolution Number 96–14 on November 20, 1996. This Resolution has not been amended in anyway nor rescinded.

JOHN D. GREEN,
Tribal Chairman, Elk Valley Rancheria Tribal Council.
Attested: BRENDA GREEN,
Council Secretary.

RESOLUTION NO. 58–96

Haskell Indian Nations University Administrative Systems Act of 1996

Whereas, The Agua Caliente Band of Cahuilla Indians (the ''Tribe'') is a federally-recognized Indian Tribe governing itself according to a Constitution and By-laws and exercising sovereign authority over the lands of the Agua Caliente Indian Reservation; and

Whereas, Haskell's vision is to become a national center for Indian education, research and cultural programs that increase knowledge and support the educational needs of American Indian/Alaska Natives; and

Whereas, Haskell has identified the need to properly administer a quality educational and student life program for American Indian and Alaska Native students attending Haskell; and

Whereas, Haskell's ability to make a successful transition from a junior college to a university vision is being compromised by not having control of their administrative systems; and

Whereas, the lack of control affects the quality of higher education offered to American Indian students; and

Whereas, the Board of Regents of Haskell Indian Nations University seeks to increase local control of the university with the passage of appropriate legislation.

Now, Therefore Be It *Resolved*, that the Tribal Council of the Agua Caliente Band of Cahuilla Indians supports Haskell's Board of Regents efforts to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in this transition to a 4-Year university.

RICHARD M. MILANOVICH,
Chairman.

CERTIFICATION

I, the undersigned, the Secretary of the Agua Caliente Band of Cahuilla Indians, hereby certify that the Tribal Council is composed of five members of whom 5, constituting a quorum, were present at a meeting whereof, duly called, and noticed, convened and held this 5th day of November 1996; that the foregoing resolution was duly adopted at such meeting by the affirmative vote of 4–0–0 members and that said Resolution has not been rescinded or amended in any way.

MARCUS J. PETE,
Secretary/Treasurer.

AKUTAN TRADITIONAL COUNCIL

RESOLUTION 96–21

Haskell Indian Nations University Administrative Systems Act of 1996

Whereas, Haskell's vision is to become a national center for Indian education, research and cultural programs that increase knowledge and support the educational needs of American Indian/Alaska Natives; and,

Whereas, Haskell's has identified the need to properly administer a quality educational and student life program for American Indian and Alaska Native students attending Haskell; and,

Whereas, Haskell's ability to make a successful transition from a junior college to a university vision is being compromised by not having control of their administrative systems; and,

Whereas, the lack of control affects the quality of higher education offered to American Indian students; and,

Whereas, the Board of Regents of Haskell Indian Nations University seeks to increase local control of the university with the passage of appropriate legislation;

Now Therefore Be It *Resolved*, that the Akutan Traditional Council supports Haskell's Board of Regents efforts to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in its transition to a 4-year university

CERTIFICATION

I, the undersigned, as President of the Akutan Traditional Council hereby certify this resolution on this 29th day of October, 1996.

_____ _____,
President.

CABAZON BAND OF MISSION INDIANS,
84–245 INDIO SPRINGS DRIVE,
Indio, CA, October 22, 1996.

BOB G. MARTIN,
President, Haskell Indian Nations University, U.S. Department of the Interior, Bureau of Indian Affairs, Lawrence, KS.

DEAR DR. MARTIN: The tribal business committee has reviewed your letter regarding transition to a four year university, and we believe this is an effort worth tribal support. We have enclosed a tribal resolution to that effect.

Sincerely,

MARK NICHOLS,
Chief Executive Officer.

RESOLUTION NO. 10–9–96–3

Re: Legislation to Support Granting Administrative Oversight to Haskell Indian Nations University

Whereas, Cabazon Band of Mission Indians is a federally recognized Indian Tribe with powers of self-government pursuant to its articles of association; and

Whereas, Cabazon Band of Mission Indians Business Committee is fully aware of its options relative to role, functions, authorities and responsibilities, and

Whereas, Cabazon Band of Mission Indians General Council understands that Haskell's vision is to become a national center for Indian education, research and cultural programs that increase knowledge and support the education needs of American Indian/Alaska Natives; and,

Whereas, Cabazon Band of Mission Indians recognizes that Haskell's ability to make a successful transition from a junior college to a university vision is being compromised by not having control of their administrative systems; and,

Whereas, Cabazon Band of Mission Indians has determined that this lack of control affects the quality of higher education offered to American Indian students; and,

Whereas, The Board of Regents of Haskell Indians Nations University seeks to increase local control of the university with the passage of appropriate legislation; now Therefore Be It

Resolved that the Cabazon Band of Mission Indians supports Haskell's Board of Regents efforts to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in its transition to a 4-year university.

CERTIFICATION

This is to certify that the above resolution was adopted by the Cabazon Band of Mission Indians Business Committee by a vote of 5 for, 0 against 0 abstaining at a duly called meeting on October 9, 1996.

JOHN JAMES.
CHARLES WELMAS.
ELISA WELMAS.
BRENDA SOULLIERE.
VIRGINIA NICHOLS.
JOHN WELMAS.

SOBOBA BAND OF MISSION INDIANS

RES. NO. CR96–HIC–55

Re: Supporting legislation granting administrative oversight to Haskell Indian Nations University

Whereas, Haskell's vision is to become a national center for Indian education, research and cultural programs that increase knowledge and support the educational needs of American Indian/Alaska Natives; and

Whereas, Haskell has identified the need to properly administer a quality educational and student life program for American Indian and Alaska Native students attending Haskell; and

Whereas, Haskell's ability to make a successful transition from a junior college to a university vision is being compromised by not having control of their administrative systems; and

Whereas, the lack of control affects the quality of higher education offered to American Indian students; and

Whereas, the Board of Regents of Haskell Indian Nations University seeks to increase local control of the university with the passage of appropriate legislation.

Now Therefore Be It *Resolved*, that the Soboba Band of Mission Indians supports Haskell's Board of Regents effort to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in its transition to a 4-year university.

CERTIFICATION

We the elected members of the Tribal Council of the Soboba Band of Mission Indians do hereby certify that the foregoing Resolution was adopted by the Soboba Tribal Council at a duly held meeting convened on the Soboba Indian Reservation on October 15, 1996 by a vote 5 ''FOR'', 0 ''Against'', and 0 ''ABSTAINING'' and such Resolution has not been rescinded or amended in any way.

CARL LOPEZ,
Chairman.

TORRES MARTINEZ DESERT CAHUILLA INDIANS

RESOLUTION #10–96–02

Haskell Indian Nations University Administrative Systems Act of 1996

Whereas, Haskell's vision is to become a national center for Indian education, research and cultural programs that increase knowledge and support the educational needs of American Indian/Alaska Natives; and

Whereas, Haskell has identified the need to properly administer a quality educational and student life program for American Indian and Alaska Native students attending Haskell; and,

Whereas, Haskell's ability to make a successful transition from a junior college to a university vision is being compromised by not having control of their administrative systems; and

Whereas, the lack of control affects the quality of higher education offered to American Indian students; and,

Whereas, the Board of Regents of Haskell Indian Nations University seeks to increase local control of the university with the passage of appropriate legislation;

Now Therefore Be It *Resolved*, that the Torres Martinez Desert Cahuilla Indians nation supports Haskell's Board of Regents efforts to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in its transition to a 4-year university

CERTIFICATION

We the undersigned, as the elected tribal council of the Torres Martinez Desert Cahuilla Indians Nation, hereby certify this resolution on this 12th day of October, 1996, and was ratified by our General Council on 12th day of October, 1996.

MARY E. BELARDO,
Chairperson.
PAULINE DURO,
Vice Chairperson.
HELEN L. JOSE,
Treasurer.
CINDY SIBOLE,
Secretary.
MARY L. RESVALOSO,
Council Member.

UPPER SIOUX COMMUNITY
BOARD OF TRUSTEES,
Granite Falls, MN, October 17, 1996.

Mr. BOB MARTIN,
President, Haskell Indian Junior College, Lawrence, KS.

DEAR MR. MARTIN: On behalf of the Upper Sioux Board of Trustees, I am pleased to enclose our Resolution of support for Haskell to become a 4-year University.

We wish your organization well in this endeavor.

Sincerely,

BRAD LERSCHEN,
Executive Secretary.

UPPER SIOUX COMMUNITY BOARD OF TRUSTEES, USC RESOLUTION NO. 50–96

Whereas, the Upper Sioux Community of Granite Falls, MN is a federally recognized Indian Community possessing the powers of self-government and self-determination, and is governed by the Constitution of the Upper Sioux Community; and

Whereas, the Upper Sioux Community has an elected governing body called the Upper Sioux Board of Trustees which is empowered by the Tribal constitution to act on behalf of the members of the Upper Sioux Community; and

Whereas, Haskell Indian Nations University's vision is to become a national center for Indian education, research and cultural programs that increase knowledge and support the educational needs of American Indian/Alaska Natives; and

Whereas, Haskell has identified the need to properly administer a quality educational and student life program for American Indian and Alaska Native students attending Haskell; and

Whereas, Haskell's ability to make a successful transition from a junior college to a university vision is being comprised by not having control of their administrative systems; and

Whereas, the lack of control affects the quality of higher education offered to American Indian students; and

Whereas, the Board of Regents of Haskell Indian Nations University seeks to increase local control of the university with the passage of appropriate legislation.

Therefore be it resolved, That the Upper Sioux Indian Community of Granite Falls, Minnesota supports Haskell's Board of Regents efforts to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in its transition to a 4-year university.

ONEIDA TRIBE OF INDIANS OF WISCONSIN,
RESOLUTION 6–12–96–B

Whereas, the Oneida Tribe of Indians of Wisconsin is a federally recognized Indian government and a treaty tribe recognized by the laws of the United States, and

Whereas, the Oneida General Tribal Council is the governing body of the Oneida Tribe of Indians of Wisconsin, and

Whereas, the Oneida Business Committee has been delegate the authority of Article IV, Section 1 of the Oneida Tribal Constitution by the Oneida General Tribal Council, and

Whereas, Haskell's vision is to become a national center for Indian education, research and cultural programs that increase knowledge and support the educational needs of American Indian/Alaska Natives, and

Whereas, Haskell has identified the need to properly administer a quality educational and student life program for American Indian and Alaska Native students attending Haskell; and

Whereas, Haskell's ability to make a successful transition from a junior college to a university vision is being compromised by not having control of their administrative systems; and

Whereas, the lack of control affects the quality of higher education offered to American Indian students; and

Whereas, the Board of Regents of Haskell Indian Nations University seeks to increase local control of the university with the passage of appropriate legislation;

Now therefore be it resolved, That the Oneida Nation supports Haskell's Board of Regents efforts to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in its transition to a 4-year university.

Be it Further Resolved this nation encourages Congressperson Toby Roth to vote approval of this legislation.

CERTIFICATION

I, the undersigned, as Secretary of the Oneida Business Committee, hereby certify that the Oneida Business Committee is composed of 9 members of whom 5 members constitute a quorum. 9 members were present at a meeting duly called, noticed and held on the 12th day of June, 1996; that the foregoing resolution was duly adopted at such a meeting by a vote of 8 members for; 0 members against; and 0 members not voting; and that said resolution has not been rescinded or amended in any way.

JULIE BARTON,
Secretary, Oneida Business Committee.

STOCKBRIDGE-MUNSEE COMMUNITY,
RESOLUTION NO. 087–96

Whereas, the Stockbridge-Munsee Community, Band of Mohican Indians, is a federally recognized Indian Tribe, exercising its sovereign duties and responsibilities under a Constitution approved November 18, 1937; and

Whereas, the Stockbridge-Munsee Band of Mohican Indians has always given education a high priority among its people, and several tribal members have attended Haskell Institute over the years; and

Whereas, Haskell's vision is to become a national center for Indian education, research and cultural programs that increase knowledge and support the educational needs of American Indian/Alaskan Natives; and

Whereas, Haskell has identified the need to properly administer a quality educational and student life program for American Indian and Alaska Native students attending Haskell; and

Whereas, Haskell's ability to make a successful transition from a junior college to a university vision is being compromised by not having control of their administrative systems, which control affects the quality of higher education offered to American Indian students; and

Whereas, The Board of Regents of Haskell Indian Nations University seeks to increase local control of the university with the passage of appropriate legislation; now

Therefore Be It Resolved, That the Stockbridge-Munsee Band of Mohicans supports Haskell's Board of Regents efforts to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in its transition to a 4-year university.

CERTIFICATION

I, the undersigned, as Secretary of the Stockbridge-Munsee Tribal Council, do hereby certify that the Tribal Council is comprised of seven members of whom 7, constituting a quorum were present at a meeting duly called, noticed, and convened on the 17th day of October, 1996, and that the foregoing resolution was adopted at such meeting by a vote of 6 members for, 0 members against, and 0 members abstaining, and that said resolution was not rescinded or amended in any way.

VIRGIL MURPHY,
President.
CAROL GOSS,
Council Secretary.

QUILEUTE TRIBAL COUNCIL, RESOLUTION NUMBER 96–A–87

Whereas, the Quileute Indian Tribe is an organized Indian Tribe under the Indian Reorganization Act; and the Quileute Tribal Council is the duly constituted governing body of the Quileute Indian Tribe; by authority of Article III of the Constitution and By-Laws of the Quileute Indian Tribe approved by the Secretary of the Interior on November 11, 1936; and,

Whereas, the Quileute Indian Tribe enjoys rights reserved to it by the Treaty of Olympia of 1855 and the Quileute Tribe Council has the responsibility under the Constitution to ''promulgate and enforce ordinances. . . .''; and,

Whereas, Haskell's vision is to become a national center for Indian education, research and cultural programs that increase knowledge and support the educational needs of American Indian/Alaska Natives; and

Whereas, Haskell's has identified the need to properly administer a quality educational and student life program for American Indian and Alaska Native students attending Haskell; and,

Whereas, Haskell's ability to make a successful transition from a junior college to a

university vision is being compromised by not having control of their administrative systems; and,

Whereas, the lack of control affects the quality of higher education offered to American Indian students; and,

Whereas, the Board of Regents of Haskell Indian Nations University seeks to increase local control of the university with the passage of appropriate legislation;

Now Therefore Be It Resolved, That the Quileute Nation supports Haskell's Board of Regents' efforts to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in its transition to a 4-year university.

DOUGLAS WOODRUFF,
Chairman, Quileute Tribal Council.

CERTIFICATION

I certify that Resolution Number _____ was adopted at the regular meeting of the Quileute Tribal Council at LaPush, Washington, on the 31st day of October, 1996 at a time a quorum was present and the Resolution was adopted by a vote of 3 for and 0 against on the 31st day of October, 1996.

PUYALLUP TRIBAL COUNCIL RESOLUTION NO. 221096

Supporting legislation granting administrative oversight to Haskell Indian Nations University to be known as: ''Haskell Indian Nations University Administrative Systems Act of 1996''

Whereas, the Puyallup Tribe has existed since creation as the aboriginal people who are the owners and guardians of their lands and waters; and

Whereas, the Puyallup Tribe is an independent sovereign nation, having historically negotiated with several foreign nations, including the United States in the Medicine Creek Treaty; and

Whereas; the Puyallup Tribal Council is the governing body of the Puyallup Tribe in accordance with the authority of its sovereign rights as the aboriginal owners and guardians of their lands and waters, reaffirmed in the Medicine Creek Treaty, and their Constitution and By-Laws, as amended; and

Whereas, Haskell's vision is to become a national center for Indian education, research and cultural programs that increase knowledge and support the educational needs of American Indian/Alaska Natives; and,

Whereas, Haskell has identified the need to properly administer a quality educational and student life program for American Indian and Alaska Native students attending Haskell; and,

Whereas, Haskell's ability to make a successful transition from a junior college to a university vision is being compromised by now having control of their administrative systems; and,

Whereas, the lack of control affects the quality of higher education offered to American Indian students; and,

Whereas, the Board of Regents of Haskell Indian Nations University seeks to increase local control of the university with the passage of appropriate legislation;

Now Therefore Be It Resolved, That the Puyallup Tribe of Indians supports Haskell's Board of Regents efforts to gain legislation that provides a greater degree of autonomy for Haskell Indian Nations University in its transition to a 4-year university.

CERTIFICATION

I, Michelle Hamilton, Secretary of the Puyallup Tribal Council of the Puyallup Tribe of the Puyallup Reservation, in Tacoma, Washington, do hereby certify that the proceeding resolution was duly adopted by the Puyallup Tribal Council, at a meeting held on the 22nd day of OCTOBER, 1996, a quorum being present and approving the resolution by a vote of 4 FOR, 0 AGAINST, 0 ABSTAINING, 1 NOT VOTING ITS ADOPTION.

MICHELLE HAMILTON,
Secretary, Puyallup Tribal Council.
BILL STERUD,
Chairman, Puyallup Tribal Council.

Mr. SNOWBARGER. Mr. Chairman, I believe that passage of this legislation is critical to provide Haskell Indian Nations University and Southwestern Indian Polytechnic Institute the opportunity to provide the best possible education for our Native American and Alaskan Indian students.

Mr. Chairman, I reserve the balance of my time.

Mr. CUMMINGS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I strongly oppose H.R. 4259, because the bill would allow Haskell and Southwestern Indian Universities to undertake personnel demonstration projects that would exempt them from civil service laws covering labor-management relations. That is a very, very important exemption. Employee organizations would as a result no longer have any input into the development of personnel policies and procedures.

I do believe that the gentleman's intentions are good, but at the same time we have a bill which would eliminate the Office of Personnel Management's authority to oversee this demonstration project. OPM would be reduced to the role of a consultant. We simply cannot have that. It would not be able to exercise the scrutiny and ensure the accountability as it is required to do under current law.

During full committee consideration of H.R. 4259, I offered an amendment that would have allowed these institutions to participate in a personnel demonstration project under current law which would have allowed OPM to maintain control and oversight over the process which they are mandated to do and maintain the right of the employees and their unions to negotiate over the terms of the project. No hearings on the issue were held by the Subcommittee on Civil Service, and there is nothing in the record that supports the proponents' view that these universities need special authority to explore new personnel practices.

In May of 1998, the National Haskell Board of Regents resolved that an alternative personnel system be developed, but that, and I quote, implementation not eliminate the right of Federal employees to engage in collective bargaining. Haskell Indian University's Faculty Senate expressed strong support for the resolution in a letter to the Board dated June 30, 1998.

Despite passage of the Board's resolution and attempts by the National Federation of Federal Employees Local 45 to negotiate an agreement providing for the demonstration projects with the universities, the author of this bill included language that would grant sole authority, and I emphasize that, sole authority, to the universities' presidents to determine the methods of involving employees, labor organizations and employee organizations in personnel decisions. This provision eliminates the rights and protections currently available to the employees and their union. It is unwarranted, unfair and a terminal flaw in this bill.

Mr. Chairman, I oppose the bill as introduced, and I will offer an amendment in the nature of a substitute at the appropriate time.

Mr. Chairman, I reserve the balance of my time.

Mr. SNOWBARGER. Mr. Chairman, just real briefly, the Board of Regents is the entity that is instructed to work with the president in consultation, and also the Secretary of Interior has veto authority over any plan. He can shut it down at any point in time.

With that, Mr. Chairman, I yield 4 minutes to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Chairman, I thank my colleague from Kansas for introducing this resolution, and I rise in strong support of the legislation. I would like to also thank my friend from Maryland for whom I have a great deal of personal respect for offering his perspective on this issue and on this debate.

Mr. Chairman, it is a fairly simple question we are here to decide today, and I appreciate the intellectual candor of my colleague from Maryland, because in essence what he is asking us to do is to make a choice. Are we in favor of educating the first Americans, and do we owe our first allegiance to the education of the first Americans, or do we instead owe our allegiance to the unions? That is the question here.

I represent more Native Americans than anyone else in the contiguous United States. The Sixth District of Arizona in square mileage is roughly the size of the Commonwealth of Pennsylvania. Within the Sixth District of Arizona are several schools under the control of the Bureau of Indian Affairs. Mr. Chairman, we should make this point: When it comes to education, the Bureau of Indian Affairs, in controlling schools grades K through 12, has already been authorized through legislation to establish these alternative personnel methods appropriate for educational systems. That has happened for grades K through 12. But now we have a situation where we come to two institutions of higher learning and the status quo is saying, ''No, whatever you do, don't change the personnel methods. Make sure that civil service rules and, more importantly, that unions control the educational process.''

I noticed with interest the criticism came because the university presidents would be given control of personnel decisions pertaining to education. Horrors. The school presidents in charge of personnel and curricula at the schools? To me, far from being a foreboding step, that is a commonsense approach.

An elder on the Navajo Nation, Mr. Chairman, put it quite succinctly and clearly to me during a town hall meeting there when he said to me, ''Congressman, as far as I'm concerned, BIA, those letters stand for three things: Bossing Indians around.''

Now, I know there are a lot of dedicated workers in the BIA, and I appreciate the BIA's foresight in elementary schools and other controlled schools to say education is more important than union bargaining. I would simply say that we should follow the example not to have anyone outside the educational institution presume to boss around or dictate or somehow dilute the primary mission of the institution, to educate the first Americans, the first Americans who are too often the forgotten Americans.

As my colleague from Kansas pointed out, during the period of time this legislation was being worked on, union representatives were involved. They have a place at the table. But the question becomes, who should control institutions of higher learning, educators or union bosses?

This is not a very difficult question to answer. Educators should control this. It should follow the blueprint offered for other schools within the BIA framework as these two institutions have that unique status as institutions of higher learning overseen by the BIA. I call for those better instincts and those efforts of many dedicated employees by the BIA not to boss Indians around, but to preserve education.

I gladly and strongly support the legislation.

Mr. CUMMINGS. Mr. Chairman, I yield myself such time as I may consume.

In response to what the gentleman from Arizona (Mr. HAYWORTH) just said, there are two points that I would like to make. At any university, Mr. Chairman, a very important part of that university, of course, are your students. But it is also the faculty that plays a very significant role, too, and those people that make the university work; that is, the employees of the school. Back on June 30, 1998, a memo was sent to the members of the Board of Regents from the Faculty Senate, and they expressly stated, and I quote, that they did not want to, quote, eliminate the right of Federal employees to engage in collective bargaining.

□ 1445

Another thing that was stated by the gentleman from Arizona (Mr. HAYWORTH) with regard to employees saying that they had an opportunity to be at the table, whatever. In a letter dated July 23, 1998, a letter from Michael Tossi, President of Local 45, the National Federation of Federal Employees, addressed to the gentleman from Kansas (Mr. SNOWBARGER), and I quote part of it because it is quite a long letter, it says:

The employees, the majority of whom are American Indians, feel we have not been given sufficient time or given reasonable opportunity to be involved in the development of this concept. That is the demonstration project. It is our desire to be involved.

They go on to say:

You persist in pushing without asking the people at Haskell Indian Nations University what their views are and what we feel about this legislation.

Again, keep in mind this legislation was never presented before the Subcommittee on Civil Service. We could have had all of these views, we could have had an opportunity to flesh all of this out and come up with a reasonable solution to my colleague's concerns, but we did not do that, and so we are here today.

And let me just go on to just quote just a bit more from that letter from Michael Tossi, the President of the Local 45 union there at the university. He said, and I quote:

We resent what you are doing and the manner you are doing it. It is unscrupulous, unprincipled and discriminatory.

That is what he said, and a university is not just students. A university is the faculty, the university is students, and the university is employees.

Mr. Chairman, I reserve the balance of my time.

Mr. SNOWBARGER. Mr. Chairman, I yield 2 minutes to my colleague, the gentleman from Texas (Mr. SESSIONS).

Mr. SESSIONS. Mr. Chairman, I appreciate the gentleman from Kansas and also have great respect for the gentleman from Maryland who he and I sit on the subcommittee together, and I will tell my colleagues, Mr. Chairman, that the bottom line is that what this is all about is whether we are going to help two schools in Kansas, the Haskell Indian Nations University and Southwestern Indian Polytechnic Institute, be able to compete in the marketplace to be able to get the kinds of teachers and professors that the marketplace regularly has, but that they will be unable to attract directly related to rules of the Federal Government.

This is a marketplace issue. It is an issue about the things, the way to hire employees and the way to keep employees.

One of the bottom line employment problems is always the portability of a retirement plan. The wisdom of this plan that my colleague from Kansas presents today is one that would allow these two universities the opportunity to have a portability of a retirement plan. The way the law exists today is that someone would have to stay employed in a job literally for the rest of their working career before they were able to get back that retirement that they had saved all these years.

The bottom line is the marketplace in academics does not work that way. Professors come and go. Professors have new callings that perhaps they want to leave and have a sabbatical or write a book or teach at another university.

I believe what we have got to do is to recognize that the work that is being done today through this bill would allow these two universities to attract and keep through their recruitment opportunities that they have the chance for a marketplace answer, and that is why I am in full support of this bill that is before us today, and I hope that Members of the Congress are able to recognize that this would be good for these two Indian Nation universities to have.

Mr. CUMMINGS. Mr. Chairman, I yield myself such time as I may consume.

To the point that was just made by my distinguished colleague from Texas (Mr. SESSIONS), I am concerned because what we have in the United States is uniformity with regard to retirement plans. Different retirement and insurance programs could create undesirable inequities in the compensation programs when Federal employees move in and out of the system. That is a major problem, and that does concern me, and that is one of the very reasons why the matter should have come before the committee, so that OPM could have an opportunity to give their side of this to figure out how this matter could be worked out as opposed to us trying to push it through without the proper deliberation. And I emphasize that.

I want to go on and just emphasize some other things.

What we are trying to do, what the bill, the intent of the bill, as I understand it, is to, one of the intentions is to have certain demonstration projects. Well, demonstration projects under current law will allow the institutions to request that the professors' jobs be reclassified at a higher grade. There are other ways to provide for increased pay for instructors which does not violate civil service rules and could have been discussed if a hearing was held. OPM has expressed a willingness to work with the institutions to facilitate an alternative personnel system, and OPM is very serious about this because they want to make sure that they have the uniformity that I talked about a little bit earlier.

These institutions are funded entirely, and I emphasize that, entirely with Federal dollars and should be subject to the same civil service laws as other Federal agencies. Local employees do not support Mr. SNOWBARGER's proposal, as I stated a little bit earlier. The National Federation of Federal Employees objects to going forward with this bill as currently written and has submitted a letter documenting their objections.

Mr. Chairman, I reserve the balance of my time.

Mr. SNOWBARGER. Mr. Chairman, I yield 2 minutes to my colleague, the gentleman from Kansas (Mr. RYUN).

Mr. RYUN. Mr. Chairman, first of all I would like to thank my colleague for bringing this important issue to the floor because our Nation's education is

at a crossroads. Because other countries are sending their students to our shores, we must provide our children with the best possible quality education. That is why I rise in support of H.R. 4259.

This bill does resolve some of the problems facing both of our two Indian or Native American colleges. Haskell Indian Nations University in Lawrence, Kansas, has some of the brightest students in the land, but for years Congress has required this institution to operate as a Federal bureaucracy instead of a center for learning. This is wrong. This bill will change that, and we need to be able to make sure we give the students at Haskell every opportunity and advantage they should have. And instead of making learning more difficult, we should pursue ways to help Native American Indians to achieve success in education.

Every Native American tribe in Kansas, and I want to emphasize that, every Native American tribe in Kansas, supports this legislation. Over 50 tribes across this country also support it. In fact, there is not any opposition from a single tribe with this legislation.

This legislation is not about union membership, as some of the Members from the opposite side of the aisle would like to suggest. This is about the rights of Native Americans and their rights to a quality education.

Supporting this legislation supports improved education for Native American Indians. I encourage my colleagues on both sides of the aisle to support this educational measure and vote yes on this bill.

Mr. CUMMINGS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to just quote from an internal memo from OPM with regard to this legislation because I think it is very important that the very institution, the Office of Personnel Management, whose job it is to oversee this process, we need to know what they say about all this because I think that is very, very important, and that is what basically this debate is all about.

OPM, and I quote, OPM was given authority to oversee personnel management demonstration projects by the Civil Service Reform Act. OPM's years of experience and expertise in the development, evaluation and oversight of such projects would not be used sufficiently if OPM were limited to a consulting role at the discretion of the institution's presidents.

It would be inappropriate to establish a demonstration project, and these are the people who have expertise in this. These are the folks, it is their job to do this. This is what they are saying. It would be inappropriate to establish a demonstration project which could be made permanent as provided in Section 8 of the bill without the accountability provided by independent oversight, evaluation and scrutiny under the normal section 4703 procedures. The limited role provided to OPM by this bill would be insufficient to assure adequate accountability through independent oversight, and I emphasize that, independent oversight of these demonstration projects, particularly since Section 4(h)(2)(B)(ii) would allow continuation of any alternative system of employee benefits even if the demonstration project were terminated. That is a major problem. The legislation does not require a serious evaluation of results of an alternative system prior to that system being made permanent.

And so, Mr. Chairman, I tell my colleagues I understand the intent of the gentleman from Kansas (Mr. SNOWBARGER) and those who support this bill, but at the same time we have to keep some very important things in mind. Whether we like it or not, the institutions are supported solely with Federal funds, and that is very, very significant, and it is not about a question, as the gentleman from Kansas (Mr. RYUN) said a few minutes ago, about just having union involvement.

Again, we are talking about a community. A university is a community: employees, faculty and students, and the arguments are being made as if the faculty and the employees are not American Indians. Well, they are, and what they wanted was to merely have an opportunity to participate in the process.

So I, for the life of me I understand what is being said, but at the same time I think that if we are going to fight for the rights of these presidents to make these decisions to have these demonstration projects and then allow those demonstration projects to become permanent without any kind of oversight, I am very, very concerned about that, and I think we all should be concerned about that.

Mr. Chairman, I reserve the balance of my time.

Mr. SNOWBARGER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, if I can make some quick response here to the comments my colleague made? OPM is not an expert in running colleges and universities. The regents and presidents of Haskell and SIPI are. OPM has experience in working with large Federal bureaucracies. The regents and presidents of Haskell/SIPI work day to day in the world of higher education. There is no reason to give OPM a larger role. Where OPM has expertise to offer, both Haskell and SIPI can and will ask for its help. However, it is important to remember that it is OPM's rules and regulations that have made hiring and college recruiting, just to name two examples, very difficult for these institutions.

Mr. Chairman, I yield 2 minutes to the gentleman from Kansas (Mr. TIAHRT).

Mr. TIAHRT. Mr. Chairman, I rise today to support H.R. 4259, the Native American Higher Education Improvement Act. This legislation provides much needed flexibility for these two Indian colleges, Haskell Indian Nations University and Southwestern Indian Polytechnic Institute. Both are run by the Bureau of Indian Affairs, and because these institutions are run by the Federal Government and their regulations, they must operate within the confines of the civil service system, and this has created a problem in attracting and employing qualified instructors.

Now, Haskell Indian Nations University, as my colleagues know, is located in my home State of Kansas, and over 900 students attend Haskell each year from 36 States, but the majority of those students come from Oklahoma, Arizona, New Mexico, Montana and Kansas. Over the past few years Haskell has transformed from a junior college into a 4-year institution, and in the spring of 1996, Haskell conferred its first baccalaureate degrees in elementary education. The university is now accredited to confer degrees in environmental education and Indian studies, and they are working hard to progress the educational opportunities for Native Americans.

What we are considering today in this bill gives the Native American colleges the tools they much need to compete.

□ 1500

Because without these tools, recruitment and retention of qualified faculty and staff is too difficult.

Mr. Chairman, I have taught at the college level at two institutions of higher education. The last institution I have taught at is Newman University located in Wichita, Kansas. Of the greatest challenges that face Newman right now is the challenge of attracting qualified personnel because of limitations on salary. If they are set too low, they can not acquire the qualified personnel or compete with larger schools, larger institutions.

Haskell is facing the same problem that Newman faces because their hands are tied by these government regulations. Their efforts are restricted because the civil service system is not structured for a university system. It is not structured in a way that they can compete with salaries.

This bill simply allows these two institutions the flexibility they need to compete with the university system. That, Mr. Chairman, is why I ask my colleagues to join with me in support of this legislation.

Mr. CUMMINGS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we are in a situation where we are arguing this bill, but I do not think this bill is going to go but so far anyway.

I just got a memo from the Executive Office of the President, statement of administration policy. I will read it. I think it makes the very points that I have been making.

It says,

Although the administration believes that additional personnel management flexibility is appropriate for the Haskell Indian Nations University and Southwestern Indian Polytechnic Institute, the administration opposes H.R. 4259. The bill would provide these Federally owned and operated universities with special authority to implement 5-year personnel management demonstration projects.

In particular, the administration objects to the demonstration projects authorized under H.R. 4259 because they would do the following: exempt these universities from laws covering Federal employees' leave and benefits, which could have a very real adverse impact on the university's employees and would set a bad precedent for the development of similar initiatives for other Federal entities.

Two, would reduce the Office of Personnel Management's important role in the development, management, and oversight of demonstration projects to that of a consultant.

The administration will work with Congress to find a suitable means of addressing the concerns that prompted this legislation.

I think that what has been stated here is what I have been saying before. I do believe that there are ways to address the issues which are the intent of this legislation. But we must find a way to make sure that OPM keeps its oversight with regard to these issues.

Uniformity becomes very significant. We can make the arguments from now until forever more about how universities are unique, and they are unique. But there are departments that are unique, too, that have special needs and special concerns.

But when we begin to carve out a piece here and carve out a piece there, taking away from the agency which has spent years honing in the expertise; and someone said a few moments ago, one of my colleagues, said, no, they are not experts in universities. Well, the issues that we are talking about here, they are experts in. The fact is is that this is what they do.

So I would submit that the statement from the Executive Office of the President is very clear. They see it as clear as day that this thing can be worked out. The problems can be worked out. They should be worked out, not through the method that we are trying to do here, but other methods.

Mr. Chairman, I reserve the balance of my time.

Mr. SNOWBARGER. Mr. Chairman, I yield 3 minutes to the gentlewoman from New Mexico (Mrs. WILSON).

Mrs. WILSON. Mr. Chairman, Southwestern Indian Polytechnic Institute is a school nestled on the banks of the Rio Grande River in my district. It is a small school, much like Haskell. It has 600 students and over 100 different tribes represented there each semester, which really gets to the problem with the criticisms of this bill.

These are two small universities operated directly by the Federal Government by the BIA that are anomalies in a system overseen by the Office of Personnel Management, which is not designed for universities. There are already special rules within the BIA for how they operate elementary schools.

But those rules do not apply to SIPI and to Haskell. As a result, they have to operate under a system which is rigid, which does not apply to them, where they have to try to make cumbersome rules fit a situation that they just do not find themselves in.

I commend my colleague the gentleman from Kansas (Mr. SNOWBARGER) for bringing this legislation forward to try to give these institutions the flexibility they need to better do their job and to educate our children.

I have been to SIPI and talked to the faculty there. I have talked to the President of SIPI, President Elgin, and they are supportive of this legislation. It takes them too long to hire professors. They cannot set out the requirements as they want to do for teachers. They need the flexibility to do this.

There is independent oversight of these two schools. It is called a board of regents. It is something that Federal Government agencies do not have, and OPM is probably not familiar with it.

Uniformity is probably, to paraphrase, the hobgoblin of small minds. We have two small institutions here that need flexibility to do their job better in a pilot program.

It is disappointing to me that the Executive Office of the President is paying more attention to its own bureaucracy and the Office of Personnel Management and not attention to the presidents, the faculty, and the students whom I represent.

I stand in support of this legislation, and I commend my colleague from Kansas for bringing it to the House.

Mr. CUMMINGS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I just want to take a moment and read from the current law, in regard to employees' involvement. This is section 40–703. I quote, it says,

Employees within a unit with respect to which a labor organization is accorded exclusive recognition under chapter 71 of this title shall not be included within any project under subsection A of this section, one, if the project would violate a collective bargaining agreement as defined in Section 71–038 of this title between the agency and the labor organization, unless there is another written agreement with respect to the project between the agency and the organization permitting the inclusion or, if the project is not covered by such a collective bargaining agreement, until there has been consultation or negotiation, as appropriate, by the agency with the labor organization.

It goes on to say, under letter H,

The office shall provide for an evaluation of the results of each demonstration project and its impact on improving public management.

I would just challenge the gentleman from Kansas (Mr. SNOWBARGER) to tell us exactly what role union personnel, those people who clean up the school, the faculty, the organizations, the labor organizations, what part will they have, because, they, too, are American Indians. They will be there when the students have graduated.

They, too, have a right to see and be a part of how their institution goes forward. They, too, have an interest in making sure that many of the students, who may very well be their children or grandchildren, are treated fair, and they, too, have an interest in making sure that these universities remain the great universities that they are.

Mr. Chairman, let me just say this, that first of all, I think that we all are concerned about our young people. We are concerned that they rise to the highest levels that they possibly can. We are concerned that our universities, wherever they may be, be the best that they can be. I believe that, with all my heart, and I believe that all Members of this Congress believe the same.

At the same time, we have to look at the factors with regard to this legislation. I think the first thing we have to start off with is that members of our committee, our subcommittee, who are very, very interested in the life and the lives of our civil servants, those people who day out and day in make it possible for all of us to do our jobs and make it possible for these two universities to exist, every member of that subcommittee, every one of them is concerned about them; in addition to the very institutions that those Federal employees support and make possible.

We also are concerned about the Office of Personnel Management. That is an office which is duty bound, by legislation coming from this Congress, the Congress of the United States, saying that there are certain things that they have the authority to do and certain things that they have the responsibility to do. So we also are concerned that going back to that Subcommittee on Civil Service that we never had an opportunity to go through this legislation, to sit down and listen to the faculty of these wonderful institutions. We never had an opportunity to hear from the presidents to see what they were going to say with all of this proposed new authority that the presidents of these universities will be given; never even had the opportunity to hear from even some students that may have had some concerns or parents of students who are paying tuition; never had the opportunity. So that the committee, a very distinguished committee, never had the opportunity to hear any of that.

We find ourselves today going through this legislation. As the administration said, it is bad legislation but we have an administration which is willing to work with the Congress to resolve the issues. So we end up in a situation where on the one hand, we are told that these wonderful institutions should have certain opportunities to do certain things but at the same time, while we are giving them the opportunity to create the various retirement programs and the various personnel rules and things of that nature, at the same time this legislation would leave out another very important

group of American Indians, and those are the members that so happen to be a part of the union, again, the people who support the institution.

Mr. Chairman, I just take this moment to say that I vehemently oppose this legislation. I will have an amendment in the nature of a substitute a little bit later in these proceedings.

Mr. Chairman, I yield back the balance of my time.

□ 1515

Mr. SNOWBARGER. Mr. Chairman, I yield myself the remainder of my time.

First of all, let me thank the gentleman from Indiana (Mr. BURTON), chairman of the Committee on Government Reform and Oversight; the gentleman from Florida (Mr. MICA), who is the subcommittee chairman who dealt with this issue; the gentleman from Pennsylvania (Mr. GOODLING), the chairman of the Committee on Education and the Workforce; and the gentleman from California (Mr. MCKEON), the chairman of the subcommittee, for bringing this legislation to the floor.

I would also like to acknowledge the gentleman from New York (Mr. SOLOMON) and the Committee on Rules and thank them for this open rule that allows us to debate this fully, and I thank all of those who have help bring this to the floor and speak to it.

I want to address some of the concerns that were raised by my colleague from Maryland, and I think the first one I want to raise is the fact that he is very concerned that we have reduced the Office of Personnel Management to the role of consultants. I would show my colleague this brochure put out by the Office of Personnel Management touting their services, and what do they call themselves? Consultants, setting the standard for excellence. They consider themselves consultants, this bill allows them to act as consultants, and I think that SIPI and Haskell will take advantage of their expertise when it is actually helpful.

Mr. Chairman, I want to talk a little bit about another criticism that has been made, and that is about employee involvement. We somehow think that the employees at the school are not going to be a part of this plan, even though for the last 8 years they have been a part of this planning. Employee participation has been an integral part of the process since day one. Beginning in 1990, when Haskell established a long-range planning task force to improve the recruitment and selection process for personnel, members of the local employee union have served on every single task force, planning group and quality improvement team. In most cases, the local union president or vice president has represented the union. Furthermore, employee representatives have been involved in the development of the guiding principles for the demonstration project that the university has been preparing in anticipation of passage of this legislation.

In fact, the following employees have represented the NFFE Local 45 on these boards: 1990 Long Range Planning Task Force, Dan Wildcat and Lee Pahcoddy. 1993 Personnel Quality Improvement Team, Sally Halvorson. 1995 Personnel Quality Improvement Team that developed the legislation recommendations, Sally Halvorson. Additionally, in April of 1996, all employees at Haskell received a copy of the study commissioned by the 1995 team and a copy of the draft legislation. Finally, in the spring of 1997, Sally Halvorson was appointed by the union to represent them on the implementation team for the alternative personnel system.

Mr. Chairman, I would like to address the concern about the collective bargaining process. I am not sure which bill the gentleman from Maryland has read, but H.R. 4259 does not have any effect on current collective bargaining rights, and in addition, the legislation states that the current collective bargaining agreement will remain in effect until its completion, and I would refer the gentleman to pages 7 and 14 of the legislation.

There is also concern that this demonstration project is going to become permanent without independent scrutiny and accountability. That simply is not true. The demonstration projects can only become permanent if Congress passes legislation making them permanent.

Under section 4(D) of the bill, the demonstration projects can only last 5 years. They may be continued without congressional action only to the extent necessary to validate the results of the project. To protect employees, the bill also allows alternative benefit systems to continue for those employees covered by them.

Not only will Congress independently evaluate any proposals to make alternative personnel systems permanent, but the Secretary of the Interior will also evaluate the performance of the projects. Section 3 of the bill requires that. In addition, the Secretary or the president of the institution can also terminate any project if either determines that the project is not in the best interest of the institution, and that is in section 3(E) of the bill.

In short, there will be independent oversight of these demonstration projects, and only Congress can make the project permanent.

Mr. Chairman, I might mention again, as one of my colleagues pointed out, the K through 12 education that is governed by the Bureau of Indian Affairs has been out from under these personnel management policies since the early 1970s, and they have operated and performed very well, and we do not have complaints coming in from those employees in those institutions.

Mr. Chairman, I also want to mention that there is plenty of support for this bill outside the two institutions that we are talking about. There are 55 nations that have indicated their support to us. We will have letters of support to place in the RECORD from 32 of those nations.

Mr. Chairman, to understand why this bill is vital to Haskell Indian Nations University and Southwestern Indian Polytechnic Institute, let us examine what will happen if this legislation does not pass. Without this legislation, the confines of the civil service system will prevent the schools from properly developing their academic programs, and it puts their academic accreditation into jeopardy. Resolution 98–10 from the Haskell Board of Regents says, ''Whereas, Haskell's ability to make a successful transition from a junior college to a university vision is being compromised by not having control of their administrative systems; if this legislation does not pass, we compromise the quality of education for our Native American and Alaskan Indian students.''

Very often we deal with extremely complex issues and lengthy bills in this body. This legislation is different. It is a short bill, only 16 pages long, and it is very straightforward. Simply, it allows two colleges with less than 400 employees to develop appropriate personnel systems. It allows Haskell Indian Nations University and Southwestern Indian Polytechnic Institute to develop portable benefits packages so that they can recruit qualified academic staff.

The bill was introduced and drafted at the behest of one group, the National Haskell Board of Regents. This Board, comprised of 15 members who are elected to represent more than 500 tribes across this Nation, asked me to help them make their institutions great.

Mr. Chairman, this legislation is important for the students of Haskell Indian Nations University and Southwestern Indian Polytechnic Institute, and I would ask my colleagues to support this legislation.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. STEARNS). All time for general debate has expired.

Pursuant to the rule, the bill shall be considered under the 5-minute rule by section, and each section shall be considered read.

During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The Chairman of the Committee of the Whole may postpone a request for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any postponed question that immediately follows another vote, provided that the time for voting on the first question shall be a minimum of 15 minutes.

The Clerk will designate section 1.

The text of section 1 is as follows:

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Haskell Indian Nations University and Southwestern Indian Polytechnic Institute Administrative Systems Act of 1998''.

The CHAIRMAN pro tempore. Are there any amendments to section 1?

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. CUMMINGS OF MARYLAND

Mr. CUMMINGS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. CUMMINGS of Maryland:

Strike all after the enacting clause and insert the following:

SECTION 1. AUTHORITY TO CONDUCT DEMONSTRATION PROJECTS.

(a) IN GENERAL.—The Haskell Indian Nations University in Lawrence, Kansas, and the Southwestern Indian Polytechnic Institute in Albuquerque, New Mexico, are authorized to conduct, pursuant to the provisions of chapter 47 of title 5, United States Code, demonstration projects for the purpose of testing the feasibility and desirability of implementing alternative personnel policies and procedures.

(b) LIMITATION INAPPLICABLE.—Any demonstration projects conducted under subsection (a) shall be conducted without regard to, and shall not be taken into account for purposes of, the limitation under section 4703(d)(2) of title 5, United States Code.

(c) COMMENCEMENT AND TERMINATION DATES.—Each demonstration project under this Act—

(1) shall commence within 2 years after the date of enactment of this Act; and

(2) shall terminate by the end of the 5-year period beginning on the date on which such project commences, except that the project may continue beyond the end of such 5-year period to the extent necessary to validate the results of the project.

Mr. CUMMINGS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. CUMMINGS. Mr. Chairman, Haskell Indian University and Southwestern Indian Polytechnic Institute would establish their own alternative personnel systems which would make radical changes in employee benefits, leave programs and labor-management relations. However, they have given no satisfactory explanation as to why they need to do so with specialized demonstration project authority, loaded with exceptions to current law.

My amendment to H.R. 4259 will allow the institutions to participate in a demonstration project under current law. It retains OPM's control and oversight over the process. It would also retain the right of the employees' union to collectively bargain over the terms of the demonstration project.

Mr. Chairman, I might add that the Haskell Indian Nations University Board of Regents, when approving this legislation, said something that was very, very significant that to date has not been read. It simply says,

Be it further resolved that Haskell develop its alternative administrative systems in a spirit of cooperation and input from administration, faculty, staff, and students; that its newly developed pay, leave and benefit packages emphasize comparable support for current employees, and that implementation of these alternative systems will not eliminate the right of Federal employees to engage in collective bargaining.

Mr. Chairman, one of my major concerns is that when I look at the legislation, and I refer to section 4(D), it says, and I quote,

Collective bargaining agreements. Any collective bargaining agreement in effect on the day before a demonstration project under this act commences shall continue to be recognized by the institution involved until the earlier of, one, the date occurring 3 years after the commencement date of the project; 2, the date as of which the agreement is scheduled to expire; 3, such date as may be determined by mutual agreement of the parties.

Basically what that means is that we have a possibility and probability that the very Board of Regents, the very Board of Regents whose job it is and whose duty it is to uplift this great institution has said one thing, and that is that they said that they wanted the administration, faculty, staff and students to have a role in all that goes on here, and they wanted to make sure that collective bargaining went forward, but the bill itself says that it is quite possible that as soon as the agreement runs out, if the agreement runs out, and of course it is calling for, the legislation calls for a 5-year demonstration project, which means that one could literally have a situation where the very intent of the very institution, that is, the Board of Regents, their very intent is actually destroyed by this very legislation.

So my amendment, Mr. Chairman, goes to making sure that OPM maintains the type of authority that it is mandated to have over a federally funded institution.

Mr. Chairman, I urge the Members to vote in favor of my amendment.

Mr. SNOWBARGER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I found the portion of the resolution that the gentleman from Maryland just read, and it is pretty fantastic when one considers the claims he has been making over the last hour or so that employees are not going to be involved. Here we have a commitment on behalf of the Board of Haskell Indian Nations University to maintain the involvement of employees just as they have been involved in this process over the last 10, 8 to 10 years, since 1990.

The fact of the matter is this amendment is an amendment that tries to say, Washington knows best. It does not matter what one says on the local level about a spirit of cooperation and wanting to work with the employees, we know better how to make sure that happens, and that is we maintain control here in Washington.

Mr. Chairman, the college's ability to offer portable retirement benefits, which would be taken out under the amendment of the gentleman from Maryland (Mr. CUMMINGS), that opportunity, that portable retirement benefit is vital to recruiting experienced teachers from other institutions.

I taught for a couple of years at the college level, and I can tell my colleagues that most college professors participate in a retirement system called TIAA/CREF which allows them to build up pension benefits as they move from school to school in the course of their careers. But if I am an instructor who moves to Haskell or to SIPI, I cannot keep contributing to my TIAA/CREF Creft plan. I also have to enroll in FERS instead, the Federal system. If I stay less than 5 years, and that is a common occurrence for instructors of other colleges, I do not get my benefits, and I make no progress toward providing for my retirement.

This inability to offer the same portable retirement benefits as any other civilian institution of higher education in the country is an enormous handicap in trying to recruit any new teachers and attracting additional professors. This directly impacts the ability to improve the quality of education that the students of Haskell and SIPI receive.

□ 1530

If Members want to improve the quality of Native American education, then reject the substitute and support H.R. 4259. The bill is necessary to permit Haskell and SIPI to compete for top quality educators. We found that candidates for those positions that were initially attracted and wanted to teach at Haskell and SIPI would lose interest when they were told they could not bring their own retirement programs with them or they would be unable to take their retirement benefits earned at Haskell to another university.

The Federal Employee's Retirement System, which would cover new faculty members, is not fully portable. It consists of three parts: Social Security, the Thrift Savings Plan and the FERS basic annuity. And while Social Security and the Thrift Savings benefits are portable, the basic annuity is not. Under FERS, an employee must stay with the government for 5 years to qualify for any retirement benefit. And employees who spend less time are only entitled to a refund of their contributions.

The Civil Service Retirement System is not portable at all. Moreover, testimony before the Subcommittee on Civil Service shows FERS and CSRS are skewed in favor of long-term employees.

The purpose of a retirement system is to attract and retain high-quality employees. A retirement system that discourages high-quality applicants is a hindrance, not a help. It would be a disservice to the students of Haskell and SIPI to force these institutions to stay in the Federal Government's general retirement systems for no other

reason than bureaucratic inconvenience. One size does not fit all.

In the past, Congress has recognized this. Many Federal entities such as the TVA, the State Department, the Federal Reserve Board, have been allowed to develop their own retirement systems to meet their particular needs. It is important to note too that anyone with 1 year's Federal service who is employed at Haskell or SIPI, let me emphasize this, any current employees who have been there for 1 year when this demonstration project begins cannot be required to leave the Federal benefits system. In other words, they can choose between the benefits system that they are under or they can choose a new alternative system if that is what the plan provides for.

Mr. Chairman, to truly help these institutions provide an excellent education for their Native American students, Members should defeat the Cummings amendment, and I ask for their vote on H.R. 4259 as it is written.

Ms. NORTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Cummings substitute amendment. This bill, as much as any I have seen on the floor in recent weeks, shows how little comity we have in this body, for this is a matter that could have been worked out.

Instead, this is a bill going for a veto, apparently enthusiastically. The Cummings substitute is a good faith substitute. For example, it contains an exception to the cap on demonstration projects indicating that the gentleman from Maryland (Mr. CUMMINGS) is not against such demonstration projects on their face.

I have to say for the record that there are parts of this bill that I am personally sympathetic with. First of all, I detest bureaucracy. Do not forget, I am from the District of Columbia where I have had to live with insane rules. I am always going after my own people to break through to where the meat is.

Moreover, I am myself an academic, a tenured professor of law who teaches a seminar every other Monday at Georgetown University Law Center. So, I am sympathetic with the flexibility that I think an academic institution needs.

But I have to ask, Mr. Chairman, why would anybody want to do a demonstration project without monitoring it to see what has been demonstrated so that one could spread it or correct it?

Now, the Cummings substitute has the expert government agency monitoring and evaluating this demonstration project, the OPM. Whereas the bill itself has the Secretary of Interior who knows nothing, of course, about personnel and other issues involved in this bill.

I can just see it now, Mr. Chairman. At some point if this bill were ever passed and signed, somebody in this body would ask for the GAO to do an evaluation of this matter because an expert group had not, in fact, evaluated it.

If we want it to have any integrity, if we want it to have any credibility, why not have OPM, which has not an iron in that fire, look at it, evaluate. If we do not like what they say, we can always look at it ourselves in committee.

Moreover, leaving employee organizations out of the development of such a project is a recipe for disaster. Modern American business understands how these things have to work these days. Bring everybody in under the umbrella and make it go. Otherwise, we leave the dissenters on the outside, leave those who represent the employees on the outside, leaving dissension.

We need employee cooperation if we are serious about success. We do not have to get union cooperation on everything that we do, but sitting down and talking with them is a whole lot better way to assure success than leaving them out to throw stones. The fact is, if we had had hearings on this bill, we probably could have worked out many of these issues. I, for one, would have sought a compromise because so many parts of this bill I am sympathetic with.

Instead, we thought this bill was not going to come forward. It leaps over all of the rules of this body and appears, voila, on the floor.

Mr. Chairman, what I ask that this body do is take this piece of legislation, do not go for a veto, instead go for a bill. Send this bill back or, in the alternative, support the Cummings substitute.

Mr. TIAHRT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, all that we have been asking to do under this bill was to allow Haskell and Southwestern Indian Polytechnic Institute some flexibility to compete in the open market within the university system so that they can attract additional qualified personnel to come to these two institutions and help Native Americans expand the opportunities that they have for higher education.

That is what was progressing fine, and now we are hearing the potential veto threat that this is not going to be accepted by the administration, that they want to continue to keep these two institutions with their hands tied.

If Members have read the ''Trail of Tears,'' they know that this government for far too long has manipulated Native Americans. I think it is time that we allow them some flexibility in order to enable them to move into a competitive market.

In Wichita, Kansas, we have Wichita State University. It is a fine institution under the Kansas Board of Regents and they have a retirement system that is competitive, so that they are competitive with other institutions across the Nation, so they can bring in qualified instructors to teach at such a fine institution. And I have no idea why someone would want to leave such a fine institute as Wichita State University, but if they were to decide to leave and go to Haskell or go to Southwestern Indian Polytechnic, then they would be risking, I think they would be risking the retirement benefits that they have been building up. This would make it very unattractive for them to move to this institution to help try to raise the level of education for Native Americans.

What this bill says that is being proposed by the gentleman from Kansas (Mr. SNOWBARGER) is that we allow this flexibility. Instead, now we have a substitute that we are facing offered by the gentleman from Maryland (Mr. CUMMINGS), and essentially what he is doing is gutting the bill, eliminating the possibility of any alternate systems of retirement or any alternate benefits. What does that do? It again limits the opportunities that these two institutions have in going out and finding a solution to their problems of bringing in new faculty.

What is the issue behind this? Why are we facing this? It seems to be a conflict between giving just two schools, Haskell University and the Southwestern Indian Polytechnic Institute in Albuquerque, New Mexico, the opportunity to go out and compete. Or do we keep them restricted by civil service guidelines and by limited retirement benefits? Do we free them up to go compete or do we bind them up?

There are millions of employees under the civil service system. The government has control over all of their benefits. Here we are just asking for a little flexibility to improve these two institutions. And we did not do it in the dark. It was not done in the dark. They involved the schools. They involved the employees. They involved the unions.

The solution was: Give us a little flexibility to come up with a system so that we can attract new personnel in. Do not bind our hands. Give us the flexibility to bring in new talent so that we can raise the level of education at these two institutions.

Well, now we have this substitute that is not supported by the Indian tribes. I have a list here of the 32 tribes that are going to submit a letter in support of H.R. 4259. And rather than read those, knowing that they are part of the RECORD, I just would want to say that this has strong support by both these institutions, by the people that are at these institutions, even the unions that are involved, and certainly these 32 tribes who have gone out so far as to write a letter in support of this legislation.

So, I would ask my colleagues to vote against the amendment offered by the gentleman from Maryland (Mr. CUMMINGS), and vote for H.R. 4259.

Mr. FORD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would say to the gentleman from Maryland (Mr.

CUMMINGS) thank you for the opportunity to say a few words. And I share the same concerns that the gentleman from Kansas (Mr. TIAHRT) expressed so eloquently.

As a Member of the Subcommittee on Civil Service of the Committee on Government Reform and Oversight, there are a lot of things that we have done this year that people have complained about that the full committee has done. And I would say that a lot of things that the subcommittee has done under the leadership of the gentleman from Florida (Mr. MICA) and the gentleman from Maryland (Mr. CUMMINGS) that we have been applauded for.

Some of the problems that have been expressed and raised by both of my dear friends probably could have been addressed and rectified and their concerns could have been assuaged at a minimum, if not altogether eliminated, had we on this committee had an opportunity to address some of those concerns.

Mr. Chairman, I would like to reemphasize three points that have been raised. Current law already provides sufficient authority for an agency to conduct a demonstration project. And the different retirement and insurance programs could create undesirable inequities in the compensation programs if Federal employees moved in and out of the system. I am certain that my colleagues on both sides of the aisle could understand that concern that not only we on this side of the aisle have, but workers would have as well.

And finally, employee organization will not have any input in the development of the demonstration project. Again, it is my hope that my colleagues will oppose H.R. 4259 and support the substitute offered by the gentleman from Maryland.

Mr. Chairman, I yield to the gentleman from Maryland (Mr. CUMMINGS).

Mr. CUMMINGS. Mr. Chairman, I thank the gentleman from Tennessee for yielding me this time. I think that the points that the gentleman made are very significant. The gentleman from Tennessee (Mr. FORD) is a very hard-working member of our subcommittee and as he said clearly, I mean, we just want an opportunity to see this legislation come before the subcommittee so that we could effectively address it.

One thing I might also say is that we are very fortunate to have probably one of the most closely knit subcommittees in the Congress in the Committee on Government Reform and Oversight Subcommittee on Civil Service. We have done a lot of things in a bipartisan manner. I think that this is something that we could have worked out.

But be that as it may, let me just go on to say that one of the things I think we are losing focus on here is that these universities, 100 percent of their budget is coming from the Federal Government. I think that is very, very significant.

I understand and all of us, as I said a little bit earlier, understand and want our young people to rise up to be the best that they can be. We want our universities to be the best that they can be. But we also know that this is a community effort; employees, faculty, and students coming together.

Mr. Chairman, I hope that my colleagues will vote against this bill.

Mr. HORN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I come at this problem with a little bit of background. Former university president for 18 years, having worked with the various schools in terms of improving the quality of their instruction. And I am sure this amendment means well. But I know from experience that it should not be applied in this situation, or any situation in which we want to attract first-rate professionals.

□ 1545

I think we need flexibility, and Indians deserve better in education than simply overregulation.

The reason I speak very strongly on this is, when what became the California State University was first authorized by the California legislature in 1961, and now one of the major series of universities in America, with probably the best deal, they made one mistake: they brought two high officials of the civil service system in Washington to California. It took us two decades to work our way out of that.

We cannot attract the best people for either faculty or support staff if we do not have freedom to reward people based on their accomplishments. And the Indians deserve no less.

When I was vice chairman of the United States Commission on Civil Rights, I spent a week on the Navajo reservation looking at the type of Indian schools that were there and what happened to these young people. As president of my own university, I built the Indian ratio up, starting with my first year. Nineteen had been there in a University of 26,000, and all had gone. We raised that to 1 percent, 2 percent of the student body of 35,000. So we had hundreds of Indian students on campus. And we brought in young high school students to give them aspirations that they too could go to college and not be treated as second-class citizens.

This is not a 2-year college. We are talking about a 4-year college. If we are to have the faculty that we should have if we have a 4-year college, or a 4-year institute, or a 4-year university, then we need flexibility, we need reward systems, we need to provide them with the kind of environment that they can hold their head up high with other faculty members throughout the United States. And we need to be able to retain faculty members. We need to have a decent salary and benefits. We cannot just be thrown into the batch of regulations that the civil service once had, and still too much of it hangs over many operations that ought to be much more professional.

The whole purpose of this legislation, and I commend its author, is to upgrade the schools and to see that they serve their communities, and that makes a lot of sense to me. But if we want to wreck it and just be so-so and say, well, Indians are not good enough to go to a university, then that is what this amendment says, and I would vote against it.

They are good enough, and they need people there that will work with them, understand them, be their faculty and support staff. I think Haskell Indian University and the Southwestern Polytechnic Institute will be a real breakthrough for Indian students in the United States.

So if we vote down the amendment and vote for the bill, we will have done the right thing.

The CHAIRMAN pro tempore (Mr. STEARNS). The question is on the amendment in the nature of a substitute offered by the gentleman from Maryland (Mr. CUMMINGS).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. CUMMINGS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 181, noes 244, not voting 9, as follows:

[Roll No. 485]

AYES—181

Abercrombie
Ackerman
Allen
Andrews
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Bonior
Borski
Boswell
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Conyers
Costello
Coyne
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gonzalez
Green
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Sabo

Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Slaughter
Smith, Adam
Snyder
Stabenow
Stokes
Strickland
Stupak
Tanner
Tauscher
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn

NOES—244

Aderholt
Archer
Armey
Bachus
Baesler
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boyd
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Cox
Cramer
Crane
Crapo
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Dicks
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Morella
Murtha
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Quinn
Radanovich
Ramstad
Redmond
Regula
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stump
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Yates
Young (AK)
Young (FL)

NOT VOTING—9

Boucher
Kennelly
Matsui
Parker
Poshard
Pryce (OH)
Riggs
Rush
Stark

□ 1609

Messrs. BILBRAY, FRANKS of New Jersey, MCHUGH and EHRLICH changed their vote from ''aye'' to ''no.''

Mr. HEFNER, Ms. DANNER and Mr. MORAN of Virginia changed their vote from ''no'' to ''aye.''

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. STEARNS). Without objection, the bill through section 8 will be considered read.

There was no objection.

The text of the remainder of the bill is as follows:

SEC. 2. FINDINGS.

The Congress finds that—

(1) the provision of culturally sensitive curricula for higher education programs at Haskell Indian Nations University and the Southwestern Indian Polytechnic Institute is consistent with the commitment of the Federal Government to the fulfillment of treaty obligations to Indian tribes through the principle of self-determination and the use of Federal resources; and

(2) giving a greater degree of autonomy to those institutions, while maintaining them as an integral part of the Bureau of Indian Affairs, will facilitate—

(A) the transition of Haskell Indian Nations University to a 4-year university; and

(B) the administration and improvement of the academic program of the Southwestern Indian Polytechnic Institute.

SEC. 3. DEFINITIONS; APPLICABILITY.

(a) DEFINITIONS.—For purposes of this Act:

(1) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(2) EMPLOYEE.—The term ''employee'', with respect to an institution named in subsection (b), means an individual employed in or under such institution.

(3) ELIGIBLE.—The term ''eligible'' means an individual who has qualified for appointment in the institution involved and whose name has been entered on the appropriate register or list of eligibles.

(4) DEMONSTRATION PROJECT.—The term ''demonstration project'' means a project conducted by or under the supervision of an institution named in subsection (b) to determine whether specified changes in personnel management policies or procedures would result in improved personnel management.

(b) APPLICABILITY.—This Act applies to—

(1) Haskell Indian Nations University, located in Lawrence, Kansas; and

(2) Southwestern Indian Polytechnic Institute, located in Albuquerque, New Mexico.

SEC. 4. AUTHORITY.

(a) IN GENERAL.—Each institution named in section 3(b) may conduct a demonstration project in accordance with the provisions of this Act. The conducting of any such demonstration project shall not be limited by any lack of specific authority under title 5, United States Code, to take the action contemplated, or by any provision of such title or any rule or regulation prescribed under such title which is inconsistent with the action, including any provision of law, rule, or regulation relating to—

(1) the methods of establishing qualification requirements for, recruitment for, and appointment to positions;

(2) the methods of classifying positions and compensating employees;

(3) the methods of assigning, reassigning, or promoting employees;

(4) the methods of disciplining employees;

(5) the methods of providing incentives to employees, including the provision of group or individual incentive bonuses or pay;

(6) the hours of work per day or per week;

(7) the methods of involving employees, labor organizations, and employee organizations in personnel decisions; and

(8) the methods of reducing overall staff and grade levels.

(b) CONSULTATION AND OTHER REQUIREMENTS.—Before commencing a demonstration project under this Act, the president of the institution involved shall—

(1) in consultation with the board of regents of the institution and such other persons or representative bodies as the president considers appropriate, develop a plan for such project which identifies—

(A) the purposes of the project;

(B) the types of employees or eligibles to be included (categorized by occupational series, grade, or organizational unit);

(C) the number of employees or eligibles to be included (in the aggregate and by category);

(D) the methodology;

(E) the duration;

(F) the training to be provided;

(G) the anticipated costs;

(H) the methodology and criteria for evaluation, consistent with subsection (f);

(I) a specific description of any aspect of the project for which there is a lack of specific authority; and

(J) a specific citation to any provision of law, rule, or regulation which, if not waived, would prohibit the conducting of the project, or any part of the project as proposed;

(2) publish the plan in the Federal Register;

(3) submit the plan so published to public hearing;

(4) at least 180 days before the date on which the proposed project is to commence, provide notification of such project to—

(A) employees likely to be affected by the project; and

(B) each House of Congress;

(5) at least 90 days before the date on which the proposed project is to commence, provide each House of Congress with a report setting forth the final version of the plan; and

(6) at least 60 days before the date on which the proposed project is to commence, inform all employees as to the final version of the plan, including all information relevant to the making of an election under subsection (h)(2)(A).

(c) LIMITATIONS.—No demonstration project under this Act may—

(1) provide for a waiver of—

(A) any provision of law, rule, or regulation providing for—

(i) equal employment opportunity;

(ii) Indian preference; or

(iii) veterans' preference;

(B) any provision of chapter 23 of title 5, United States Code, or any other provision of such title relating to merit system principles or prohibited personnel practices, or any rule or regulation prescribed under authority of any such provision; or

(C) any provision of subchapter II or III of chapter 73 of title 5, United States Code, or any rule or regulation prescribed under authority of any such provision;

(2) impose any duty to engage in collective bargaining with respect to—

(A) classification of positions; or

(B) pay, benefits, or any other form of compensation; or

(3) provide that any employee be required to pay dues or fees of any kind to a labor organization as a condition of employment.

(d) COMMENCEMENT AND TERMINATION DATES.—Each demonstration project under this Act—

(1) shall commence within 2 years after the date of enactment of this Act; and

(2) shall terminate by the end of the 5-year period beginning on the date on which such project commences, except that the project may continue beyond the end of such 5-year period—

(A) to the extent necessary to validate the results of the project; and

(B) to the extent provided for under subsection (h)(2)(B).

(e) DISCRETIONARY AUTHORITY TO TERMINATE.—A demonstration project under this Act may be terminated by the Secretary or the president of the institution involved if either determines that the project creates a substantial hardship on, or is not in the best interests of, the institution and its educational goals.

(f) EVALUATION.—

(1) IN GENERAL.—The Secretary shall provide for an evaluation of the results of each demonstration project under this Act and its impact on improving public management.

(2) INFORMATION.—Upon request of the Secretary, an institution named in section 3(b) shall cooperate with and assist the Secretary, to the extent practicable, in any evaluation undertaken under this subsection and provide the Secretary with requested information and reports relating to the conducting of its demonstration project.

(g) ROLE OF THE OFFICE OF PERSONNEL MANAGEMENT.—Upon request of the Secretary or the president of an institution named in section 3(b), the Office of Personnel Management shall furnish information or technical advice on the design, operation, or evaluation, or any other aspect of a demonstration project under this Act.

(h) APPLICABILITY.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, all applicants for employment with, all eligibles and employees of, and all positions in or under an institution named in section 3(b) shall be subject to inclusion in a demonstration project under this Act.

(2) PROVISIONS RELATING TO CERTAIN BENEFITS.—

(A) OPTION FOR CERTAIN INDIVIDUALS TO REMAIN UNDER CURRENT LAW GOVERNING CERTAIN BENEFITS.—

(i) ELIGIBLE INDIVIDUALS.—This subparagraph applies in the case of any individual who, as of the day before the date on which a demonstration project under this Act is to commence at an institution—

(I) is an employee of such institution; and

(II) if benefits under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, are to be affected, has completed at least 1 year of Government service (whether with such institution or otherwise), but taking into account only civilian service creditable under subchapter III of chapter 83 or chapter 84 of such title.

(ii) OPTION.—If a demonstration project is to include changes to any benefits under subpart G of part III of title 5, United States Code, an employee described in clause (i) shall be afforded an election not to become subject to such demonstration project, to the extent those benefits are involved (and to instead remain subject to the provisions of such subpart G as if this Act had not been enacted).

(B) CONTINUATION OF CERTAIN ALTERNATIVE BENEFIT SYSTEMS AFTER DEMONSTRATION PROJECT TERMINATES FOR PERSONS BECOMING SUBJECT THERETO UNDER THE PROJECT.—Notwithstanding any other provision of this Act, the termination of a demonstration project shall not, in the case of an employee who becomes subject to a system of alternative benefits under this Act (in lieu of benefits that would otherwise be determined under subpart G of part III of title 5, United States Code), have the effect of terminating—

(i) any rights accrued by that individual under the system of alternative benefits involved; or

(ii) the system under which those alternative benefits are afforded, to the extent continuation of such system beyond the termination date is provided for under the terms of the demonstration project (as in effect on the termination date).

(3) TRANSITION PROVISIONS.—

(A) RETENTION OF ANNUAL AND SICK LEAVE ACCRUED BEFORE BECOMING SUBJECT TO DEMONSTRATION PROJECT.—Any individual becoming subject to a demonstration project under this Act shall, in a manner consistent with the requirements of section 6308 of title 5, United States Code, be credited with any annual leave and any sick leave standing to such individual's credit immediately before becoming subject to the project.

(B) PROVISIONS RELATING TO CREDIT FOR LEAVE UPON SEPARATING WHILE THE DEMONSTRATION PROJECT IS STILL ONGOING.—Any demonstration project under this Act shall include provisions consistent with the following:

(i) LUMP-SUM CREDIT FOR ANNUAL LEAVE.—In the case of any individual who, at the time of becoming subject to the demonstration project, has any leave for which a lump-sum payment might be paid under subchapter VI of chapter 55 of title 5, United States Code, such individual shall, if such individual separates from service (in the circumstances described in section 5551 or 5552 of such title 5, as applicable) while the demonstration project is still ongoing, be entitled to a lump-sum payment under such section 5551 or 5552 (as applicable) based on the amount of leave standing to such individual's credit at the time such individual became subject to the demonstration project or the amount of leave standing to such individual's credit at the time of separation, whichever is less.

(ii) RETIREMENT CREDIT FOR SICK LEAVE.—In the case of any individual who, at the time of becoming subject to the demonstration project, has any sick leave which would be creditable under section 8339(m) of title 5, United States Code (had such individual then separated from service), any sick leave standing to such individual's credit at the time of separation shall, if separation occurs while the demonstration project is still ongoing, be so creditable, but only to the extent that it does not exceed the amount of creditable sick leave that stood to such individual's credit at the time such individual became subject to the demonstration project.

(C) TRANSFER OF LEAVE REMAINING UPON TRANSFER TO ANOTHER AGENCY.—In the case of any employee who becomes subject to the demonstration project and is subsequently transferred or otherwise appointed (without a break in service of 3 days or longer) to another position in the Federal Government or the government of the District of Columbia under a different leave system (whether while the project is still ongoing or otherwise), any leave remaining to the credit of that individual which was earned or credited under the demonstration project shall be transferred to such individual's credit in the new employing agency on an adjusted basis under regulations prescribed under section 6308 of title 5, United States Code. Any such regulations shall be prescribed taking into account the provisions of subparagraph (B).

(D) COLLECTIVE-BARGAINING AGREEMENTS.—Any collective-bargaining agreement in effect on the day before a demonstration project under this Act commences shall continue to be recognized by the institution involved until the earlier of—

(i) the date occurring 3 years after the commencement date of the project;

(ii) the date as of which the agreement is scheduled to expire (disregarding any option to renew); or

(iii) such date as may be determined by mutual agreement of the parties.

SEC. 5. DELEGATION OF PROCUREMENT AUTHORITY.

The Secretary shall, to the maximum extent consistent with applicable law and subject to the availability of appropriations therefor, delegate to the presidents of the respective institutions named in section 3(b) procurement and contracting authority with respect to the conduct of the administrative functions of such institution.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated, for fiscal year 1999, and each fiscal year thereafter, to each of the respective institutions named in section 3(b)—

(1) the amount of funds made available by appropriations as operations funding for the administration of such institution for fiscal year 1998; and

(2) such additional sums as may be necessary for the operation of such institution pursuant to this Act.

SEC. 7. REGULATIONS.

The president of each institution named in section 3(b) may, in consultation with the appropriate entities (referred to in section 4(b)(1)), prescribe any regulations necessary to carry out this Act.

SEC. 8. LEGISLATION TO MAKE CHANGES PERMANENT.

Not later than 6 months before the date on which a demonstration project under this Act is scheduled to expire, the institution conducting such demonstration project shall submit to each House of Congress—

(1) recommendations as to whether or not the changes under such project should be continued or made permanent; and

(2) proposed legislation for any changes in law necessary to carry out any such recommendations.

The CHAIRMAN pro tempore. Are there further amendments?

If not, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LATOURETTE) having assumed the chair, Mr. STEARNS, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4259) to allow Haskell Indian Nations University and the Southwestern Indian Polytechnic Institute each to conduct a demonstration project to test the feasibility and desirability of new personnel management policies and procedures, and for other purposes, pursuant to House Resolution 576, he reported the bill back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION TO FILE CONFERENCE REPORTS ON H.R. 3874, CHILD NUTRITION AND WIC REAUTHORIZATION AMENDMENTS OF 1998 AND S. 2206, HUMAN SERVICES REAUTHORIZATION ACT OF 1998

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that the managers on the part of the House be permitted until midnight tonight to file a conference report accompanying the bill (H.R. 3874) to amend the Child Nutrition Act of 1966 to make improvements to the special supplemental nutrition program for women, infants, and children and to extend the authority of that program through fiscal year 2003, and to file a conference report accompanying the Senate bill (S. 2206) to amend the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, and the Community Services Block Grant Act to reauthorize and make improvements to those Acts, to establish demonstration projects that provide an opportunity for persons with limited means to accumulate assets, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

MAKING IN ORDER ON WEDNESDAY, OCTOBER 7, 1998, OR ANY DAY THEREAFTER, CONSIDERATION OF CONFERENCE REPORT ON H.R. 3694, INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1999

Mr. GOSS. Mr. Speaker, I ask unanimous consent that it be in order on October 7, 1998, or any day thereafter, to consider the conference report to accompany the bill (H.R. 3694) to authorize appropriations for fiscal year 1999 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes; that all points of order against the conference report and against its consideration be waived; and that the conference report be considered as read when called up.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

ANNOUNCEMENT REGARDING LEGISLATION TO BE CONSIDERED UNDER SUSPENSION OF THE RULES TOMORROW, WEDNESDAY, OCTOBER 7, 1998

Mr. WELLER. Mr. Speaker, pursuant to House Resolution 575, I announce that the following bills will be considered under suspension of the rules on tomorrow:

H.R. 4679, H.R. 3783, H.R. 8, H.R. 4657, H.R. 4656, S. 2505, H.R. 2921, H.R. 4616, H.R. 2348, H. Con. Res. 331, S. 2022, S. 512, S. 1976, H.R. 804, and H.R. 4293.

Mr. Speaker, I include for the RECORD the titles of the legislation to be considered.

Suspensions for Wednesday, October 7:

1. H.R. 4679—Antimicrobial Regulation Technical Corrections Act of 1998;
2. H.R. 3783—Child Online Protection;
3. H.R. 8—Border Smog Reduction Act;
4. H.R. 4657—Clark County Land Exchange;
5. H.R. 4656—Clark County Land Exchange;
6. S. 2505—To Convey Title to the Tunnison Lab Hagerman Field Station in Gooding County, Idaho;
7. H.R. 2921—Multichannel Video Competition and Consumer Protection Act;
8. H.R. 4616—Corporal Harold Gomez Post Office;
9. H.R. 2348—Designating the Mervyn Dymally Post Office Building;
10. H. Con. Res. 331—Expressing the Sense of Congress Concerning the Inadequacy of Sewage Infrastructure Facilities in Tijuana, Mexico;
11. S. 2022—Crime Identification Technology Act of 1998;
12. S. 512—Identity Theft and Assumption Deterrence Act;
13. S. 1976—Crime Victims With Disabilities Awareness Act;
14. H.R. 804—To Ensure that Federal Funds Made Available to Hire or Rehire Law Enforcement Officers are used in a Manner that Produces a Net Gain of the Number of Law Enforcement Officers who Perform Non-administrative Public Safety Services; and
15. H.R. 4293—To Establish a Cultural and Training Program for Disadvantaged Individuals from Northern Ireland and the Republic of Ireland.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 836

Mr. BARRETT of Wisconsin. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 836.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

□ 1615

GENERAL LEAVE

Mr. SNOWBARGER. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to revise and extend their remarks and include extraneous material on H.R. 4259.

The SPEAKER pro tempore (Mr. LATOURETTE). Is there objection to the request of the gentleman from?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4101 ''An Act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes.''

PERMITTING OFFICIAL PHOTOGRAPHS OF THE HOUSE OF REPRESENTATIVES TO BE TAKEN WHILE THE HOUSE IS IN ACTUAL SESSION

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that the Committee on House Oversight be discharged from further consideration of the resolution (H. Res. 577) permitting official photographs of the House of Representative to be taken while the House is in actual session, and ask for its immediate consideration.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 577

Resolved, That at a time designated by the Speaker of the House of Representatives, official photographs of the House may be taken while the House is in actual session. Payment for the costs associated with taking, preparing, and distributing such photographs may be made from the applicable accounts of the House of Representatives.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. DIAZ-BALART) is recognized for 5 minutes.

(Mr. DIAZ-BALART addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado (Mr. SKAGGS) is recognized for 5 minutes.

(Mr. SKAGGS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

HUMAN RIGHTS VIOLATIONS IN INDONESIA MUST STOP

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. PITTS) is recognized for 5 minutes.

Mr. PITTS. Mr. Speaker, I rise today on behalf of the many people in Indonesia suffering from religious and ethnic hatred and abuse. The recent reports of riots and mass rapes of Chinese women has shocked the world. The extreme nature of these stories and the human rights abuses have made many wonder if the stories can really be true. Unfortunately they are.

Earlier this year riots broke out in major cities of Indonesia. As people

stood and watched in horror rioters looted and destroyed Chinese businesses. Authorities arrested and even killed students, and assailants brutally raped and murdered Chinese women and girls.

Reports suggest that groups of unknown assailants would descend on a community, enter businesses, demand money, rape women who were present, often while uttering anti Chinese rhetoric and loot and sometimes burn the businesses. Horrifying testimonies of rapes of girls, young women and older women revealed what some believe to be a calculated attempt to humiliate and terrorize the population into becoming followers of the government and military.

The actions of the rapists and looters are cowardly, should be internationally condemned. In addition, although the Indonesia government has acknowledged that the rapes occurred, it must engage in a thorough investigation. They must be held accountable before the world community for the riots and mass rapes and bring to justice those who are responsible for these terrible atrocities.

This summer I cohosted a Congressional Human Rights Caucus briefing on human rights abuses in Indonesia. The courageous panel of witnesses put their own lives in danger by sharing their stories and experiences in Indonesia. Father Sandyawan, the leader of the team that testified is now on the run. His offices, his house, have been ransacked, his assistants have been harassed, and his wife has been threatened.

Unfortunately reports reflect that the minority Chinese ethnic and religious population has been the target of most of the riot activity. This reflects a terrible violation of human rights and raises the possibility that there could be an increase in human rights abuses and a limit to basic freedoms for the general Indonesian population as a whole.

It is an understatement to say that the economic and political situation in Indonesia has been highly unstable in these past 8 or 9 months. Indonesians have lost their life savings, they have struggled to get food for their families, they live in fear of losing their lives in the riots which occurred.

Reports suggest that the ethnic Chinese only leave their homes to go to and from work. Otherwise they stay hidden.

Despite the change in the leadership of Indonesia's government on May 21, the rapes and other human rights abuses continue. In the midst of this turmoil and even before the current chaos began another group has suffered and continues to suffer as victims of violence and arson. The Indonesian Christian population has borne tremendous difficulty as government troops have closed churches and places of worship. Further, angry mobs have ransacked and destroyed their churches.

Since independence in 1945, and especially since the inception of the Suharto regime in 1966, reports reveal that mobs have burned or otherwise destroyed 483 churches, and 228 of those churches were destroyed after January 1996. Attackers destroyed the churches with Molotov bombs, fires and mob action.

I have besides me photographs which show the devastating effects of the attacks on the churches. In addition, there is a photo of a young woman who was burned to death in East Java while in her church. Unfortunately, although the new president of Indonesia promised change, churches continue to fall under attack. Fifteen churches have been destroyed during the four months since President Habibie assumed power.

Let me show you these photographs. The top photograph is of a Catholic church in West Java while it is burning. The bottom photograph is another church in South Kalimantan. The top photograph here is this same Catholic church after it has been burned. The congregation is sitting in the shell continuing to worship, but with no roof top. Here is another Indonesian Christian church that has been burned and ransacked. Here is a Protestant church in South Kalimantan, and here is remains of the lady who was burned in that church.

Indonesia is a member of the United Nations, but it is not party to any of the U.N. agreements which protect basic human rights such as freedom of religion.

Mr. Speaker, the human rights violations in Indonesia must stop, and the world community demands that they investigate and pursue justice.

A news article from June 18 states that ''Indonesia's politics is becoming more Islamic.''

Although there are numerous moderate Muslims in Indonesia who would protect the right of their Christian brothers and sisters to worship and share their faith freely, there are extremists who appear intent on securing power and ruling according to Shari'a (pronounced Shar–ee–aa) law.

Recent laws have been passed which restrict freedom of speech and conversion to another religion; restrict licensing for building places of worship; restrict Muslims from marrying non-Muslims; and restrict the religious education of private schools. In addition, the government must approve of religions—certain religions are illegal in Indonesia.

There are a few other nations of the world which have extremist governments, who do not respect freedom of belief for Christians, animists, or other non-Muslim religions.

And reports from Christians in Indonesia show their fear of being ruled by extremists.

As the world works to help Indonesia recover economically, it is vital that those solutions also address underlying issues in the culture, such as ethnic and religious prejudices, and the ensuing restrictions on fundamental human rights.

The government of Indonesia should thoroughly investigate the mass rapes of Chinese women as well as the destruction of churches and bring those responsible for these organized terrorist attacks to justice.

The world community of civilized nations demands no less.

SHOULD PRESIDENT CLINTON BE IMPEACHED?

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Oregon (Ms. FURSE) is recognized for 5 minutes.

Ms. FURSE. Mr. Speaker, we have, all of us, heard the salacious and speculative words being thrown around by the press and by partisans posturing both in this House and across the country, but this is too important, far too important. This is a crisis to our constitutional government, it seems to me, and therefore I believe it is important to hear from real experts.

Mr. Speaker, I am going to quote and read from a letter 13 constitutional scholars with no political ax to grind sent to the Speaker of the House. This is signed by 13 professors of law, and I am going to read this letter.

Dear Mr. Speaker,

Did President Clinton commit high crimes and misdemeanors for which he may be properly impeached? We, the undersigned professors of law, believe that the misconduct alleged in the independent counsel's report does not cross that threshold. We write neither as Democrats nor as Republicans. Some of us believe the President has acted disgracefully, some that the independent counsel has. This letter has nothing to do with any such judgment. Rather it expresses the one judgment of which we all agree, that the independent counsel's report does not make a case for presidential impeachment. No existing judicial precedent binds congress' determination of the meaning of high crimes and misdemeanors, but it is clear that Members of Congress would violate their constitutional responsibilities if they sought to impeach and remove the President merely for conduct of which they disapproved. The President's independence from Congress is fundamental to the American structure of government. It is essential to the separation of powers. It is essential to the President's ability to discharge such constitutional duties as vetoing legislation he considers contrary to the Nation's interest.

They go on to say some of the charges laid out in the independent counsel's report fall so far short of the high standard that they strain good sense. For example, the charge that the President repeatedly declined to testify voluntarily or press a debatable privilege claim that was later judicially objected. These offenses are not remotely impeachable. With respect, however, to other allegations, the report requires careful consideration of the kind of misconduct that renders a President constitutionally unfit to stay in office.

When a President commits treason, he exercises his executive powers or uses information obtained by virtue of his executive powers deliberately to aid an enemy. When a President is bribed, he exercises or offers to exercise his executive powers in exchange for corrupt gain. Both acts involve the criminal exercise of presidential power, converting those awful powers into an instrument either of enemies' interest or purely personal gain.

We believe that the critical distinctive feature of treason and bribery is

grossly derelict exercise of official power. Nonindictable conduct may rise to this level. For example, a President might be properly impeached if, as a result of drunkenness, he recklessly and repeatedly misused executive authority. The misconduct for which the President is accused does not involve the derelict exercise of executive powers. Most of this conduct does not involve the exercise of executive powers at all. If the President committed perjury regarding his sexual conduct, this perjury involves no exercise of presidential power as such. If he concealed evidence, this misdeed too involved no exercise of executive authority.

□ 1630

By contrast, if he sought wrongfully to place someone in a job at the Pentagon, or lied to subordinates hoping they would repeat his false statements, these acts could have involved a wrongful use of presidential influence, but we cannot believe the President's alleged conduct of this nature amounts to the grossly derelict exercise of executive power sufficient for impeachment.

Perjury and obstructing justice can without doubt be impeachable offenses. A President who corruptly used the Federal Bureau of Investigation to obstruct an investigation would have criminally exercised his presidential powers. Moreover, covering up a crime furthers or aids the underlying crime. Thus a President who committed perjury to cover up his subordinates' criminal exercise of executive authority would also have committed an impeachable offense.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LATOURETTE). All Members are reminded to refrain from personal references towards the President of the United States.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Delaware (Mr. CASTLE) is recognized for 5 minutes.

(Mr. CASTLE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

EXCHANGE OF SPECIAL ORDER TIME

Ms. HOOLEY of Oregon. Mr. Speaker, I ask unanimous consent to claim the time allotted to the gentleman from American Samoa (Mr. FALEOMAVAEGA).

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

SHOULD PRESIDENT CLINTON BE IMPEACHED?

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Oregon (Ms. HOOLEY) is recognized for 5 minutes.

Ms. HOOLEY of Oregon. Mr. Speaker, I yield to the gentlewoman from Oregon (Ms. FURSE).

Ms. FURSE. Mr. Speaker, the letter goes on to say:

"It goes without saying that lying under oath is a serious offense. But even if the House of Representatives had the constitutional authority to impeach for any instance of perjury or obstruction of justice, a responsible House would not exercise this awesome power on the facts alleged in this case. The House's power to impeach, like a prosecutor's power to indict, is discretionary. This power must be exercised not for partisan advantage, but only when circumstances genuinely justify the enormous price the nation will pay in governance and stature if its President is put through a long, public, voyeuristic trial. The American people understand this price. They demonstrate the political wisdom that has held the Constitution in place for two centuries when, even after the publication of Mr. Starr's report, with all its extraordinary revelations, they oppose impeachment for the offenses alleged therein.

We do not say that a 'private' crime could never be so heinous as to warrant impeachment. Thus Congress might responsibly determine that a President who had committed murder must be in prison, not in office. An individual who by the law of the land cannot be permitted to remain at large, need not be permitted to remain President. But if certain crimes demand immediate removal of a President from office because of their unspeakable heinousness, the offenses alleged against the President in the Independent Counsel's referral are not among them. Short of heinous criminality, impeachment demands convincing evidence of grossly derelict exercise of official authority. In our judgment, Mr. Starr's report contains no such evidence.

Mr. Speaker, I include the following letter for the record:

OCTOBER 2, 1998.

Hon. NEWT GINGRICH,
Speaker, U.S. House of Representatives.

DEAR MR. SPEAKER: Did President Clinton commit "high Crimes and Misdemeanors" for which he may properly be impeached? We, the undersigned professors of law, believe that the misconduct alleged in the Independent Counsel's report does not cross that threshold.

We write neither as Democrats nor as Republicans. Some of us believe that the President has acted disgracefully, some that the Independent Counsel has. This letter has nothing to do with any such judgments. Rather, it expresses the one judgment on which we all agree: that the Independent Counsel's report does not make a case for presidential impeachment.

No existing judicial precedents bind Congress's determination of the meaning of "high Crimes and Misdemeanors." But it is clear that Members of Congress would violate their constitutional responsibilities if they sought to impeach and remove the President merely for conduct of which they disapproved.

The President's independence from Congress is fundamental to the American structure of government. It is essential to the separation of powers. It is essential to the President's ability to discharge such constitutional duties as vetoing legislation that he considers contrary to the nation's interests. And it is essential to governance whenever the White House belongs to a party different from that which controls the Capitol. The lower the threshold for impeachment, the weaker the President. If the President could be removed for any conduct of which Congress disapproved, this fundamental element of our democracy—the President's independence from Congress—would be destroyed.

It is not enough, therefore, that Congress strongly disapprove of the President's conduct. Under the Constitution, the President cannot be impeached unless he has committed "Treason, Bribery, or other high Crimes and Misdemeanors."

Some of the charges laid out in the Independent Counsel's report fall so far short of this high standard that they strain good sense: for example, the charge that the President repeatedly declined to testify voluntarily or pressed a debatable privilege claim that was later judicially rejected. These "offenses" are not remotely impeachable. With respect, however, to other allegations, the report requires careful consideration of the kind of misconduct that renders a President constitutionally unfit to remain in office.

Neither history nor legal definitions provide a precise list of high crimes and misdemeanors. Reasonable people have differed in interpreting these words. We believe that the proper interpretation of the Impeachment Clause must begin by recognizing treason and bribery as core or paradigmatic instances, from which the meaning of "other high Crimes and Misdemeanors" is to be extrapolated. The constitutional standard for impeachment would be very different if, instead of treason and bribery, different offenses had been specified. The clause does not read, "Arson, Larceny, or other high Crimes and Misdemeanors," implying that any significant crime might be an impeachable offense. Nor does it read, "misleading the People, Breach of Campaign Promises, or other high Crimes and Misdemeanors," implying that any serious violation of public confidence might be impeachable. Nor does it read, "Adultery, Fornication, or other high Crimes and Misdemeanors," implying that any conduct deemed to reveal serious moral lapses might be an impeachable offense.

When a President commits treason, he exercises his executive powers, or uses information obtained by virtue of his executive powers, deliberately to aid an enemy. When a President is bribed, he exercises or offers to exercise his executive powers in exchange for corrupt gain. Both acts involve the criminal exercise of presidential powers, converting those awful powers into an instrument either of enemy interests or of purely personal gain. We believe that the critical, distinctive feature of treason and bribery is grossly derelict exercise of official power (or, in the case of bribery to obtain or retain office, gross criminality in the pursuit of official power). Nonindictable conduct might rise to this level. For example, a President might be properly impeached if, as a result of drunkenness, he recklessly and repeatedly misused executive authority.

The misconduct of which the President is accused does not involve the derelict exercise of executive powers. Most of this misconduct does not involve the exercise of executive powers at all. If the President committed perjury regarding his sexual conduct, this perjury involved no exercise of presidential power as such. If he concealed evidence, this misdeed too involved no exercise of executive authority. By contrast, if he sought wrongfully to place someone in a job at the Pentagon, or lied to subordinates hoping they would repeat his false statements, these acts could have involved a wrongful due of presidential influence, but we cannot believe that the President's alleged conduct

of this nature amounts to the grossly derelict exercise of executive power sufficient for impeachment.

Perjury and obstructing justice can without doubt be impeachable offenses. A President who corruptly used the Federal Bureau of Investigation to obstruct an investigation would have criminally exercised his presidential powers. Moreover, covering up a crime furthers or aids the underlying crime. Thus a President who committed perjury to cover up his subordinates' criminal exercise of executive authority would also have committed an impeachable offense. But if the underlying offense were adultery, calling the President to testify could not create an offense justifying impeachment where there was none before.

It goes without saying that lying under oath is a serious offense. But even if the House of Representatives had the constitutional authority to impeach for any instance of perjury or obstruction of justice, a responsible House would not exercise this awesome power on the facts alleged in this case. The House's power to impeach, like a prosecutor's power to indict, is discretionary. This power must be exercised not for partisan advantage, but only when circumstances genuinely justify the enormous price the nation will pay in governance and stature if its President is put through a long, public, voyeuristic trial. The American people understand this price. They demonstrate the political wisdom that has held the Constitution in place for two centuries when, even after the publication of Mr. Starr's report, with all its extraordinary revelations, they oppose impeachment for the offenses alleged therein.

We do not say that a ''private'' crime could never be so heinous as to warrant impeachment. Thus Congress might responsibly determine that a President who had committed murder must be in prison, not in office. An individual who by the law of the land cannot be permitted to remain at large, need not be permitted to remain President. But if certain crimes demand immediate removal of a President from office because of their unspeakable heinousness, the offenses alleged against the President in the Independent Counsel's referral are not among them. Short of heinous criminality, impeachment demands convincing evidence of grossly derelict exercise of official authority. In our judgment, Mr. Starr's report contains no such evidence.

Sincerely,

Jed Rubenfeld, Professor of Law, Yale University.

Bruce Ackerman, Sterling Professor of Law and Political Science, Yale University.

Akhil Reed Amar, Southmayd Professor of Law, Yale University.

Susan Bloch, Professor of Law, Georgetown University Law Center.

Paul D. Carrington, Harry R. Chadwick Sr. Professor of Law, Duke University School of Law.

John Hart Ely, Richard A. Hausler Professor of Law, University of Miami School of Law.

Susan Estrich, Robert Kingsley Professor of Law and Political Science, University of Southern California.

John E. Nowak, David C. Baum Professor of Law, University of Illinois College of Law.

Judith Resnik, Arthur L. Liman Professor, Yale Law School.

Christopher Schroeder, Professor of Law, Duke University School of Law.

Suzanne Sherry, Earl R. Larson Professor of Law, University of Minnesota law School.

Geoffrey R. Stone, Harry Kalven, Jr. Dist. Serv. Professor & Provost, University of Chicago Law School.

Laurence H. Tribe, Tyler Professor of Constitution Law, Harvard University Law School.

Note: Institutional affiliations for purposes of identification only.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Again the Chair would remind all Members to refrain from personal references toward the President of the United States, including references to various types of unethical behavior.

$80 BILLION TAX CUT SHOULD NOT BE VETOED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. FOSSELLA) is recognized for 5 minutes.

Mr. FOSSELLA. Mr. Speaker, I rise today to speak for the millions of American taxpayers, the millions of American taxpayers who believe that they are overtaxed, millions of American taxpayers who go to work every single day, like so many that I represent on Staten Island and in Brooklyn who feel that they send too much of their hard-earned money to Washington and do not see enough of it back home where it belongs.

A couple of weeks ago, this House narrowly passed a tax relief bill to the tune of $80 billion for the American people, specifically targeted to help senior citizens, married couples, and small business owners and farmers.

The reality is, as we stand here today, it stands under the threat of a White House veto. In other words, what we have been fighting for for the last year to bring much needed tax relief to the American people, with the stroke of a pen, will be rejected by the White House.

I think I speak for most of the American people who believe that they pay too much in taxes. When we talk about pittance and sending some of that money back home to Staten Island or Brooklyn or anywhere else across this country, I do not think these folks are asking too much.

We are talking about taking money out of a surplus. Well, let us be real. Where does this surplus come from? It does not fall out of the trees here in Washington. It is generated from the hard-working Americans who go to work every single day, some of whom work 6 and 7 days a week, some of whom are struggling to pay their mortgage or make their car payments or pay a college tuition.

I think the notion comes down to a very fundamental difference between those who want to stand in the way of growth and stand in the way of opportunity and stand in the way of allowing the Americans the freedom to spend their money as they see fit and compare and contrast that to those who just want to keep that tax burden as high as possible to keep the Federal Government growing larger and larger and to allow the bureaucrats and the politicians in Washington to make the choices for the American people that the American people should be making for themselves and their family.

The battle is very clear. The battle is over the size of government. Advocates of the bigger government here want the tax burden to remain high so they can use these excess revenues to create new programs and expand existing ones. That is the facts. It is the conventional common sense of the ordinary American that seems to get lost in the cloud of rhetoric here in Washington.

I look forward every time I can split this town and go back home to Staten Island where I live and where my family is, where the real people are, those people who get up at sunup and work till sometimes 8 or 9 o'clock at night, some of whom work Monday and Tuesday of a 5-day week just to send their money here to Washington. I ask them, do they think they get the money that they deserve that they pay in taxes?

All we are asking for is an $80 billion tax cut, something that they earned for themselves. We believe, at least I believe, that we need a pro growth tax policy, one that will cut marginal income rates to provide incentives to the American people to go out and work and to get to keep more of their hard-earned money, not this typical defending big government, defending big bureaucracy, defending everything that Washington stands for that is bad, as far as I am concerned, and instead sending the money back to create opportunities back in Staten Island and Brooklyn.

If the American people back home want that money to save, if they want it to invest, if they want it to build their local churches or civic organizations and keep that money close to home, then I say let us draw the line in the sand.

Let us send that money back home, stand with the Republican majority here that really had to fight tooth and nail when we listen to that debate to pass that tax bill, and send the message to the White House once and for all that the American people deserve to keep their hard-earned money.

Let us look forward next year, this is a small step, next year come back here and try to reduce the tax burden even more, create a policy where we can reduce those marginal rates again to provide incentives to people to work and to keep more of that money. That is a very simple message, a very simple message that somehow gets lost every time we come around here in the Beltway.

But I think that when I go back home and I talk to the small business owner who is looking for 100 percent deductibility for his health insurance where now it is 40 percent, if I talk to that married couple who is paying a penalty, a penalty for being married, it is ridiculous. Mr. Speaker, let us bring much needed tax relief to the American people.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. MORAN) is recognized for 5 minutes.

(Mr. MORAN of Kansas addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. EHLERS) is recognized for 5 minutes.

(Mr. EHLERS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

TRIBUTE TO THE HONORABLE ESTEBAN TORRES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. HINOJOSA) is recognized for 5 minutes.

Mr. HINOJOSA. Mr. Speaker, it is indeed a privilege for me to be able to participate in today's special order recognizing the service of my distinguished colleague, the gentleman from California (Mr. TORRES).

As a freshman, I have unfortunately not had the honor of serving with the gentleman from California (Mr. Torres) for very long. What I do know, though, from my brief association is that we are saluting a great individual, someone who has committed himself to improving the quality of life for all Americans and particularly America's Hispanic community.

Since being elected to Congress in 1982, the gentleman from California (Mr. TORRES) has represented his constituents and community passionately, demonstrating in his work both a fierce dedication and a keen understanding of the legislative procedures.

He has worked tirelessly to improve the American economy and to help create jobs. He has been an indispensable friend to consumers. He has successfully championed affordable housing for low and moderate income families. His environmental efforts have met with equal success, as has his work to crack down on gang crime. The list goes on and on and on.

But above all, above all, I think this is how I will remember him most, the gentleman from California (Mr. TORRES) is someone who has displayed perseverance for the people, exemplifying what voters want from their leaders in politics, and especially in Washington.

That is indeed a legacy of which to be quite proud, and the gentleman from California (Mr. TORRES) is indeed someone I am glad to call my friend.

Very shortly the gentleman from California (Mr. TORRES) will be saying farewell to this chamber. For those of us who remain behind, your good-bye will be bitter sweet, but I know how nice it will be for you to call your time your very own.

I want to join with everyone here today and wish for the gentleman that the years to come bring him good health, happiness, and time to enjoy his family. All of my best.

TRIBUTE TO GAIL BETHARD OF SOMERSET COUNTY 4–H

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PAPPAS) is recognized for 5 minutes.

Mr. PAPPAS. Mr. Speaker, today I rise to congratulate Gail Bethard upon her retirement from 18 years of service to the Somerset County, New Jersey 4–H Youth Development Program. During this week, which is National 4–H Week, it seems fitting to pay tribute to a woman who has devoted so much time, so much of her life to making the 4–H program such a success.

While working as a middle school mathematics teacher, Gail initially joined 4–H as a volunteer with her husband Wilson over 23 years ago. She then became involved with 4–H on a part-time basis until she became a full-time Program Associate. Gail has overseen the youth public speaking program, which quickly became widely-recognized and respected around New Jersey. In addition, she has been a liaison for the individual 4–H clubs, assisting them with daily operations and inter-group projects.

If these tasks were not enough, Gail's involvement with 4–H expanded as she began to coordinate the annual Somerset County 4–H fair. For the past 14 years, Gail has overseen and organized the 400 plus volunteers who assist with exhibits, demonstrations, and other highlights of the three-day fair. She has, indeed, made the 4–H fair an event for all of us to enjoy.

Gail has been described by her peers as respected, a good mentor, and someone who has always been there for all the clubs. We are all indebted to Gail for her commitment to helping all of those involved with 4–H, especially the young people.

I have enjoyed her advice and assistance in working with Somerset County's great 4–H'ers. I thank Gail Bethard for her dedication to Somerset County 4–H and wish her happiness in her retirement and happy trails during her much anticipated travels with her husband Wilson.

The Somerset County 4–H program is better because of Gail Bethard and her extra-special treatment of all those she comes in contact with. She will be missed by hundreds of people who respect and love her for not just what she has done but because of who she is.

LESSONS LEARNED

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina (Mrs. CLAYTON) is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, as we consider launching an impeachment inquiry, it is useful to contemplate the lessons we have learned about impeachment.

In 1775 Patrick Henry made this profound statement, ''I know of no way of judging the future but by the past.'' This Nation is a model for other nations, and we function best when we follow the guiding principle that has made us a model. That principle is that the government does what is good for the many rather than what is just good for the few.

□ 1645

Some, for political gain, want to impeach the President at any cost, at all costs. That may be good for them, but it is not good for America.

There are 3 main reasons why we should approach this matter with great care. First, we have never, never impeached a President. Second, the Constitution is very specific as to what constitutes ''impeachable offenses.'' We must not attempt to substitute our personal views for what the Constitution prescribes. Third, we are establishing precedent, dangerous patterns that will follow us for years and years to come, criterias that may govern how our citizens are treated.

Only 2 Presidents have faced impeachment: Andrew Johnson in 1868, and Richard Nixon in 1974. Johnson was acquitted, and Nixon resigned before trial. Indeed, in the 60 impeachment proceedings since 1789, no President, no President, has ever been impeached.

What are the lessons we learn from that history? One vice president faced impeachment. Spiro T. Agnew in 1973. However, the House refused to impeach him. What are the lessons we learned?

Impeachment of a President is a grave and serious undertaking for this country. It is a constitutional process, one carefully designed to allow the will of a majority of Americans to be frustrated and overturned. The President has been elected twice. We should approach this process with extreme caution, circumspection, and care. It should not be taken lightly or done frivolously.

The Constitution set out the reasons a President can be removed from office; for ''Treason, bribery or other high crimes and misdemeanors.'' Nothing I have seen or heard to date rises to the level of treason or bribery. Those are the specific reasons set out in the Constitution. The term, ''other high crimes and misdemeanors'' set out general reasons.

Basic to legislative drafting and statutory interpretation is the concept that the specific governs the general. In American jurisprudence that when a listing of items include both specific and general items, the specific items will govern what the general items mean.

Surely, none would suggest that what the President is alleged to have done is the same as treason or bribery. For the few who disagree with the overwhelming majority of the American people, politics should not be confused with punishment.

Former President Ford has recommended a punishment that may be

consistent with the offense in this case. He is being thoughtful and not political. What is best for the many of us is to be thoughtful and not political. All crimes are not ''impeachment offenses.'' If so, we could impeach the President for walking his dog without a leash. That is unlawful in the District of Columbia. That is bad conduct, thus absurdly underscoring the danger of substituting our belief of what the Constitution states. The Constitution says nothing about bad conduct as an impeachable offense.

I believe the Constitution sets out a process that Congress should follow when serious allegations of wrongdoing, allegations of impeachable offenses, have been made against the President. Under the Constitutional mandates, a process is now underway to determine if the President should be impeached. When we fail to follow the constitutional process, we fail to consider the lessons we have learned.

Just ask Richard Jewel who was first accused of the Atlanta bombings, or ask anyone else or thousands of persons, innocent persons who have been wrongly accused. We should allow that process to take its course and, throughout this process, we should be very careful to insist upon fairness, the rule of law, and impartial judgment.

Mr. Speaker, we have learned many lessons. Hopefully, we have learned the lesson that an impeachment proceeding is a very serious process.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LATOURETTE). The Chair will remind Members of the House to refrain from personal references to the President.

DO-NOTHING CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia (Mr. WISE) is recognized for 5 minutes.

Mr. WISE. Mr. Speaker, while I have another matter to talk about, I also want to rise in tribute to my colleague and classmate, the gentleman from California (Mr. TORRES). We came together in the Congress of 1983. I view the gentleman as being a true renaissance person in so many ways in the best sense of the word. He has always represented our class well, and I wish him good luck from one of his fellow classmates.

Mr. Speaker, I want to talk about a couple of things: scheduling and investigations.

Now, Mr. Speaker, I think it ought to be pointed out that as we hopefully wind into the final week of this Congress, we are today at October 6. October 1 is the beginning of the Federal fiscal year, and I think it is time that the American people understand that there is no Federal budget. There was no Federal budget passed this year. This Congress, while it can find time to do all kinds of investigations, and we ought to be investigating where it is necessary, could not find time to pass a Federal budget. So we are operating under a temporary or short-term continuing resolution until October 9. Presumably, we will either have another continuing resolution or another short-term one to carry us forward or the government shuts down.

One of the basic things that the Congress ought to be able to do is to pass a budget for the next fiscal year. Incidentally, in the 13 appropriation bills that really make up the Federal budget, as of a couple of days ago, I believe one had been signed into law, several more are finally beginning to work their way through. Most of those will not be passed in a timely manner either and, once again, we will be faced with a continuing resolution.

So if we had all of this time to conduct all of these investigations, what is it we did not have time to do? Well, the investigations curiously, many of them, and I sit on the Committee on Government Reform and Oversight that has been involved in many of the investigations, many of them dealt with campaign finance reform. So it would seem logical after millions of dollars of investigations, hundreds of subpoenas and depositions and inquiries and witnesses, it would be logical that Congress would try to fix the problem, right? The problem being millions of dollars of soft money being abused by both Republicans and Democrats. That was the problem in 1996. That is what the investigation is about.

The American people will not see a campaign finance reform bill this year. It passed the House, it cannot be brought up in the other body.

One would think that with 70 percent of the American people covered by their employers in health insurance, and those 70 percent, they are in managed care plans; one would think there would be a Patients' Bill of Rights to protect those. That is one of the problems that I hear the most about. There will be no meaningful Patients' Bill of Rights for managed care plans this year.

One would think with Social Security being on everybody's lips, there would be something being done by this Congress about Social Security. Sorry, no Social Security reform this year.

One would think that with millions of Americans having lost much of their retirement in just the last 2 months because of the stock market going into the tank, one would think that that could be something that Congress could deal with. Millions of Americans are going to get a surprise this month when they go to open their quarterly statement on their 401(k) or thrift plan, retirement plan to find out how much their holdings have diminished because of the stock market decline. Sorry, this Congress is not taking that up this year.

Nor will it take up anything apparently that will deal with the Asian situation, including funding for the International Monetary Fund to stop the hemorrhage. Sorry, this Congress is too busy. But what can this Congress do? Boy, it can investigate.

That is why I find it so interesting, when there are some who want to urge the Committee on the Judiciary to be open-ended, to go beyond the matters that have been brought to it, and instead to get into Travelgate, Filegate, Whitewater, maybe even Watergate, who knows.

The irony to this is that these have been covered extensively for the last 2 years. The Senate Thompson hearings, the Committee on Government Reform and Oversight hearings on Filegate and Travelgate. The Committee on Banking and Financial Services hearings on Whitewater. Our committee alone spent 22 days of hearings on these matters, including campaign finance reform, millions of dollars spent.

So when we hear the talk about, well, we need to have the Committee on the Judiciary open all of these up, this is what this Congress, all it has done for 2 years. Where are the results?

Mr. Speaker, the reality of the situation is, this is a do-nothing Congress, and unfortunately, there is a lot of diversion going on to cover that fact up. No budget, no campaign finance reform, no Patients' Bill of Rights, no Social Security reform, nothing done about the economy, nothing done about the stock market, nothing done about the Asian economy, nothing done about South America.

Mr. Speaker, if people love investigations, they will really like this Congress. Let me just suggest one more investigation. Who is responsible for this do-nothing Congress?

ELECTRIC RESTRUCTURING—LET US GET IT RIGHT

Mr. STEARNS. Mr. Speaker, deregulation of the airlines, natural gas, railroads, telecommunications, and trucking industries yield annual savings equal to nearly 1 percent of America's gross domestic product. Next January, in the 106th Congress, we will attempt to craft a measure that will finally and successfully unleash competition and savings from the utility industry.

In recent years, competition has replaced regulation for the electric power industry in many other nations, including the United Kingdom, New Zealand, Norway, Chile and Argentina. Many took a very long term approach to this process. The United States faces a unique situation in that our electric power industry is largely already privatized. So we must focus on altering our current system and effectively fostering competition.

Now, this should not be done through a Federal mandate. Five of the 10 largest electric consumer States already have mandatory competitive restructuring. Clearly, we would be wise to make the State-mandated restructuring more efficient instead of imposing a separate, huge new Federal mandate.

I see the ideal measure as one that fosters competition, avoids Federal mandates, and lowers rates for all consumers. To create this legislation, we must eliminate outdated laws, inject fairness into the process, and delineate the proper role of the Federal Government and State governments. But do not misunderstand me. Reforming the electric industry is no simple matter. This is an enormous undertaking. Next January, in the 106th Congress, we will consider the livelihoods of entire industries, constitutional questions, and the interests of the entire rate-paying public. Accordingly, we must address these points to fully realize the benefits of energy reform:

Every customer must benefit from this deregulation, not just the large industrial users of electricity. I am concerned that any rush next year in reforming the electric utility industry could result in large industrial users seeing greater benefits, while residential users and small businesses would pay for that benefit. One must look at the State-level experiences of Massachusetts and California to see that if we do not effectively address consumer issues, we will certainly face a consumer backlash. The ballot measures in these States underscore how unique the electric power industry is: it permeates every aspect of our lives and, of course, our economy.

We must honor past regulatory schemes and commitments and allow recovery of stranded investments. Electric utilities incurred ''stranded costs'' under a regulatory scheme not of their own choosing. These utilities made long-term decisions based upon decades of regulation. To deny industry recovery of these costs would go against the fairness that I spoke of earlier. That being said, lower rates would be fostered by real deregulation and industrial and regulation innovation, not by just merely shifting costs. We should not merely ''reshuffle the deck,'' so to speak, on who pays.

A significant hurdle to deregulation is the diverse nature of power generators, including public power providers, municipalities, investor-owned utilities, and Power Marketing Associations. Reconciling these disparate views will be a monumental task, no doubt, yet fairness demands that we produce a level playing field for all energy providers and transmitters.

Reforming the energy industry on a Federal level means clarifying the roles of the Federal and State governments. Where does the Federal responsibility end and the State responsibility begin? The diverse situation among the States adds to the difficulties of this reform. Some States have always supported regulation; others have taken progressive stances, while still others, like my home State of Florida, enjoy the benefits of moderately priced electricity, and, of course, they see very little need for reform.

□ 1700

Eliminating the barriers to entry into the electricity market is fundamental, of course, to this reform. We must repeal, one, the Public Utility Regulatory Policy Act, PURPA, and the Public Utilities Holding Company Act, PUHCA, to ensure that any transition to retail competition should be truly competitive.

The entire efficacy of PURPA centered on the supposition that producing electricity would become more expensive. In fact, Mr. Speaker, it has become cheaper. Thanks to PURPA, Americans will pay $38 billion in higher electricity bills over the next 10 years than they normally would have.

In conclusion, deregulation of the electric industry requires consideration of a myriad of factors. The stakes are high but so, of course, are the benefits. In the 106th Congress let us not rush. Let us work together and consider all these issues.

TRIBUTE TO CONGRESSMAN ESTEBAN TORRES

The SPEAKER pro tempore (Mr. STEARNS). Under a previous order of the House, the gentleman from Arizona (Mr. PASTOR) is recognized for 5 minutes.

Mr. PASTOR. Mr. Speaker, I just want to take a few minutes to give my appreciation to a great leader in this Congress but also a great leader in the Hispanic community. As this term ends, the gentleman from California (Mr. TORRES) will be retiring. I have had the honor of working with ESTEBAN for the past 30 years. I first met him when he was involved with Telecue, a community based organization, whose objective was to give a voice to the Hispanic community in southern California.

He was very effective in organizing that organization and today in southern California many Mexican Americans have great pride in this organization. ESTEBAN was recognized for the fine work that he did when he was named ambassador, and he served for many years in Paris, representing this great country and was called by President Carter to come back to the White House and work in his administration.

ESTEBAN was a voice for many of us. ESTEBAN was an advocate for us and again gave us great leadership. Since he has been in the Congress, he has been involved in many endeavors. Whether it be civil rights, betterment of education, ensuring that the Smithsonian Institute reflected the makeup of our country in terms of its diversity, ESTEBAN has been out there.

I know that very recently he was honored because of a scholarship program he promoted on a national basis. The people of Miami, Arizona, are very proud because ESTEBAN was born in Arizona but moved to California to continue his career.

On a personal note, Mr. Speaker, I have to tell you that ESTEBAN has been a friend, a mentor and a leader for me personally. It is with great regret that I see him retire from this great institution, but I know that he and Arcy are going to have a great time with their grandchildren and their children, but I know that he will continue to be the advocate that he has been for our community.

So I congratulate ESTEBAN for the fine work he has done. We are going to miss him, but we know that he is still going to be out there for us.

Mr. TORRES. Mr. Speaker will the gentleman yield?

Mr. PASTOR. I yield to the gentleman from California.

Mr. TORRES. Mr. Speaker, I thank the gentleman for yielding and for his tribute to me during this special order. Indeed, I am honored. He mentioned Miami, Arizona. It should be noted for my colleagues here that the gentleman from Arizona (Mr. PASTOR) and I are both natives of Miami, Arizona, a small mining town in southeastern Arizona. He comes from that stock of people who have worked hard to make this nation what it is today, and I am proud that I come from the same part of the country. Perhaps it must be something that was in the water in Miami, Arizona, but it has yielded two great sons to the House of Representatives.

Mr. Speaker, I appreciate the kind words about me from the gentleman from Arizona (Mr. PASTOR). He has been, indeed, a friend of mine throughout my period of time here and before that, as he mentioned, and I will continue seeing him in our lives as they continue on, as we continue our commitment to our communities.

INDEPENDENT AND FREE ELECTIONS IN SLOVAKIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. MICA) is recognized for 5 minutes.

Mr. MICA. Mr. Speaker, I come before the House this evening to talk very briefly about a great European leader, Alexander Dubcek, and also to talk about the Slovak elections. Recently, in Slovakia, we had the opportunity, after a thousand years, to witness free and independent elections. As some may know, Slovakia gained its freedom some 5 years ago and independence as a free nation in the Western European host of nations. In the last few weeks Slovakia has had the opportunity to elect for the first time representatives to their government that potentially will allow a true, free, honest government for that nation.

In the past years, there has been some conflict, there have been some problems in Slovakia, and in an election, which was a record by all Western democratic standards, 85 percent of the Slovaks turned out to cast their ballot. They decided to make a change in government, an important change in Slovakia, and it is very important to the Congress and to the Western world the

change that took place in that free and open election. They decided that they would form a new government and, again, create an opportunity for that country, which has had a thousand years of oppression, to be free and independent. Once again Slovakia will form a Western-leaning government.

My grandfather was a Slovak American immigrant, and I know the oppression that that country has seen with domination not only by the Nazis, not only by Russia and Stalin, not only under its own communist regime. Even as part of the Czech Republic they did not have the opportunity to be a free and independent nation.

So today we celebrate a free, independent election, the potential to continue as a free and independent nation, and Western-leaning democracy. Because of its importance, Slovakia, which juts out into the west between Hungary and the Czech Republic now has an opportunity to participate as a full partner in NATO, in the European Union and as a Western partner.

The world has seen many great leaders from Slovakia, and I know great leaders will emerge from this coalition that is to be formed in the new government.

Alexander Dubcek, a Slovak, in 1968, led the revolution, the revolution that was oppressed by Soviet tanks that trampled Slovakia. Now, for the first time, that country has an opportunity to be new, to have a new ''Spring'' of freedom. That revolution has been known as the ''Prague Spring'' but it was really the ''Dubcek Spring,'' sprung from the heart of a native Slovkian.

So we as Americans, we as Members of Congress, we as Slovak Americans, salute these free and independent elections. This bright new opportunity for freedom, the standard that was set by Alexander Dubcek, can now rise, and the Soviet domination of the past is behind us; the Nazi domination and a thousand years of oppression are behind us. A bright future for Slovakia is before us.

I come to the floor as a Slovak American, as an American, as a Member of Congress, to salute the Slovak people on their great accomplishment, their new opportunity for freedom and independence and express my hope and prayers for a new government that will work closely and participate with other Western Democracies.

TRIBUTE TO CONGRESSMAN HARRIS FAWELL

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Pennsylvania (Mr. GOODLING) is recognized for 60 minutes as the designee of the majority leader.

GENERAL LEAVE

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks in relationship to the honor we wish to pay to a remarkable Member of the Congress and of our committee, the gentleman from Illinois (Mr. FAWELL).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GOODLING. Mr. Speaker, before we honor the gentleman from Illinois (Mr. FAWELL), I just want to make sure that my good friend, the gentleman from West Virginia understands that perhaps his committee did not do everything he wanted to but he would sure be offended if he were a member of the Committee on Education and the Workforce. Just to mention a few things that we have done, the Higher Education Act, the Reading Excellence Act, the school nutrition bill, the vocational technical education bill, quality Head Start bill, a charter school bill, Individuals with Disability Education Act, prepaid college tuition plan, job training reform, bilingual education reform, emergency student loans, equitable child care resolution, juvenile justice, just to mention a few. So do not paint us all with the same brush. We have been hard at work.

It gives me great pleasure to have this special order this evening. I have served with HARRIS on the Committee on Education and the Workforce for 14 years, back when it was the Committee on Education and Labor. I have always looked to HARRIS for his expertise and his enthusiasm on labor issues to help me appreciate the finer points of labor law. As a matter of fact, I would be willing to say there is not anyone on the committee, with the exception of HARRIS, who truly understands labor law, who truly has been made it a labor love to understand it, and to try to improve it and try and get us into the 21st Century so we can survive as a great Nation.

I also know that over those years, he may have been challenged many times but he had always done his homework 100 percent better than anyone else on the committee, and I think the only other person that I can remember who really understood what they were talking about when they talked about labor law was probably John Elernborn, who I served with also.

In fact, HARRIS is so renowned in the House, among other things, for his focus on the details and for his expertise in health care and pension law. In fact, he speaks so lovingly about ERISA that I only recently found out that his wife's name is actually Ruth. I thought it was Erisa.

When he first came to the committee, we Republicans were in the minority, and he always led the fight against any excesses proposed by the other side on many issues. Because of differences in our seniority, I never had the luxury of sitting next to him and see him take all of those notes so that he was ready to fire back as soon as somebody made a statement and they did not know what they were talking about, because he knew what was in the law. He always did his homework prior to any hearing or any markup, and then fought passionately in support of his position on every issue, much to the exasperation of his adversaries.

I can remember one time when Chairman FORD became so exacerbated by HARRIS' insistence on an issue that he finally said to HARRIS if he would simply agree to drop his opposition to the amendment, BILL said he would retire from Congress. HARRIS hesitated for a few seconds and then he leaned into the microphone and simply said, ''Do not tempt me.''

□ 1715

And the room, of course, went up and laughter. The incident demonstrates why HARRIS was such an effective member of the committee and of the House as a whole. He always fought for what he thought was right, never compromised his principles, and he still kept his sense of humor.

In the 14 years that he has served under our committee, he has worked tirelessly to better the lives of working Americans from his leadership on health care to his efforts to improve productivity, safety, and health in the workplace, and his overall philosophy that there should be a level playing field between labor and management. He has been on the front lines of all the major work force policy debates in the Congress, and, HARRIS, we certainly are going to miss you.

Mr. Speaker, I now yield to the gentleman from Illinois (Mr. SHIMKUS).

Mr. SHIMKUS. Mr. Speaker, HARRIS has been a true friend and fellow Illinoisan, and I will miss him.

There is some benefit to being a new Member of Congress, and that is getting a chance to meet some of the great personalities of this Republic. And I include HARRIS FAWELL in that. A real ''Pork Buster'' before pork busting was cool. And as we have now a conservative Congress that looks at saving money, he was in the trenches long before many of us realized the importance of that fight.

But I am really here to read a statement from your staff, HARRIS, that they have asked me to read. And it is a great honor for me to carry this message from your staff to you in this opportunity. Envision me as your staff. They are a little more efficient than I am.

''We count ourselves tremendously lucky to have worked for you. Your kindness and humility, quiet leadership, the fact that you listen to us and care what we say shows us each day what it means to be a true public servant.

''In these cynical times, it is easy for staffers to become disillusioned with government service. Working with you has shown us how an honest and caring man of integrity can still make a difference here in Washington. Our time spent with you has maintained our faith in leadership. You have forever

influenced our understanding of policy with your dedication to thorough analysis and your commitment to knowing what is right, or as you sometimes put it, '20th century stuff.' We watch you earnestly and tirelessly advocating for these things.

''You inspire us to think harder, care more about each policy or person we come in contact with. We feel lucky that we have been included in the Fawell family, privy to your oatmeal recipe, popcorn lunches with stories about growing up as a ''Fighting Fawell,'' Ruth's snickerdoodle cookies, and late-night show tunes and quotes from Broadway plays.

''Among us we do not know anyone who has worked for you, or works for you, who would not do anything for you. HARRIS, they say that the ship reflects the captain. We count ourselves lucky to have been on the Fawell ship. We can only hope that we have been a reflection of you and that we will be, even as you sail on other seas.''

I think that is a great tribute, HARRIS, and I appreciate the opportunity to convey those messages from your staff.

Mr. GOODLING. Mr. Speaker, I yield to the gentleman from Chicago (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Speaker, I want to thank the gentleman from Pennsylvania (Mr. GOODLING) for yielding me this time and giving me this opportunity to share some comments about my colleague. I rise today to pay tribute to the distinguished gentleman and my colleague from the 13th District in Illinois, Congressman HARRIS FAWELL.

Congressman FAWELL has represented the 13th District and the constituents of that district since 1984. He has been a lifelong resident of Illinois and attended law school in my district in Chicago at Chicago's Kent College of Law. Therefore, we claim some representation for his success and for all that he has been able to do.

Congressman FAWELL has distinguished himself as an efficient, effective, and professional legislator. He has served with distinction on both the House Committee on Education and the Workforce and the Committee on Science. He leaves behind a legacy of committed service to his constituents and to this Nation.

I believe that the tribute paid to him by the Members of his staff represents the kind of esteem in which he is held.

The Illinois delegation will not be the same without Congressman FAWELL. We shall miss you and wish for you all the best.

Therefore, on behalf of all the residents of the Seventh Congressional District, we salute you for your fine service and trust that in retirement you will experience peace and contentment, that your years of service serves you well, and that you so rightly deserve. Best wishes and good luck.

Mr. GOODLING. Mr. Speaker, I thank the gentleman, and I now yield to another subcommittee chair, the gentleman from North Carolina (Mr. BALLENGER).

Mr. BALLENGER. Mr. Speaker, I thank the gentleman from Pennsylvania for allowing me to speak at this time. And as an individual who has served with HARRIS, I guess I am 2 years short of his same tenure, and we have been on this committee together for 12 years, as far as I am concerned there was always one person I could count on.

He had one labor subcommittee, and I had the other labor subcommittee, and when things got rough and the Democrats, since we have been in control, had nothing else to do, so the whole right-hand side was just full of people. But on our side, HARRIS and I were alone. He was either in front, and I was standing there to second whatever he did. We had the votes, but we just did not have the people, so we had to work together on this thing.

I still remember, because I had joined his organization. He and the gentleman from Texas (Mr. STENHOLM) invented this idea of the Pork Busters. And talk about an individual who does not mind getting bruised and beat up. Anybody in those days when the Democrats had absolute control of this body here and somebody standing up trying to cut the budget, it did not make any difference how difficult it was, there was no way that we as Pork Busters were going to accomplish our purpose. And most of us had enough sense not to stand up and get beat up the way some of us did, and Harris was one. He must have enjoyed getting beat up, because in reality he would get up and fight and lose. The next day he would get up and fight and lose.

I just have nothing but absolute admiration for somebody that will stand up alone and try to reduce the budget that way.

I think the one thing that almost everybody has to admit, and anybody in this whole organization, is a thing called ERISA. It is a type of operation that protects large corporations that have plants all over the United States, different areas, and it keeps people, they have the same law, they have a Federal law that says if a company has a plant in New Jersey and a plant in Massachusetts and a plant in California, they all have the same law, Federal law, to affect their retirement and to affect their insurance and so forth. And nobody in this body understands that any better than HARRIS FAWELL.

In fact, most of us that listen to this discussion that HARRIS will sometimes have with his professionals do not even understand what he is talking about. If my colleagues have ever thought of a lawyer speaking insurance, those are two completely different languages, but he can do them both at the same time and fool us all as to what it really means.

Our chairman of our committee, the gentleman from Pennsylvania (Mr. GOODLING), mentioned a whole bunch of bills that had been passed through this committee, and most all of the ones that were mentioned were education bills. And I commend the gentleman, because our chairman is a past educator. But HARRIS and I have been on the labor end of this thing. And you cannot get them all passed, but some of the names that he has come up with are just beautiful. Any artist would have said this bill should have passed.

The first one I am looking at, ''Savings Are Vital to Everyone's Retirement Act.'' Now, who in the world could possibly be against a bill like that? Well, the Democrats were. There is another one, ''The Sales Incentive Compensation Act.'' Now, there is nobody that would recognize the free enterprise system existing in any better fashion than that particular method. ''The Faculty Retirement Incentive Act.'' Harris was always full of incentives one way or another.

And I think the greatest one of all is the ''Paycheck Protection Act.'' Now that one I would have gone down forever and ever if we could have ever passed that. Most of these bills we actually got out of the House, but somehow there is a body on the other side of the building over here that has to have 60 votes to cut off a filibuster. And once they do not have that 60 votes, a lot of HARRIS'S bills and my bills just never appear again.

But with beautiful names like the ''Working Family's Flexibility Act,'' who could ever vote against something like that? That is a fabulous idea. And the ''Team Act.'' Anybody that recognizes the way this country operates must know that the ''Team Act'' is one of the most important things that we could have passed, but we did not.

And I would like to add one more thing about HARRIS as the chairman of our little subcommittee where I sat with him. For those people that do not know the way we operate up here, there is a little machine in front of the speaker. It has a red light, a green light, and a yellow light, and speakers are limited to 5 minutes. When the green light is on, your five minutes are working. The yellow light comes on, and you are just about to get turned off. And the red light comes on, and you are through, supposedly.

But Chairman FAWELL always was kind enough to say that I think I have overused my minute or so, maybe even 10 minutes or so, but he was always willing to give the Democrats the same benefit. I thought it was unbelievably kind of him, especially one day when I first got on the committee and did not realize the way HARRIS operated.

He was sitting right next to me, and he made the motion that he would be allowed to talk on the bill, and he talked, and his 5 minutes was up, and I was going to come next. HARRIS said, ''Cass, will you let me have a minute of your time?'' And being a very naive little freshman I said, ''Sure, go ahead.'' And so Harris got the word, and he used up every minute of my 5 minutes. I have never been so deeply hurt.

But anyhow, he is a wonderful guy. He is the most dependable, honest, sincere individual I have ever known, and I cannot say anything good enough for him, and I hate like the dickens to see him leave. Like I told him always before when I had my hearing in my subcommittee, he was there, and we could take care of each other. We would do the same thing for each other. And now that he has run off and left me, I think my choice of words earlier was ''I am dead meat now.'' When the time comes around and the Democrats want to get me, I will not have that white-haired gentleman there taking care of me.

Mr. GOODLING. Mr. Speaker, prior to my yielding to the gentleman from New York (Mr. SOLOMON), I wanted to say that I did not get down in time to pay tribute to him, and I certainly want to do that. I certainly have enjoyed my service with the Congressman from New York. I also enjoy visiting his district, particularly Saratoga. And he has just been a wonderful, fair chairman on the Committee on Rules.

Mr. Speaker, I yield to the gentleman from New York (Mr. SOLOMON) at this time.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman for those flattering remarks. And, yes, I do represent the oldest racetrack in America and the most beautiful. It is called Saratoga, New York, and my good friend from Pennsylvania comes up there quite often, because he has a love of horses the same as I do.

But he mentioned that I am retiring, and I guess the only time that I have ever become upset with HARRIS FAWELL is when I found out that he was retiring as well. Because I had made up my decision a while ago and I figured as long as he was here, there was going to be somebody on this floor who thought like Jerry Solomon and who would look out for the taxpayers of this Nation. That is really why I am here today to pay tribute to him.

The greatest compliment we can give to any Member of this Congress is when we walk on the floor and the vote is taking place and we look up there and see how that Member voted. ''This Member'' being HARRIS FAWELL. You do not even have to look any further. You do not have to find out what the bill is. All you have to do is vote exactly like him.

Mr. Speaker, he was not here more than 6 months when I realized that I could walk on this floor, and we are all busy, and if HARRIS FAWELL was voting ''no'' on the bill, I did not have to have any other information. I voted ''no,'' too. That is how much respect I have for him and his philosophy.

I just cannot say enough for the man. He has been one of the outstanding Members. I was doing an interview with one of his press the other day, I do not know whether it has been in the paper yet or not, and the reporter said, ''What best represents Harris Fawell?'' And I said, ''Two words: Due diligence,'' because when HARRIS FAWELL, either in committee or on this floor, when he rose to speak, he knew what he was talking about. He has done his homework. He never came on this floor without being prepared, and that is a tribute to a great man.

So, HARRIS, my time is up, but I wanted to come down here and tell you, I will not be here to miss you, but I will miss your being here to represent the views of the people who are really concerned about the spending that goes on in this Congress to make sure that it is done the right way. And you certainly have done that, my friend, and I salute you and wish you the best of luck.

□ 1730

Mr. GOODLING. Mr. Speaker, I would now like to yield to another subcommittee chair, the gentleman from Michigan (Mr. HOEKSTRA).

Mr. HOEKSTRA. Mr. Speaker, I thank the chairman for yielding, and it is good to be here to pay tribute to my colleague, the gentleman from Illinois (HARRIS FAWELL).

It was in 1993 that I came to Washington for the first time, and I believe out of that class of 47 Republican freshmen I was the only one that said my first choice for committees is to serve with the gentleman from Pennsylvania (Mr. GOODLING) and with the gentleman from Illinois (Mr. FAWELL) on the Committee on Education and Labor. That was at a time when we were looking for people to serve on that committee.

And I have never regretted that decision, because it has enabled me to work on a couple of issues that I have a passion for, education and labor, but it has also enabled me to work with, I think, some very good people here in the House of Representatives, the chairman being one and Mr. FAWELL being the other.

But since Mr. FAWELL is the one who has decided that he is going to leave the rest of us here to fend for ourselves, I think now is the time to express my appreciation to the gentleman from Illinois for the work that he has done.

I came here new to the legislative process, new to the process of understanding America's labor laws, understanding the spending habits of this Congress, and Mr. FAWELL has taken the time to take many of us through that process, to outline for us what was good in Washington, areas that maybe we ought to take a closer look at, and also being very articulate in pointing out the things that were not right here in Washington.

I want to give my colleagues a couple of areas where I think HARRIS really helped us as new Members. HARRIS has been here for 14 years. We thought in 1993, the class of 1993 and 1995, that we were the real people that broke the mold; that we were going to be the ones that were going to take us to a balanced budget, and I think, in many ways, we helped do that. But to be able to get to that point, a foundation had to be laid, and a foundation had to be laid by people in the 1980s and early 1990s that highlighted the information and put out in public view the information that said the American government is too big and it spends too much and here are some examples.

HARRIS FAWELL, through his efforts in Pork Busters, laid that foundation. The rest of us were able to build off that foundation. It was, what, just 6, 7 days ago that I think we reached the objective that HARRIS has been fighting for for 14 years, where we closed our books and we will have a surplus for the time since 1969. HARRIS FAWELL has been instrumental in making that happen.

HARRIS, you can leave with the knowledge that you have created a foundation; that we have a surplus that will be somewhere in the neighborhood of $70 to $80 billion. And we now need to build off the work you have created to start paying down the debt, to start reforming Social Security to make sure we can save it, and to start to reducing taxes. But without the work that you did in the 1980s, we would not have been able to move and tackle these issues now in the 1990s.

For the last 12 months I have had the opportunity to travel around the country and take a look at reforming American labor laws; what works and what does not work. At the same time, we could talk to HARRIS FAWELL and get much of that information, because HARRIS understands the types of reforms that we need to make in America's labor law to make sure that we are the most competitive country on the planet today. He has been a champion.

He has championed not only some of the reforms that we have seen, but some of the activities that were so important in the company that I worked in in the private sector. I think the best example of that is the TEAM Act. HARRIS has taken the lead in making sure that we pass legislation that really unleashes the potential of every American worker by allowing them to be more fully engaged in their workplace and working together, and taking 1930s and 1940s era labor laws and saying there is a new way to do it, there is a better way to do it, and this is one of the things that we need to do.

So, HARRIS, you have been a champion on the TEAM Act and a number of other labor reform issues that I hope that the next Congress can move forward, and we can take the vision you have had and we can implement those types of ideas to ensure that we will be competitive into the next century.

No discussion about HARRIS FAWELL would be complete without talking about ERISA. This is the challenge that I believe the chairman feels, that I feel, that I know the gentleman from North Carolina (Mr. BALLENGER) feels, and that is who is going to take us through the world of ERISA. We always knew that whenever there was a discussion on ERISA and what the implications of a legislative or a policy

change would be, as our eyes might kind of glaze over and say we do not quite understand all of this, we always knew that there was a person that we could go to who knew the ins and outs of a very important and a very complicated piece of legislation, but who could give us a very clear, not necessarily always concise, but when we had a question, we knew we could go to HARRIS and we knew we could get the right answer.

Now, the good thing here is I have had the opportunity to talk to HARRIS and ask him how we are going to get through this, and HARRIS has said he is going to be more than willing to come back and take us through that mine field and make sure that we continue doing the right thing, or at least we understand what we are doing.

But, HARRIS, you have been a wonderful colleague. You have taken the time and energy necessary to take someone new through the process. You have taken your time and energy to teach us what you have known. And I hope that you have taught us well, I hope that I have learned well, so that I can take this with me into future Congresses and we can continue to carry forward much of the visions that you have had.

Thank you very much for your 14 years, and congratulations on some great work here in the House of Representatives.

Mr. GOODLING. Mr. Speaker, I yield to the gentleman from California (Mr. DREIER), and I want to say to the gentleman from Michigan (Mr. HOEKSTRA), that I think he missed four words in his closing remarks, ''as a paid consultant'', I believe.

Mr. HOEKSTRA. He actually did not say that.

Mr. DREIER. Mr. Speaker, it is a great privilege for me to join in this ''Farewell to Fawell.''

As we listen to some of the remarks that have been made, the discussions that centered from the gentleman from Michigan (Mr. HOEKSTRA) about issues like ERISA, and I know there has been a great deal of discussion about higher education, I think I would like to move slightly beyond the higher education area to say that HARRIS FAWELL played a key role in teaching me an awful lot, and one of the most important things had to do with an issue called electrometallurgical treatment of nuclear waste.

This whole issue of nuclear waste disposal is something that came to my attention from some people that I was meeting with in California. And late one night we had the chance, with Mr. FAWELL calling me a half dozen times to make sure that I came over to speak on behalf of a very important amendment that dealt with the issue of electrometallurgical treatment. I want to congratulate him for the tremendous persistence that he has shown in dealing with these very, very important and complex issues.

One of those issues that, frankly, got a great deal of attention, something of which I am extraordinarily proud, is that Mr. FAWELL and I had the privilege a couple of years ago of both being categorized as ''super heroes'' by an organization known as Citizens Against Government Waste. All it meant was that the two of us were working long and hard to make sure that we would deal with the horrendous problem of government waste. And it is one that continues to go on and on and on. And that is why, as I heard earlier mentioned, HARRIS has been really at the forefront of this issue, with an organization known as Pork Busters, in trying to get rid of all of the waste in government.

That is why I am particularly saddened that HARRIS has decided to leave, not only because he has been a great friend to so many of us, but because he has really been in the vanguard of that issue of focusing on particular areas where we are able to try and reduce the size and scope of government and encourage individual initiative and responsibility.

So I would like to say that even though HARRIS told us months and months and months ago that he was going to be retiring, and many of us were very saddened then, as we head towards the waning days of the 105th Congress, I think that we will recognize that the contributions that HARRIS FAWELL has made for the years that he has served here are very, very great, and he will be sorely missed when the 106th Congress convenes in January.

Mr. GOODLING. Mr. Speaker, I yield to the gentleman from Michigan (Mr. KNOLLENBERG), a distinguished member of the committee.

Mr. KNOLLENBERG. Mr. Speaker, I thank the chairman for yielding, and I am delighted to be here this evening to take part in this tribute to HARRIS FAWELL, who I serve with on the committee.

As the gentleman from Pennsylvania (Mr. GOODLING) just mentioned, we have commonality on the Subcommittee on Employer-Employee Relations, a subcommittee that I enjoy very, very much and, in particular, I think I enjoy it because of HARRIS FAWELL.

HARRIS is someone that I am going to miss very much, his presence in this body and on that committee, and, frankly, in the cloakroom or wherever I might have caught him. Because along with his ability and capacity to deal with subjects that are beyond the realm of most of us, I say that honestly, he had a sense of humor that went well beyond that and made him into, I think, a genuine friend of this entire body and someone that we all looked up to.

I marveled at the comments of the gentleman from California (Mr. DREIER) about the Pork Busters. I recall when I first came to Congress that was one of the events I guess I looked forward to because, again, it was Congressman HARRIS FAWELL that led the way.

And, incidentally, even though he was against pork of all kinds, sometimes there were those who suggested that corporate welfare was something that he should be aware of. And HARRIS, in defense of honest cases where corporate welfare was not corporate welfare just because somebody said it was, he stood up, defended the right of some of these programs to stay in existence because they were meaningful and they did not fall into the trap of corporate welfare.

As my colleagues have already heard, HARRIS FAWELL is the only Member, I think of either the House or the Senate, who truly understands ERISA. Some would wonder why anybody would tackle that subject, but HARRIS Fawell did, and he does understand it and it shows in his work. His leadership on this issue will be sorely missed in this body.

When I think of HARRIS FAWELL, I think of three words: I think of thoughtfulness, of thoroughness and being considerate. And he is that way with committee members, he is that way with the public, and he is that way with everyone.

He has never been shy about tackling big issues while showing, as I said, an interest in everything from ERISA, to Salting, and the National Labor Relations Act. And I have to confess I do not know why anybody would be interested in the National Labor Relations Act the way HARRIS was, but he dug into it and literally assessed it, analyzed it, and scrubbed it with his own opinion.

HARRIS FAWELL is cordial to work with. He has been willing to listen, and he has conducted himself in a very friendly manner throughout all of his dealings with Members of Congress and with this body. Perhaps most importantly he has demonstrated a deep knowledge of the issues that have been before the Subcommittee on Employer-Employee Relations.

It has been, for me, a true pleasure to serve under his leadership. And his presence, as I have said, will be sorely missed in this body. I wish HARRIS FAWELL all the best in the future, and his family the best.

I presume that we have alluded to Ruth at some point along the way, because he has a very lovely wife, and she, in her own right, is a remarkable person. So to them and their family, whom I have had a chance to meet just last week, I wish them the very, very best in the future.

I suspect part of their future will be along Lake Michigan shore, my home State. You have chosen a lovely spot to at least spend part of your time. So to you, HARRIS FAWELL, and your family, all the best.

□ 1745

Mr. GOODLING. HARRIS, it is your time to fight back if you wish. I would recognize the distinguished gentleman from Illinois.

Mr. FAWELL. Mr. Speaker, I simply want to say thank you very much to my colleagues who came down this

evening to say some nice words. I do very much appreciate that. I will admit that I shall miss Congress and all of you folks. It gets in your blood and after 14 years you just cannot walk away from something like that without having ambivalent emotions. The 14 years have been so very rewarding as far as I am concerned, the people I have met here in Congress. There is an old saying that everybody you meet every day of your life is your teacher. We have here a teacher who is our chairman, the gentleman from Pennsylvania, who certainly is as revered and respected as any Member in this Congress, who has given so very much to education, and labor, also, being the two subject matters of the committee that he heads. But I can say that about all of the Members who took some time to drop in here this evening, for instance. I have learned from all of them a great deal.

You hope as you get along in life you will do that more. And when I heard that letter from the staff, I have had as we all have over the years a lot of different staff, mostly very young people who come in and do not know a great deal about what is going on here in Washington, but they learn very, very fast. I would say that I have learned there from all these young people, and the committee staff of our Committee on Education and the Workforce, and especially the staff that served in the Subcommittee on Employer-Employee Relations. I have had the privilege of helping to hire some of them as they came along, brilliant attorneys, top-flight people, people who basically have a credo in life that my job is to serve and to help people, and then say thanks, too. They are that kind of people. They are people that they do like that ERISA statute, they do understand the arcane labor laws which have to be understood to be able to speak about them and do the right thing for the working people of America as well as for the small businesspeople and the businesspeople in general in America. With all the staff I have learned so very much. I think I had been to Washington twice in my life before I came here. I remember flying in the first time and saying, ''Oh, there's the Capitol'' and so forth and so on. But I have learned to actually love this city of Washington, D.C. Ruth and I have always lived right in D.C. We found the neighborhoods where we have lived to be peopled with just tremendous people that we have grown to like and to love, and as I have said, all the young people who come and serve in Congress.

My colleagues. My gosh, there are brilliant people in this Congress. It is a wonder, on both sides of the aisle, you figure all the talented people we have, why we do not have a better product. It is a case where the parts do not add up to the total as they should. There is a lot of political rancor at times that takes place, but I am just here to say that this body is composed of men and women that are extremely talented, they are backed up by staff that are a wonder, young people, and when I see this and I see people coming to Washington, I can remember a couple coming in just a couple of weeks ago, a mom and a dad who looked very, very young to me, and little Samantha and her sister Maria. Their eyes were just big. They loved this country, they were just ecstatic about a tour that we arrange for our constituents, going through the Capitol Building. I see so many people coming to Washington and giving so much. The SAVER bill, for instance, a lot of people from all over the country at their own cost, coming in to share their expertise and their beliefs. I guess I could sum it up by saying 99.9 percent of the people in Washington, D.C. are tremendous people, are a loving people who want to serve, who want to help. That even includes the news media out there. They are breaking their backs really to try to make sense about what all we do down here and so forth. To me, it is 14 years of a tremendous education. I never could have gotten it any other way.

I came to Congress as an accident because I was on a group that was to select John Erlenborn's successor and when we had two people fink out on us, eventually the finger pointed to me, and I ran. I just want to say thank you to all of you folks who have expressed these kind words. I shall always remember my experience in the U.S. Congress, which is winding down now to the very last days, theoretically not until January 3rd of next year, but I will not be hanging around these halls too much longer.

Thank you very, very much for being thoughtful enough to arrange this, Mr. GOODLING.

Mr. CLAY. Mr. Speaker, I rise to express good luck to our colleague, the gentleman from Illinois, Mr. FAWELL, who is retiring from the House at the end of this Congress. It has been my privilege to serve with Mr. FAWELL on the Committee on Education and the Workforce throughout Mr. FAWELL's congressional career. During that time we have more often taken opposing points of view regarding legislation, particularly legislation affecting the labor laws. However, our differences have been political, never personal. Further, though our views may have differed on most issues, those differences have not prevented us from working together when we have been able to find common ground. When we have found common ground, we have successfully enacted good legislation.

In the last Congress, I joined with Mr. FAWELL in support of legislation to provide an exemption for police and fire departments from the Age Discrimination in Employment Act. In this Congress, I supported the efforts of Mr. FAWELL, and the gentleman from New Jersey, Mr. PAYNE, to enact the Saver Act. I also participated in the national summit on retirement savings that the Saver Act created. I believe both the first summit and the subsequent summits that will occur as a result of enactment of the Saver Act will serve to better educate workers regarding the importance of retirement savings. As a result, more workers will have financially secure retirements.

I would also like to take this opportunity to commend Mr. FAWELL for his work on the Faculty Retirement Incentive Act. Recently enacted as part of the Higher Education Act, this law permits certain voluntary retirement incentive plans for college faculty. I was not initially a supporter of this legislation. However, Mr. FAWELL worked diligently to address concerns raised by myself and others and the final product is one in which we all, and especially Mr. FAWELL, may be proud.

Mr. FAWELL first came to Congress in 1985, following the retirement of John Erlenborn. Mr. Erlenborn had a substantial reputation in this body as both a leader for conservative positions on labor issues and for his role in the enactment and subsequent development of the Employee Retirement Income Security Act. Many thought Mr. Erlenborn's shoes would be difficult to fill. But let me say for the record that, from my perspective, HARRIS, you fully filled the shoes of your distinguished predecessor. I wish the best for you and your family in the years ahead.

Mr. BILIRAKIS. Mr. Speaker, I rise today to add my voice to those honoring Congressman HARRIS FAWELL.

Anyone who wants lower taxes, affordable health insurance, or retirement security can thank HARRIS FAWELL and consider themselves fortunate that he has served in Congress for the past 14 years.

Dedication to public service has marked HARRIS' life. He was elected to the Illinois State Senate at the age of 33, and he served in that body for 14 years. He has built an impressive list of legislative accomplishments since his election to Congress in 1984.

He has championed small businesses and advocated measures designed to help workers obtain affordable health insurance. Recently, he served with me on the House Working Group on Health Care Quality to develop the Patient Protection Act, legislation that expands access to health care and provides protections for people in managed care plans.

The Patient Protection Act includes HARRIS' Association Health Plan proposal which allows small businesses to band together through national trade associations to obtain affordable health insurance for their employees. The Chicago Tribune called it ''the best piece'' of the Patient Protection Act because it provides the best patient protection of all—insurance.

Congress also enacted the Savings Are Vital to Everyone's Retirement (SAVER) Act, legislation HARRIS introduced to educate Americans about the importance of retirement savings. It created a successful National Summit on Retirement Savings held in June.

I could go on and on about HARRIS' legislative accomplishments, but I would like to close by reading from an opinion editorial written by a congressional page I sponsored this summer, George Palaidis. He wrote: ''People don't run for Congress just for the paycheck. Members run because they want to do something to help our country. Not too many people in this Nation are willing to sacrifice a sometimes higher-paying job and the normal routine of life for something they believe in.''

Mr. Speaker, Congressman HARRIS FAWELL exemplifies this ideal. He has served his constituents, his state, and his country with honor, integrity, and an abiding commitment to do what is best for this Nation. I am proud to call him a colleague, and more important, a friend.

Mr. GOODLING. There are many others, Harris, who wanted to participate,

but you know the scheduling around here, as I do. Again, we thank you for all you have given to the committee, to the Congress, to the country, to your constituents and wish you the best, whether you are with ERISA or whether you are with Ruth, I wish you the best both ways.

TRIBUTE TO HONORABLE ESTEBAN TORRES ON HIS RETIREMENT FROM CONGRESS

The SPEAKER pro tempore (Mr. STEARNS). Under the Speaker's announced policy of January 7, 1997, the gentlewoman from California (Ms. SANCHEZ) is recognized for 60 minutes as the designee of the minority leader.

Ms. SANCHEZ. Mr. Speaker, it is my distinct honor to host a special order this evening in honor of my friend and colleague Congressman ESTEBAN E. TORRES. ESTEBAN has served the people of the 34th Congressional District of California for 16 years. Those were years in which our country lived through the administrations of President Reagan, President Bush and President Clinton. During this time, the world witnessed the fall of communism in the Soviet Union, the rise of democracy in Latin America, and the end of billion-dollar U.S. budget deficits. Through it all, ESTEBAN has been a part of that history, not only by serving here as a Member but by being an active participant in these events. He has traveled throughout the world and met with the leaders of every superpower. In these journeys he has not only learned about the problems facing other countries but he has conveyed the meaning of freedom and the significance of democratic institutions that value the integrity of individual choice. I can think of no one person whose life better illustrates the American dream than ESTEBAN TORRES. Well, maybe my mom and dad, ESTEBAN. But here is a man who truly pulled himself up by his bootstraps.

He is the son of immigrants who came to this country seeking a better way of life. How often have we heard that? He struggled as a young man to overcome some tough times, growing up in the barrio of east Los Angeles. He is a veteran of the Korean Conflict and rose through the union ranks to the international of the United Autoworkers. From there he went on to serve the Carter administration in the White House and then he ran for his seat in this House. Through it all, he and his wife Arcy raised their daughters Carmen, Rena, Selina, Camille and their son Steve, and they have been blessed with 11 grandchildren. I know that his family is as proud of what he has accomplished as the people who are privileged to call him their friend. He has distinguished himself as a subcommittee chairman and as a member of the Banking Committee and Appropriations Committee.

No one will ever forget the leadership, ESTEBAN, that you showed during the passage of NAFTA and the establishment of the North American Development Bank. Throughout your career, you have been more than a friend. You have been a role model and you have been a mentor. There are many of us serving in government and business who claim and can claim that they got their start and their learning by following the example of ESTEBAN TORRES. I can say that he not only enthusiastically supported me when I first ran for office but was always there to give me advice and support during some very difficult and dark days. For your courage and your willingness to stand by me, I want you to know, ESTEBAN, that I am eternally grateful.

ESTEBAN, you will be remembered in this House not for cutting things and stopping projects but for building, for building opportunities for people and confidence in people and yes, for the hope that people carry in their hearts because of your example and what you have done. While I for one will miss your advice and counsel, I am happy that you are moving on to do other things that interest you and that will help our community in the long run. I know you will not be idle but very active in pursuing these other concerns. I know you will not be a stranger to this institution. I look forward to seeking your guidance. On behalf of all the people whose lives you have touched in so many different ways, you have really made an impact. I know when I see young children, and they have your name on their lips, of mentor and role model.

Thank you for the service you have given to this House and thank you for the service that you have given to our country.

Mr. Speaker, I yield to the gentleman from New York.

Mr. SOLOMON. I thank the gentlewoman for yielding. I also thank the gentleman from California. Unfortunately I have some meetings going on upstairs in the Rules office. I wanted to go back up, but before anything else, I wanted to be on this floor to, Mr. Speaker, pay tribute to a really great American, and when I say that, I say that from my heart.

There was a time back in 1950 when communism was on a roll. It looked like that atheistic philosophy was going to take over the world. The United States Government with a President named Harry Truman, and I was a Democrat back in those days, ESTEBAN, when Harry Truman saw fit to send American troops to Korea, and that is where we stopped communism dead in its tracks. If it were not for that, who knows what the world would be like today.

I never had the privilege to serve in combat in Korea and, ESTEBAN, you did. You and I went there last August, as a matter of fact. We went up to the 38th parallel to the DMZ. On our way, we stopped and we saw the terrible flood damage that was done by the floods that took place there which destroyed $300 million worth of American equipment and living quarters for our soldiers. As we stood on that 38th parallel, you could see that ESTEBAN TORRES was overcome, having been there at the time. I just wanted to stand up here and tell you, ESTEBAN, that you are a great American. You have been a great Congressman. We are going to sorely miss you. I will not be here to miss you, but you and I are going to keep an eye, you from California and me from the Adirondack Mountains, we are going to keep an eye on these other two Californians here and make sure that things are going right. I am sure they will.

I just want to wish you and Arcy, you have a wonderful wife, I wish the two of you the best and hope we continue to see each other. I salute you, sir.

Ms. SANCHEZ. I thank the gentleman from New York. I yield to the gentleman from California (Mr. DREIER).

Mr. DREIER. I thank my friend for yielding. I would like to begin by thanking her for taking this time for a very important special order.

Mr. Speaker, there are a few things that every Member hopes to hear upon retirement from this institution. We want others to say that we have been effective, that we worked hard to represent the interests of our districts, and that we will be missed by our colleagues. As one who represents a neighboring district, who worked with ESTEBAN TORRES on both the Banking and the Small Business committees and who because of redistricting has had the opportunity to represent many of the same communities and the same people, I can say all of those fine things about my colleague from West Covina. I am saying that he is from West Covina by letting a secret out that he actually is a constituent of mine and I am very proud of the fact that when I got West Covina back in that reapportionment process that he chose to stay in West Covina with me as his representative.

His work was critical to the passage of the North American Free Trade Agreement which I truly believe is one of the greatest bipartisan achievements of this decade. When the House debated the NAFTA, he worked with the Clinton administration and those of us on both sides of the aisle to create the North American Development Bank which built support for the agreement and secured important votes for its passage.

□ 1800

I have also had the opportunity to work with my neighbor on important local issues such as clean up of ground water in the San Gabriel Basin where ESTEBAN led the effort to authorize the San Gabriel Basin demonstration project. This demonstration project along with the San Gabriel Basin Water Quality Authority has enabled residents and businesses in the San Gabriel Valley to pursue a locally led response to the problem of ground water

pollution. The goal has been to give all stakeholders an interest in a successful clean up and to avoid the litigation nightmare that has characterized the Superfund program.

And I should also add that I worked with him on dealing with the closure of a large, what was a toxic chemical dump in west West Covina, and he was key in that, and I found working with him on that to be very, very important because we were able to work on it in a bipartisan way.

Besides the important environmental initiatives, he and I have worked together to support another issue that has been very key for the San Gabriel Valley, local transportation and getting funding for the Foothill Transit Authority. He was very, very key. He and I regularly testified before his appropriations committee in behalf of this. This is a local bus project which has repeatedly been cited by national officials as a great model of both the public and private partnership in dealing with the transit needs that exist.

I should also say, Mr. Speaker, that not everyone knows that ESTEBAN TORRES is a very accomplished artist. He often has the chance to sit down and very quickly is able to do these great drawings of people and of places and things, and it is a talent that very few of us have, and I am glad that ESTEBAN TORRES has been able to regularly utilize that when he served here in the Congress. I have seen some of the great caricatures that he has done.

Mr. Speaker, I often comment on what a pleasure it is to work on bipartisan initiatives that benefit both the American people and the constituents whom I am proud to represent in the San Gabriel Valley, and I am very pleased to say that I have such a relationship with ESTEBAN TORRES. He has created a very impressive legacy of service that is equal to that of many of our more senior colleagues. I have truly enjoyed working with ESTEBAN, and I wish him, Arcy and their wonderful family all the best as they pursue together what I am sure will be many rewarding endeavors in the future.

And I thank my friend for very generously yielding me this time, and I look forward to the other remarks, and I see my very good friend, Mr. ORTIZ, who I am sure will offer some great brilliance about our colleague, Mr. TORRES.

Ms. SANCHEZ. Mr. Speaker, I yield to Mr. ORTIZ from Texas.

Mr. ORTIZ. Mr. Speaker, ESTEBAN TORRES is not the sort of man we can say goodbye to as he retires from this body. He is really family, and we know we will see him again and again and again. Also, like family, he is hard to describe in simple terms.

You are complex, my friend. You, as my good friend, DAVID DREIER said, are an artist, a statesman, a friend of labor, an inspiration to young people, and an example of how far one can go in life and a role model to many of us.

ESTEBAN's father was sent back to Mexico when he was a very young man in Arizona. He has been through much in his life, and he has accomplished much in his life. Under his direction, the East Los Angeles Community Union grew into one of the largest anti-poverty agencies in the country. In 1976 President Carter appointed him Ambassador to the United Nations education, scientific and cultural organization, UNESCO, and later a Special Assistant to the President for Hispanic Affairs.

ESTEBAN and I came to Congress together as classmates in 1983, a few years back. As my colleagues know, we have watched the good and bad associated with this institution during our tenure. They have been decidedly that we have had some low moments, and there has been some moments of majesty that impressed the world. Together we have seen it all, and now ESTEBAN has decided that he has simply seen enough.

There are a host of stories about ESTEBAN that I would love to share with all of you, but they are probably best remembered privately between us in the cloakroom. But one of my fondest memories is to see you on the floor, in the hallway or in the cloakroom with your scratch pad and a pencil drawing the things you saw on the front row of history. I still have one of your sketches, and I will treasure it for the rest of my life.

In the first really big floor fight of my tenure I took to the floor in opposition to the use of turtle extruder devices, TEDS, in commercial shrimping. ESTEBAN knew it was an important moment for me, and he sketched the action of what was happening on the floor. Especially for me he sketched it, and I think you remember that, ESTEBAN.

And I remember walking into the cloakroom in 1997 while the Iran-Contra hearings were going on. Democratic members were being accused of not paying appropriate attention to the daily testimony before the committee. So you sketched a view of many democratic members watching the testimony on our closed-circuit TV in the cloakroom.

Thank you for capturing the moments of our lives of our service here on Capitol Hill. Your friendship is a friendship I will miss and I will always cherish since you are family, and we will not say goodbye. I will say good luck to you and Arcy, and I hope you will come back and continue to talk to us and make us laugh and continue to draw those beautiful sketches with stories about life, about those of us who serve in Congress.

May God bless you, and I know that whatever you do, ESTEBAN, God will bless you, and you will prosper and do well not only for you and your family but for your neighbors and your community. Godspeed and God bless you.

Ms. SANCHEZ. Thank you, Mr. ORTIZ.

You know, one of the great things about ESTEBAN, and I do not know if you know this, ESTEBAN, is that you are from, grown up in, I think in Arizona, from a small mining town, and the next mining town over, Kearny, is where much of my family comes from. So you are heralded not only in California where you have represented the 34th so well, but you are also known very well in Arizona, and of course we know you in California. I know you because of my family in Pico Rivera who support you and understand the important issues that you have brought forward for the people of that district; for example, when we have been taking a look at transit in Los Angeles and ensuring that our transit system, whether it be buses or a fixed rail, would come to the communities of East Los Angeles, and you have been there fighting consistently for that. I recall just this past year right before we approved the transportation bill the fact that you were out in Los Angeles fighting to ensure that moneys would be devoted for the transit for those of working class and lower income families.

And so we really appreciate that from you, ESTEBAN.

I yield to my colleague from Texas, Mr. ORTIZ.

Mr. ORTIZ. You know, ESTEBAN, even though I am from Texas, he is no stranger to my State. In fact, his daughter married a young man or two daughters from Texas, and he spent a lot of time in my State, and he has got a lot of friends not only in our great State of Texas, but in our small communities. He was there when our people were harvesting watermelons or corn or grain, and we spent a lot of time together. In fact he was my guest on several radio shows and television shows.

And as I was coming here, some of the people found out some way, somehow that you were retiring, ESTEBAN, and they wanted me to relate to you that Texas is still, I guess, your second home, and they would like for you to come back and visit with us. So you will be welcome any time.

And I know that we travel to many places together as Members of Congress. ESTEBAN was somebody that was always focused on the issues, and he was able to talk to dignitaries from other countries, and since he was an ambassador we felt that he was the only guy that was able to make sense on all the stuff that we are talking about.

So, ESTEBAN, I just wanted to let you know that my friends and your friends from South Texas relay a message to you:

Come back to South Texas and visit with us soon.

Ms. SANCHEZ. Mr. Speaker, I would agree with the fact that ESTEBAN has always been a big asset in any travel that we have done. In fact, he not only knows the English and Spanish, but of course is very fluent in French and has just been an asset whenever we have traveled. So it is all of these assets that compose this that we know that it

has been such a privilege to have you here in the House.

Our colleague from California.

Mr. CAMPBELL. Mr. Speaker, I appreciate the gentlewoman yielding, and I simply wanted to add my voice of high esteem to our good friend and colleague, ESTEBAN, on his graduation from this particular institution and very best wishes for the future. I particularly want to draw attention to the compassion of the man.

I have worked with him over the last year and a half, almost 2 years now, on ending a policy that is harmful to the people of Cuba, that is harmful to the compassion and sense of foreign policy which motivates so many Americans, and ESTEBAN has been the leader in this issue, that we recognize the Cold War is over, that it is time to trade, to have normal relations with the people of Cuba. And this is not still the most popular position to take on either side of the aisle, but it is the right position. It reflects a sense of where America is today and reflects a sense of caring for those persons who are most damaged by the system that we presently follow. And ESTEBAN TORRES has led this battle. It has been his leadership, it has been his dream. I regret that it has not yet been accomplished before you leave this institution, before Mr. TORRES leaves this institution. But I believe it will be and soon, and when it does happen, it is my belief that it will be because of the leadership of ESTEBAN TORRES and will be remembered in his honor.

I also note that ESTEBAN served our country in the Diplomatic Corps, and his service to our country in that capacity was prologue to his service here in the House and showed an awareness of a world community in which we participate and which is too often lost sight of.

So, Mr. Speaker, upon the departure of our good friend, ESTEBAN TORRES, I add my voice from the opposite side of the aisle but from the same great State of California to a humanitarian, to a Californian, to an American and to a citizen of the world and wish him our very best for all the years ahead.

Ms. SANCHEZ. Thank you, Mr. CAMPBELL, and next I have the gentlewoman from California (Ms. LEE).

Ms. LEE. Mr. Speaker, today it gives me great pleasure to rise in honor of one of our colleagues, a true visionary and a pioneer and a fellow Californian, the honorable Esteban TORRES.

Although I am really saddened by his departure from the halls of Congress and what it means in terms of his loss to the people of California, I am truly inspired by the legacy which he has left and the way in which his actions have touched and changed the lives of so many people. Congressman TORRES, knowing you and your background, knowing that you were the son of a Mexican born miner, you know firsthand what social justice is all about.

Since you were first elected to Congress in November of 1982 as a representative of the 34th Congressional District, Congressman TORRES has worked hard to pass legislation addressing the needs of all of our communities. Throughout his almost two decades of dedicated service in this House he has been able to contribute his exceptional and unique knowledge of politics and his extraordinary life experiences to make the legislative process work for those with no voice.

□ 1815

And long before coming to Congress, the gentleman from California (Mr. TORRES) was already a well-respected leader who worked on the assembly line as part of the automotive work force. What a history. He was a standout leader in the labor movement, traveling all over the Americas to help emerging democracies.

Congressman TORRES has been instrumental in providing humanitarian services and help to the people of Cuba. It is because of his leadership that the pastors for peace and the United States Department of Treasury have reached an accord to allow medical computers to be delivered to Cuban health care facilities where this equipment is desperately needed.

But the gentleman's commitment to the people of Cuba and to the rest of our Latin American neighbors goes far beyond humanitarian actions. Congressman TORRES has also raised his voice in the fight to close the School of the Americas, which has trained military dictators, in an effort to end this horrendous chapter in our history. I thank Congressman ESTEBAN TORRES for that and for taking lead on that. He has truly been a pioneer.

The list of your accomplishments, ESTEBAN, really inspires, not only Latinos and other people of color, but the working men and women everywhere. Congressman TORRES is a man of honor and an effective communicator and an extraordinary coalition builder which is so important for us in this day and time.

L. J. Cardinal once said, ''Happy are those who dream dreams and are ready to pay the price to make them come true.'' Congressman TORRES is a living example of what can be done through hard work and dedication. So as we honor Congressman TORRES, we need to really recommit ourselves to work on behalf of those with no voice.

Congressman TORRES, as one of the newest Members of Congress, I promise that we are going to work to ensure that your legacy is preserved. So I just want to thank you so much for your commitment and your work on behalf of the working men and women of America. Your work and your deeds really do speak for themselves. You will be deeply missed. I wish you and your family Godspeed as you enter this next phase of your life.

Ms. SANCHEZ. Mr. Speaker, I yield to the gentleman from Guam (Mr. Underwood).

Mr. UNDERWOOD. Mr. Speaker, I just want to take a couple of minutes to express my admiration for the work of my very good friend ESTEBAN TORRES. ESTEBAN TORRES actually represents the district in which my mother-in-law and my wife are from, so I have a very strong connection to ESTEBAN. He has a very excellent reputation in the district for his constituent service and for his attention to the lives of the people that he represents.

But more than that, I have been here 6 years. When I first came, there were a number of people that I, through my membership in the Hispanic caucus, worked with, ESTEBAN and also Kika de la Garza who were a couple of people that we always look to for a little bit of extra guidance.

All those times that we have had many discussions, I remember several times in my first term that I came down to the floor and asked ESTEBAN for his help in understanding the procedures, and he graciously gave me the time and provided me that kind of extra insight into the workings of the institution.

But more than that, in almost every issue that I have seen come before the caucus or come before this body, ESTEBAN demonstrated a level of dignity and grace that befits him, his personality, his background, and also speaks to the kinds of conditions that made ESTEBAN TORRES possible in this world.

He has a very interesting personal life story. He has overcome many trials and tribulations in his life. He has been able to turn those experiences into positives, into activities that have been good for all the people who may have not had the opportunities that many of us have in life, who did not have the same kind of background and education, and especially with specific attention to the workings of the Latino community and in his help and his assistance in being an inspiration to that community.

So I just wanted to take the time to salute you, ESTEBAN, for your work in civil rights, for your work in the labor movement, for being an inspiration to the people in your district, whom I know many, and also for helping me during my first couple of years here in Congress. I know we are going to be seeing much more of you. This is just the end of one of many chapters to go.

Ms. SANCHEZ. Mr. Speaker, I yield to the gentleman from California (Mr. BECERRA).

Mr. BECERRA. Mr. Speaker, let me begin by first thanking the gentlewoman from California, my colleague from California for yielding to me and also for scheduling this time for us to have an opportunity to say a few good words about a close friend and someone who we respect dearly.

Congressman ESTEBAN TORRES is perhaps for me best described as the person who helped me learn the ropes here in Washington, D.C. This is my third term. I can recall the first time I had a chance to really come to Washington, D.C., it was because Congressman

TORRES was willing to take me around. He guided me through when I was first here, not yet quite a Member. He took me around and let me sit in the gallery. He explained to me what was going on, explained the process, pointed out colleagues, made it clear what the process was in preparation for the actual opportunity to serve.

Now I have been here, this is my sixth year, and I have had an opportunity to see what it means to be a Member of Congress.

I am going to miss the gentleman from California greatly. I see him as a mentor, but more than that, I see him as a very close friend. I use him as an example of the American dream so often. Too often we forget that great things sometimes come in small packages. Sometimes they come in quiet packages.

In this case, they come in the package of a man who, at first blush, in his youth, probably was like many of our youth, not seen as someone who could achieve so many different things, yet this man is possessed with so many different talents.

He could have probably been a very wealthy artist selling paintings and making a lucrative living out of his artistic abilities. If my colleagues have ever had a chance to watch the Congressman as he sits here and watches the debate unfold, he is able to capture the essence of our colleagues in just a matter of moments on any piece of paper it might be.

He easily could have become an artist and had fame and fortune that way, but he chose to serve and serve in so many different capacities. But I look back at what he has done, and I remember that this is a gentleman who, like many Americans, probably was not singled out as the one who would lead in America.

Yet, among those who do not get singled out, he showed us what it does to continue to fight, what it means to continue to fight, and what it does to us when we do fight. You get a place like this, a place that most people would ever believe that we would ever have a chance to step foot on.

So here we are today. Congressman TORRES has decided to move on. He is still in good health, good standing. I think that is a tribute to his remarkable success as well that, on a high note, he decides to leave, when many, whether it is from sports or in other careers, decide to leave when they are already on the decline.

This is a gentleman who certainly has many good years in front of him and certainly all his colleagues believe could have many more years here in Congress; everyone would desire that he to do it that way. But he has chosen to leave. For that, I think he deserves a great deal of respect because he has left the legacy.

Let me return to what I said before. This is not someone who we were expecting to be here; someone who dropped out of school. ESTEBAN, I say that with the utmost of respect, because I know you, and I have seen so many kids who have dropped out of school, in many cases perhaps within our own families. So see where you have gotten.

I enjoy so much being able to point to you and say folks never believe that some of us would have a chance to get where we are. I am where I am because folks like you open doors. I am hoping that I can open doors for young children that I get to visit in the schools, in my district, and throughout this country.

That is perhaps the most beautiful thing about being able to come up here and speak about you. You are going to walk out of here proud, tall, and still live a fruitful life for many, many years. You will be able to recount your tales. You are not going to leave here in a state where no one will be able to share the wisdom and the creative stories that have made your future.

I am very pleased that I could come down here and speak for a few minutes. If I could just close on a couple of final notes because I know folks have said so many things about your distinguished career in UNESCO as Ambassador, when you served so ably as representative with the labor movement, with the United Auto Workers.

If I can just mention one thing that I think is perhaps most beloved to you and cherished in making your life successful, and that is of course Arcy, your wife. I know from having had an opportunity with Carolina, my wife, to share some time with you and Arcy that what makes you tick is easily spelled by just spelling Arcy's name. I know what she means to you.

I hope that a number of us have the opportunity, if we have a chance to serve the way you have, not just to emulate your political career, but also your family.

I would like to be able to say to Arcy, although she is not sitting next to you, as often she is, I know the role she has played from helping you succeed. I know the love and the goodwill that you share as partners in life.

I think perhaps, along with all the other attributes that makes you such a special person, special Member of Congress, is the fact that you have always shown Arcy how much you care about her. I think, these days, that is so very important because this is a very difficult life.

Some folks do not understand it, but you have held up the highest standards, not just as a public official but certainly as a man, as a husband, as a father. Whether or not you have ever had this career, the best role model I can ever have is someone like you when it comes to family.

So to a good friend, a mentor, and someone I hope to maintain close relationships with, I want to say to you, we will miss you. We look forward to many good years, your wisdom, your creativity. I look forward to continuing a friendship with you and Arcy that began many years ago and was very fruitful for me and has taken me a long way.

Ms. SANCHEZ. Mr. Speaker, I thank the gentleman from California that he made about how ESTEBAN is one of those people that has always opened doors for people, and I know that my colleague believes that, and I do, too.

I remember the first time I met you, ESTEBAN, it was at an event for you; and I walked away saying this guy is talking about everything that I believe in, the opportunities for people to excel. It made me want to join you here in Congress and make changes. So I think that is prevalent to almost anybody who has run across the path of ESTEBAN TORRES.

Mr. Speaker, I yield to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Speaker, I listened with interest because we have a chance to come to know people on both sides of the aisle when we come here to the people's House. And the gentlewoman from California often talks about her kin folks in Kearny, Arizona, the area I am pleased and proud to represent.

I am also proud of the fact that our friend who is preparing to leave the people's House, Congressman TORRES, is from Miami, Arizona in the Cobra Valley. Now as we know, that area is rich in two ways, in copper, so vital to our Nation and the world, but the most precious resource in those areas famous for their wealth in the mines and from the precious metals, the most precious resource of course is the people who live there and who come from a place like the Cobra Valley and from Miami, Arizona.

I guess we could say today, Mr. Speaker, that one of our famous exports from Arizona is our colleague, Congressman TORRES. Let me also say that we champion our differences as well as those of a kindred philosophy in this House, in our constitutional republic. We should actually gain comfort from the multitude of voices and opinions and points of view.

□ 1830

I am so pleased that Congressman TORRES really embodies the notion that I think General Eisenhower left for us when he talked about public life and public discourse and issues that come before us. He said, I always assume of those who oppose you politically that they want what is best for the country as well. They may have a different approach to get it done, but they, too, have something to bring to the table. And there may not always be unanimity, although I would note, I say to my colleagues, on this floor at this hour there is complete unanimity in celebrating the achievements and the congressional career of our colleague.

My friend, the gentleman from California (Mr. BECERRA), just mentioned a few minutes ago the artistic excellence which typifies Congressman TORRES. I

have been after him, and I guess for purposes of full disclosure, Mr. Speaker, I should point out that I have been after him for a long time to favor us with a work of art to hang in the office that belongs to the people of the Sixth Congressional District of Arizona, because, again, he is from that district. I would hope that now, as he prepares to leave this institution, that he might take some time and on canvas convey the nature not only of his experience here in the Congress of the United States, but the proud heritage he brought from Miami, Arizona.

And to my colleagues here, and, Mr. Speaker, to those who watch us coast to coast and around the world via C–SPAN where we often see heated arguments, where the punditocracy would tell us how savage and how difficult these days are, let us say that together with one voice we celebrate many different opinions, many different routes to this chamber, and one exceptional life and person in Congressman TORRES.

My friend, thank you for your service.

Ms. SANCHEZ. Mr. Speaker, I thank the gentleman from Arizona. I yield to the gentlewoman from California (Ms. MILLENDER-MCDONALD).

Ms. MILLENDER-MCDONALD. Mr. Speaker, I would like to thank my dear friend and colleague from California (Ms. SANCHEZ) for convening such an important night as this. While the previous speaker just spoke about the fact that this great, distinguished man was born in Arizona, we claim him in California. He has given 16 years of distinguished service in this House. He hails from California, representing the people of his district, and has done that with nobility, with conviction, with integrity, with character.

I tell my colleagues, I knew about ESTEBAN TORRES before I knew ESTEBAN TORRES, because he is a man of great a sense of character of people. He knew what he came here for, and he did the work of the people whom he was voted into office by.

Esteban walks very softly. He seems to be a mild-mannered man, and yet he has carried a big stick, a big stick for justice, for opportunity, for the people of California, for jobs. Everyone knew that before he came here, he was part of a union organization where he served very well there, but he came here knowing that his job was to ensure that job opportunities were for the working-class citizens, and he has done that. He has done that with conviction, with every sense of caring and compassion.

ESTEBAN knew that when civil rights became a great issue that he was right there in the forefront on the civil rights issues. It is no wonder that people of all nationalities are coming to this well tonight from both sides of the aisle talking about this distinguished man, this man who has served Californians so well. He is one of our finest who is leaving, but he leaves a record, a record that is impeccable, a record that we must all try to emulate, a record that suggests to us that one comes to this House to do the people's business. One does not come here for shenanigans, one does not come here for partisan bickering, but one comes here with a purpose, and his purpose was to ensure that California was well represented. He is the highest ranking Hispanic Member from California who sits on the Committee on Appropriations.

I am pleased to stand before my colleagues to tell them that ESTEBAN made sure that California got its fair share of any appropriations bill that came out. California is very proud of that, I say to the gentleman, because we knew that the gentleman was behind us every step of the way. When the gentleman brought forth his crime bill knowing about the gangs in Los Angeles, east side, south central, throughout the State whereby the FBI will be working with the local police departments to ensure that we crack down on gangs, it became a very noted piece of legislation, not only in this House, but across this Nation.

The gentleman stands tall. The gentleman stands tall for the American people as well as Californians, irrespective of Latinos, African-Americans, Anglos or what have you. And to me, that is a man of courage. That is a statesman when one can stand in this well and say, thank you, thank you for the nobility that you have brought to this House, thank you for the statesmanlike position that you have brought.

I say to the gentleman, with both of us having five children, we have something in common, but enjoy your retirement, enjoy now your family that has sacrificed so much for you to be a part of this House, and above all, enjoy just some solace and silence for ESTEBAN TORRES. We congratulate you, the great Representative of California.

Ms. SANCHEZ. Mr. Speaker, I yield to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentlewoman from California (Ms. SANCHEZ), and I thank her very much for having the wisdom to gather us together to be able to honor a man with great honor, ESTEBAN TORRES.

I am from Texas, and there has been Arizona talk on the floor today, and there has been California talk on the floor today, but let me say to my colleagues that with the enormous diverse population of the State of Texas, the gentleman has a great fan club. For people recognize merit and quality and excellence, no matter where one comes from.

I have had the pleasure and honor, albeit I might be in my sophomore years, if you will, I have had the pleasure and honor of being able to watch a genteel giant, someone who, along with his love of family and Nation, understands people.

So I came to the floor because I did not want this tribute to end without being able to acknowledge how those who may not have shared your committee assignments have watched your quiet and deliberative actions and your ability to capture the essence of issues on the floor of the House and be able to focus in: How can we help the working man and woman in America? How can we ensure that whether or not one came to this Nation in the bottom of the belly of a slave boat or one walked across our borders, or possibly one was born and then worked on various farms across this Nation, how can one stand underneath the flag and claim one's birthright, the equality for all men and women and children in this Nation?

The gentleman from California (Mr. TORRES) showed us how to do that. The gentleman simply said that if this Congress is to be the Congress to fulfill the promise of the Constitution, then there should not be one person left out of the circle of empowerment.

Mr. Speaker, I am delighted to have been able to share that with the gentleman. I must say that not knowing all of the gentleman's legislative agenda or legislative initiatives, I certainly do believe that the gentleman has been one voice who has been able to stand up for those who certainly cannot speak for themselves.

I do think that the gentleman's desire for humanitarian aid for Cuba should be recognized and appreciated, for we must understand that people are people everywhere. People need help everywhere. People who are voiceless need to have those who can speak for them.

The gentleman has always mentioned to me his grandchildren. I know the gentleman has wonderful children, but I know the gentleman for his love of his grandchildren, but that is someone who loves people. For that, ESTEBAN, if I can call you by your first name, I wish you greatness that you already have achieved. I know that California is most grateful that you will now come home to lead, maybe in the cards is the governorship or something else, and I see him waving his head, but there is much room for a man like him to be able to instruct.

So thank you so very much for allowing this Texan to rise on the floor today, claim part of your legacy, but most of all, give thanks on behalf of the Members of the 18th Congressional District, my constituents, but as well, the citizens of Texas. You are a great American, a great hero.

Ms. SANCHEZ. Mr. Speaker, I yield to the gentleman from New Mexico (Mr. REDMOND).

Mr. REDMOND. Mr. Speaker, I rise today to pay tribute and to thank a good friend, the gentleman from California (Mr. TORRES). ESTEBAN is my neighbor in the Rayburn Building, our walls adjoin each other, and we have spent many hours talking to and from on the train and the elevator. When he told me he was retiring, I had a very

sad feeling in my heart, because he truly is a man of integrity and one from whom I have learned a great deal about in the Congress.

As a good neighbor, I want to thank the gentleman. He is a man who keeps his word. I want to thank him especially for the support that he personally gave me in our land grant bill for the people of New Mexico. The people of New Mexico are deeply indebted to you for your support of that. At times it may have been a difficult thing to do, but you are a man of your word, and you kept your word.

We wish you the best. We have talked a couple times about your grandchildren, and if they are like most grandchildren, I have seen the T-shirt that says, if I knew grandkids were so great, I would have had them first, and I think your grandkids, the way you talk about them and how proud you are, know that you feel that way.

I am going to miss you in the 106th Congress, but I do want to thank you for the support and the encouragement that you have been to me. Again, you are a man of your word, a man of integrity, and it has been an honor to be a colleague of yours.

Ms. SANCHEZ. Mr. Speaker, I just want to say to the gentleman that there were many of our colleagues who wanted to be here tonight to pay their respects and to let the gentleman know how important he has been to their lives, but unfortunately, because of schedules, were not able to attend. So from them I just convey the best of wishes, and I yield the rest of the time to the gentleman from California (Mr. TORRES).

Mr. TORRES. Mr. Speaker, I am deeply moved by the gentlewoman's gesture tonight of ordering this Special Order on my behalf and calling forth so many of my colleagues to come here. The greatest honor there is is to serve in this Chamber, the House of Representatives, which, as everybody has just witnessed, brings together men and women of all walks of life in a common purpose here. I am so thankful, and I cannot find the words to tell my colleagues. I am so thankful that people in the 34th Congressional District of California sent me here 16 years ago and have reelected me ever since until now, in the 105th session. It is the highest tribute I dare say that can be paid to an individual when his constituency sends him here.

But, Mr. Speaker, getting here is not my job alone. This took many people along the way to do that, the people that raised me, my mother, my grandmother, my teachers, the heroes that inspired me to seek higher office because they meant something to me. My wife, whom you have just heard about, who is my strongest partner, my working partner, a woman that has been by my side for some 44 years. I would not be here, so many of us would not be here, if it was not for our spouses. We are nothing really without them. And I would have been nothing without my Arcy.

She stood by me, allowed me to give public service, sacrificed very hard, and I am so, I am so thankful that she has done this for me. Not to speak of my children who stood with me in the picket line when they were growing up and I was a member of the labor movement, who followed me in the campaigns with their bumper stickers and their posters, who even today, my oldest daughter Carmen is my campaign manager. These are the people around me that made me what I am.

The working men and women of our country. The labor movement people, the people in my auto factory that enticed me early in the 1950s that I should seek elective office in the union by exposing me to that political process and electing me for the first time as a shop steward, a chief shop steward at the Chrysler Corporation in Los Angeles. That opened up tremendous windows of opportunity for me to seek in the future.

Yes, I have a lot of mentors that have brought me to this moment here in the people's House.

□ 1845

I could name them, so many of them. My colleagues may not recognize all the names, but I have to call out to them. Frank Munoz, who was an early mentor; the Ruther brothers, Walter and Victor and Roy; Bobby Kennedy, Paul Schraeg, Reverend Andrew Young, Cesar Chavez, Tip O'Neill, Jim Wright, these are all people who really were my heroes.

Early in my working years some 44 years ago, when I was in the auto plant, a rising star came forth in Los Angeles, a young city councilman who had finally captured the city councilmanship. He moved my spirit because he was like a hero to me. His name was Edward Roybal. I yearned to be like Ed Roybal. I wanted to be somebody like him. He was my role model. He went on to become a member of this very chamber and served with great distinction on the Committee on Appropriations. Twenty-nine years later, I joined him as I arrived here with the freshman class of 1983. Would my colleagues believe that with the departure of Ed Roybal on his retirement that I would succeed him on the Committee on Appropriations? Well, I did.

It was that dream I was having that I could be here and join people like him, but now it is my turn, it is my turn to leave, it is my turn to turn the page on this legislative chapter of my life, but it is a bittersweet time for me and my wife Arcy.

We have enjoyed our 27 years in this area in the Nation's capital. It is difficult to leave. It is very difficult to leave tonight, to hear the adulations of all my colleagues here on both sides of the aisle. I know it is coming to an end. The other night, the gentlewoman from California (Ms. PELOSI) hosted a dinner for the California delegation and at least 20 of my colleagues were there to do what I have heard here tonight. For 2 days I walked on air, and I know that tomorrow I will do the same, having heard all of these wonderful things about me.

I think it just speaks to the kind of camaraderie, the kind of solidarity that we can have in this House chamber. We can have it. We have it on many occasions; but, yes, one must move on. There has to be change, and I want to make it possible to have that change.

California beckons me to come back, and my family to come back, to be with our children and our grandchildren. It is really a new page in my life, for I am not retiring. I am going to stay active on international forums. I am going to stay active on human rights issues. I will teach. I will write. As some of my colleagues have said, for sure I am going to be doing a lot of drawing and a lot of painting, depicting in canvas or sketch paper those scenes that depict the life of this House of Representatives and for people in Congress.

So I want to thank all of my colleagues for making this evening a momentous occasion for me and my family. I want to thank all the people in front of me here who over the 16 years have labored hard into the night, the pages, the clerks, the staffers, the policemen. Everybody has been a part of this life of mine, and I now leave and thank all the Members sincerely from the bottom of my heart for having made it possible for me.

I thank my colleague, the gentlewoman from California (Ms. SANCHEZ), for allowing this to take place. Good evening and good night.

Ms. SANCHEZ: Mr. Speaker, I want to thank the gentleman from California (Mr. TORRES). As we noted, he will be missed here but I know that he will keep in touch with us and we will seek his guidance.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Lundregan, one of its clerks, announced a bill of the following title in which concurrence of the House is requested:

S. 1892. An act to provide that a person closely related to a judge of a court exercising judicial power under article III of the United States Constitution (other than the Supreme Court) may not be appointed as a judge of the same court, and for other purposes.

UNDERFUNDING OF OUR NATIONAL MILITARY AND OUR NATIONAL SECURITY APPARATUS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Pennsylvania (Mr. WELDON) is recognized for 60 minutes as the designee of the majority leader.

Mr. WELDON of Pennsylvania. Mr. Speaker, I will not take the full hour but I do want to take some time to discuss what I think is the real scandal in

this city that we had better start to focus on a little more aggressively and coherently than we have done in the past.

It seems as though all of our colleagues on both sides of the aisle, the national media and the administration, has focused on the process currently unfolding in the Committee on the Judiciary. While I am not going to diminish the seriousness of that issue and the challenges it presents to us, I want to focus on a lesser publicized issue that I think presents for us a scandal that is going to last well into the next century. That scandal involves the underfunding of our national military and our national security apparatus.

Today, Speaker GINGRICH, along with the leadership of the defense committees in the House, held a press conference and signed the legislation that we are now sending up to the President to both authorize and appropriate our defense funds for the next fiscal year. We have completed our part of the process in laying out our defense funding strategy for the year 1999.

The problem, Mr. Speaker, is that this legislation was very tightly controlled by the budget numbers that we were given and does not really reflect the threats that we see emerging around the world and the commitments that we are involving our troops in around the world. In fact, Mr. Speaker, both bills, while the best that we could develop, were woefully inadequate in terms of funding our national security needs.

This year, Mr. Speaker, we are into our 14th consecutive year of real defense cuts. Now when our colleagues talk about cutting the size of the Federal Government, they talk to their constituents and they talk to each other about what a great job we have done; we really have controlled spending. The fact of the matter is, Mr. Speaker, that the only real cuts that have occurred in a significant way in terms of workforce and in terms of budget size is in the area of national defense.

In fact, if one compares what we are spending today versus what we spent, say, in the time of John Kennedy, it gives one a realistic view of where we are today. In the 1960s, when John Kennedy was president, it was a time of relative peace. It was after Korea and before Vietnam. We were spending 52 cents of every Federal tax dollar on the military, 9 percent of our country's gross national product. In this fiscal year, we are spending 2.8 percent of our country's gross national product and just 15 cents of the Federal tax dollar on the military. So we have gone, in this short period of time, from 52 cents of every dollar sent to Washington to 15 cents of every dollar sent to Washington to pay for national security.

We have to understand the context in which that cut has occurred, because back when John Kennedy was the President, there was the draft. We took young people out of high school, we paid them next to nothing, they served their country for 2 years, some stayed on for a longer tenure but the pay and the quality of life costs for our troops were much different than they are today.

Today we have an all-volunteer force. Our young people are well educated. Many are married. We have housing costs, health care costs. We have the cost of travel and transportation to move people around. So a much larger portion of that smaller defense spending goes for the quality of life of our troops, and we in the Congress are always going to meet their needs. In fact, in today's bill, we increased the pay raise for the military personnel by a half a percent above what the President requested in his budget.

Even beyond the quality of life differential between the sixties and today, some other things have changed. While we have cut our defense budget for the 14th consecutive year and while we are now at an all time low, very close to what we were pre-World War II, some other things have happened.

In the last 6 years, Mr. Speaker, our commander in chief, the President, has deployed our troops 26 times around the world. Currently, he is talking about another deployment over in the Balkans and in the region that is so unsettled today. Twenty-six deployments and none of these deployments were budgeted for or paid for.

If one compares that to the previous 40 years, Mr. Speaker, our troops were only committed to 10 deployments. So 10 deployments in a 40-year time period; 26 in the last 6 years, since this President has been in office. None of those 26 deployments were paid for.

Now, some might criticize my statement and say what about George Bush? He committed our troops to a very large operation in Desert Storm, which he did, to remove Saddam Hussein from the illegal occupation of Kuwait. But they must also remember that George Bush went out and convinced the allied nations of the world to help offset the costs of that deployment. In fact, we generated $53 billion in revenue to this country for an operation that cost us $52 billion.

So Operation Desert Storm, in terms of dollars, did not cost the taxpayers any additional money. The 26 deployments in the last 6 years have cost us in excess of $15 billion. None of that was budgeted for prior to that deployment, and except for the actions of the Republican Congress the costs associated with those deployments were not paid for.

So all of that money to pay for those deployments had to come out of an already decreasing defense budget. So to pay for those 26 deployments we in the Congress had to take money out of modernization, out of research, out of quality of life, so that our defense budget and our priorities were that much further hurt by the actions that this Congress was forced to take.

On top of all of that, we have to look at what has been the most rapidly increasing part of our defense funding. Back in the 1960s when John Kennedy was president we did not spend any significant amount of money on what we today call environmental mitigation. In this year's defense budget, we will spend $11 billion on environmental mitigation.

Mr. Speaker, when one takes the changes that have occurred over the past 30 years, the deployment rate that has escalated dramatically, we see that we are forced into an impossible situation of trying to meet additional threats with decreased and continuing diminishment of our resources available for national security.

The President has made the case that there are no longer the same threats that we faced when we were in the Cold War. I would argue that is not totally correct, Mr. Speaker. In fact, I would make the case that Russia is more destabilized today than at any point in time under Communism, when there was the tight control of a central government, when there was the rule of law, where there was a Soviet Army that was well paid and well cared for. Today we have economic chaos in Russia. We have generals and admirals being forced out of the military without being given their back pay, without being given housing, without being given the pensions that they have earned for all of these years; and in some cases, as General Alexander Lebed testified before my committee, are now involved in clandestine operations, selling off technology, chemical, biological, and perhaps even nuclear technology, to those rogue nations and states that will pay the right fee to get those secrets that Russia has within its control.

So I would make the case, Mr. Speaker, that while the threat may be different today, it is actually in some cases much worse than what it was during the Cold War, because we all to realize, Mr. Speaker, that while we have seen some reduction in Russia's strategic offensive nuclear forces, Russia still has tens of thousands of nuclear weapons. They still have thousands of long-range ICBMs that can be launched from submarines or from mobile launchers inside of Russia. Those long-term, long range ICBMs may, in fact, be subjected to the concerns relative to the instability in the Russian military.

It was just 3 years ago, in January of 1995, because of the degradation of Russia's internal intelligence monitoring capability, that even though Russia had been forewarned of a rocket launch by the Norwegians right next door to Russia, when that rocket launch occurred Russia mistook that for an attack by a U.S. submarine against Russia itself. As has been documented time and again, in the public media, in this country and around the world, Russia then for the first time ever, that we know of, activated its nuclear response which was aimed against the U.S., which meant that they had approximately 20 to 25 minutes to respond to a

weather rocket being launched by Norway that they had been warned of earlier.

With a matter of minutes left, Boris Yeltsin overruled the two commanding officers who, along with him, control the system that controls the response of the ICBMs from Russia, at that time Defense Minister Grachev of Russia and General Klesnikov. He called off that nuclear response, which would have been an attack on our country, of a multistage rocket that was launched by Norway for weather sampling purposes.

□ 1900

These are the kinds of risks that we now face, Mr. Speaker, that were not a concern back in the days of the Cold War. We face the concerns brought to us by General Alexander Lebed last year when he told me in a face-to-face meeting that as Yeltsin's chief defense advisor several years prior, when he was asked to account for 132 suitcase-sized nuclear weapons, small atomic demolition munitions, he could only account for 48. He had no idea where the other 70 or 80 devices were, whether they were safe, whether they were secure, or, in fact, whether or not these devices had been sold or maybe, in fact, were on the world market available to be sold internationally.

The point is that the instability in Russia today is cause for us in this country to be alarmed. Look at some of the evidence of what has occurred over this past year. We said last year that we thought the Russians, some of the Russian institutes that were so desperate for hard cash may, in fact, be cooperating with nations like Iran and Iraq to build next generation weapons systems. We were told by the Intelligence Community not to worry, that is not happening. That Iran, Iraq, Libya, Syria and North Korea would not have these kinds of technologies that threaten this country for decades, for years, so for us not to worry. We have time to prepare.

It was last August when the leader of Israel Mr. Netanyahu challenged the U.S. by saying publicly that Israel had evidence that Russia had entered into secret arrangements and deals with their space agency and the Iranians to help Iran build a medium-range missile.

We in the Congress responded to that. In fact, I introduced legislation which eventually passed, in spite of the administration's opposition, to give us short-term capability to protect our troops in the Middle East, to protect our allies like Israel and Kuwait, Bahrain, and the other Gulf countries, Egypt and Jordan and so forth.

As late as February of this year, the Assistant Secretary of Defense wrote me a three-page letter and said, Congressman WELDON, your fears are unfounded. We will not see the Iranians deploy a medium-range missile for at least 2 years, and probably even longer.

July 22 came, Mr. Speaker, and the world saw Iran launch a medium-range missile, the Shahab-3. This missile, which appeared years earlier than what we were told by this administration, this capability would, in fact, be within the range and capability of Iran, was tested. We now assume it is deployed, which means that today, tomorrow, and for the next 12 to 18 months, the 25,000 troops that we have stationed in the Middle East, all of Israel, and all of our allies in the Middle East are at risk because we do not have the capability to defend those individuals against that system that Iran now has which they acquired with the help of Russian agencies and entities.

That is why this Congress voted overwhelmingly in the House with 400 votes, in the Senate with 96 votes, to force the administration to impose sanctions on the Russians for cooperating with the Iranians in terms of that technology.

This was a threat that we did not see, that we did not feel, and did not realize just 1 and 2, 3 short years ago. Today it is reality.

Then we saw North Korea, Mr. Speaker, at the end of August, on August 31, take a step that none of us thought would occur, certainly not in this decade, in this century. And that action was to fire a three-stage rocket, which we were not even sure that North Korea had the technical capability to deploy, to fire a three-stage rocket across the mainland of Japan.

Now, the trouble with that three-stage rocket, known as a Taepodong 1 system, is that this capability, when one does the mathematical calculations to show the potential range of that system, now shows that North Korea has a system that can hit the outer fringes of Alaska and Hawaii.

Mr. Speaker, this is unheard of. We always knew that Russia had long-range ICBMs. We even knew that China had long-range ICBMs. Now we face the very difficult prospect that North Korea has tested a system which begins to touch the outer reaches of the 50 United States. Again, Mr. Speaker, we have no systems or capability today to defend this Nation against that threat.

We heard the statements by General Lebed about small atomic demolition munitions. We know the increasing threat being posed by weapons of mass destruction, chemical and biological weapons, nuclear weapons. We have seen, as I reported 2 months ago on the floor of this House, 37 violations of international arms control agreements by Russia and China in the last 6 years alone.

Now, this administration claims that we can cut the Fed spending because they can rely on our arms control agreements to control proliferation. The fact is, Mr. Speaker, this administration has the most abysmal record on arms control of any administration in this century. Of those 37 violations that I put in the record 2 months ago, this administration only imposed sanctions three times. In each of those three cases, they waived the sanctions.

We saw the Chinese sending M–11 missiles to Pakistan. We saw the Chinese sending ring magnets for Pakistan's nuclear program. We saw the Chinese sending special furnaces for Pakistan's nuclear program, and we did not take the appropriate steps to stop it. We saw the Russians transferring accelerometers and gyroscopes to Iraq. In fact, we saw it happen three times.

We saw the Russians transferring technology to Iran for their medium-range missile. In fact, we saw it numerous times. And we have seen evidence, Mr. Speaker, of the transfer of chemical and biological technology to rogue nations and rogue states that now threatens our security and the security of our allies around the world.

So the problem we have, Mr. Speaker, is that while this administration has cut defense spending dramatically to the point now where we are facing a situation much like the 1970s, they have also not enforced the very arms control agreements that they maintain are the heart of their ability to guarantee stability around the world. So we have been hit, in effect, by a double whammy. We have been hit by a lack of arms control enforcement, by a policy of proliferation that we have not controlled, that this Congress has acknowledged with its votes, coupled with a dramatic series of cuts in our defense spending.

Now, how serious are these cuts, Mr. Speaker? Well, we have some wings of our Air Force capability where we have up to one-third of our fighter aircraft that cannot fly. We have to use one-third of the airplanes to cannibalize the parts to keep the other two-thirds flying.

A few short months ago we had to ground our nationwide fleet of Huey helicopters because of lack of resources. We are asking our marines and our Navy personnel to fly the CH–46 helicopter until it is 55 years old. This helicopter was built during the Vietnam war, but because we had to pay for all of these deployments that this President got us into, we had to shift the money away from buying new helicopters to pay for those deployments, and more and more of our soldiers and sailors and marines are being subjected to increased threats because of the age of these aircraft, because of the age of these systems.

The Joint Chiefs now, after 4 years of telling the Republican Congress we do not need this extra funding, have finally awakened, and just last week in the Senate the Chairman of the Joint Chiefs and the service chiefs each came in and said, we were wrong, we need more money. Our backs are against the wall. The troops are hurting. Morale is down.

We have got the lowest retention rate in the last 20 years in terms of Navy pilots and Air Force pilots. We cannot pay them enough money to stay in to man these missions that this President wants to put our troops into harm's way with.

Mr. Speaker, this is the real scandal in Washington, and this is where the American people need to focus their attention. The world is not all that safe. There are attempts to move weapons of mass destruction around the world. There are nations building medium- and long-range missile systems today. In fact, we have intelligence evidence not just showing North Korea, not just Iran and Iraq, but Syria and Libya and other nations that are desperately trying to get a capability to ultimately harm the U.S. and our allies.

How could we be surprised in May of this year when India and Pakistan started to sabre rattle? One set off a nuclear detonation, and the other did. We saw that technology flowing there, and we did not stop it. But when it occurred, we raised our voices and said, how can these two nations be threatening each other in such a civilized world? Because of the insecurity that is now occurring around the world by the continual decline in our defense capability, coupled with the lack of enforcement of arms control regimes.

Now, Mr. Speaker, most of my colleagues know that I am not advocating massive increases in defense spending. In fact, I was one of the only Members on my side that continuously opposed the B–2 bomber, not because I do not like the stealth technology, but because I felt we could not afford it. I have opposed weapons systems. I have criticized this administration for trying to do too much.

But, Mr. Speaker, we are now between a rock and a hard place. As we approach the end of this century, we are facing a colossal train wreck. We have a ton of new weapons systems that need to be built to replace older systems that we cannot fund. The Navy wants a new aircraft carrier. That is a $6 billion price tag. They want new attack submarines. They want new surface ships.

The Marine Corps wants the V–22 Osprey to replace the CH–46 helicopter. The Army wants the Comanche helicopter. The Army wants to digitize its battlefield. They want the Crusader, and all four services want new tactical aviation, want new fighter planes, the F–22, the Joint Strike Fighter and the FA–18E/F.

If we take that one area alone of tactical aviation, and if we proceed, as this administration wants us to do, to buy all three systems, the General Accounting Office and the Congressional Budget Office has estimated in congressional hearings to us that it would cost us between $14 billion and $16 billion a year to fund those three programs.

Mr. Speaker, this year we are spending about $2.5 to $3 billion on tactical aviation. How in the world are we going to fund $14 billion to $16 billion 5 years down the road? The answer is we cannot.

Mr. Speaker, my prediction is that in the next century, in the first decade, we will look back on this 8-year period as the worst period of time in undermining our national security.

Mr. Speaker, we do not have a strong military to necessarily fight wars, but rather to deter aggression. No Nation in the world has ever fallen because it was too strong. When a Nation is strong, despots and tyrants do not think about challenging them. People like Saddam Hussein and the Ayatollah Khomeini, Muammar Gadhafi think twice when they know a Nation is strong and there is a price to pay for actions they take.

When a nation begins to weaken itself militarily, when we cannot handle the level of our commitments around the world, when we do not enforce arms control regimes that control proliferation, that is when security becomes a major problem. That is what we are approaching today, Mr. Speaker. We are approaching a situation today where we cannot meet the demands that are being placed on our troops.

When I traveled to Somalia a few years ago and talked to our troops, the one thing that those young Marines said to us was, you know, Congressman, we will go any place any time we are asked by our country, but we cannot keep having these back-to-back deployments. You send us from Haiti to Somalia, from Somalia to Bosnia. When do we get home to see our families? When do we get home to see our loved ones?

Mr. Speaker, morale in our services is taking a nose-dive. That is not a front page story in the Washington Post. It is not the lead editorial in The New York Times. It is not even the lead story in the L.A. Times. But, Mr. Speaker, it is real.

We are facing a situation today that we are going to pay the price for. Increasing deployments, decreasing dollars, increasing costs for quality of life, lack of commitment for the resources necessary, and a world that is increasingly more troublesome in terms of threats.

□ 1915

Now, we do not just need to restrengthen our military, but that is, in fact, a top priority. We need to reinforce our commitment to enforce arms control regimes; to make sure that nations do not send their technology to rogue operatives.

Now, I am not saying we have to embarrass the Russians or embarrass the Chinese. In fact, Mr. Speaker, I have been to Russia 16 times, and last year I led two delegations to China. I formed and chair the interparliamentary relationship with the Russian Duma. I do not want to recreate the Cold War. But in dealing with Russia and China, it is not just the engagement espoused by this administration, rather it is what I call the need for us to have disciplined engagement.

When we deal with the Russians, they must understand we want to help stabilize their country economically, socially and politically, but we also want them to understand that, as a civilized nation in the 21st Century, they cannot allow technology to be sold to rogue nations, to rogue operatives. When we deal with China and engage them economically, they must understand that we are going to call into question their lack of control of sensitive technologies that they sell abroad. That is what this administration has not been doing well.

In fact, Mr. Speaker, I will be supporting this administration when they come and ask this body, as they have, to replenish the IMF with money to help Russia stabilize itself. But, Mr. Speaker, I am going to make some clear differences between what this administration wants to do and what I think is necessary.

Many of my colleagues in this body oppose helping Russia during this time of economic turmoil. I would say we have no choice. Because if we do not help Russia stabilize itself, I can tell my colleagues where they are going to turn, they are going to turn to those middle eastern countries, those Islamic nations who have the dollars, who have the hard currency to buy the kinds of technology that Russia has to offer, whether it is chemical, biological or nuclear; to buy the weapon systems that Russia has to sell.

We need to have Russia understand that we want to constructively engage in a disciplined way our Russian friends. In fact, that is why, Mr. Speaker, I went to Moscow the first week of September. I met with the factions in the State Duma. In fact, I negotiated, with some of my friends, a series of eight principles that I think should be the conditions upon which we approve additional funding for Russia through the IMF. Those principles deal with simple facts, Mr. Speaker, and the irony is I came back to Washington with agreement on the part of the Russian Duma.

Now, Mr. Speaker, this administration has complained that the Duma in Russia has been the reason why the economic reforms have not gone forward, and that is because this administration has totally relied on a one-on-one relationship between our President and President Yeltsin. In fact, we have not established the kind of outreach to those other power centers in Russia that need to be addressed and need to be consulted. Well, that is what I did, working with my colleagues in the interparliamentary dialogue. We negotiated a series of principles that I think lay the foundation for a new relationship with Russia.

The interesting point, Mr. Speaker, is that today, while many of my colleagues in the Congress oppose IMF funding, interestingly enough, so does the Russian Duma oppose IMF funding. Now, why does the Russian Duma oppose additional American money and western money going into Russia? Because their perception is that we are reinforcing corrupt institutions, that

are basically Boris Yeltsin's institutions in Moscow, that have wasted hundreds of millions and billions of dollars, as has been documented by both the IMF, by our own auditing entities in this country, and even by the internal Russian auditing agencies.

So the Duma says, why should we support more money coming into our country in the form of loans when we are going to be stuck with the bill, and when those loans are going to simply bail out corrupt institutions that have not helped create a middle class in Russia. So the Duma is not stupid. They do not want more money coming into Russia, because they have seen where the money has gone up until now. It has gone down a hole. In fact, much of it has ended up in Swiss bank accounts, in U.S. real estate investments, by corrupt Moscow-based institutions that have not been thinking about the welfare and the needs of the Russian people and the Russian middle class.

Now, there are some things the Duma has to do. They need to implement reforms. But they will not do it with Boris Yeltsin and they will not do it for President Clinton, because they see their policies as having failed. What, then, did we agree to?

Mr. Speaker, first of all, we agree, this was on the part of the Russian Duma and the U.S. Congress representatives, that any additional IMF funding, any additional World Bank funding, any additional funds from the U.S. Government must first of all be preceded by the reforms necessary and called for by the IMF and by President Clinton. That means stable tax systems, that means aggressive tax collection, that means privatization of land, that means structural reform of Russia's economy. And the Duma agrees with that principle.

The second principle, Mr. Speaker, was that the regions that have taken steps to implement reforms should be given proper recognition by the Moscow-based institutions where they, in fact, are taking steps to privatize the land, to stabilize the economy, and to make programs available for middle income people in Russia. In fact, this is one of the top priorities in Russia.

And coupled with this is their initiative to begin the first housing mortgage financing system in Russia, a program I have been working on for the last 14 months, set up by my colleague, the gentleman from North Carolina (Mr. CHARLES TAYLOR), one of our successful bankers in the Congress.

The third principle is that there should be a new commission established, made up of Members of the U.S. Congress and the Russian Duma. This commission would monitor every dollar of money going into Russia to make sure the money is going for the intended purpose for which the money was allocated. There currently does not exist that kind of oversight, where we can have access to see where these dollars are ending up. And if we had had that, perhaps we would not have seen the hundreds of millions and billions of dollars from the IMF go into corrupt hands in Russia.

Another principle, Mr. Speaker, is to force the IMF to reform itself; to suggest to the IMF board that it should convene an international blue ribbon task force to make specific recommendations to the IMF board about structural reforms that are necessary to deal with world economic problems like Russia is experiencing today, something that everyone agrees with. The IMF needs to reform itself and the way it doles out its dollars and its credits.

Another principle agreed to by the Duma, Mr. Speaker, was to have a full accounting of the IMF and World Bank dollars and U.S. dollars that have already gone into Russia; to establish an appropriate auditing mechanism to see where those dollars went. And once that auditing was done, to make sure that no additional dollars from the IMF, the World Bank, or the U.S. Government went back to those corrupt institutions that took that money previously and wasted it.

Now, that seems like it is common sense, Mr. Speaker, and that is why the Russian Duma felt this was so significant and such a high priority; that no additional dollars would go into corrupt institutions, in Moscow or anyplace else in Russia.

Another initiative, Mr. Speaker, would have American business leaders making themselves available voluntarily to work with large corporate industries in Russia to assist them with their own corporate problems, whether they be management, fiscal discipline, marketing, whatever the problems would be, as a kind of mentoring relationship between American corporate leaders and Russian corporate leaders; to give them the kind of experiences that our corporate leaders have had such success with in this country and to be able to apply them in Russia.

And, finally, Mr. Speaker, we agreed that we should establish the parameters for a new one-shot initiative to bring up to 15,000 college Russian students, undergraduate and graduate, into America to attend American business economic and finance schools; to get undergraduate and graduate degrees in the principles of our free market system so they can become the next generation of business leaders in Russia's free markets.

The stipulation that would be required of each of these students is that they would come to America, but, when completing their degree, must go back to Russia to live and to work and not be able to stay in this country; to create a new generation of business leaders to help Russia move into the 21st Century in terms of a free capitalist system.

So, Mr. Speaker, our point is a simple one. We want to stabilize Russia, just as we want to help China stabilize itself, but we must do it with no blinders on our eyes. When Russia violates agreements, we must call them on those violations. And when China does the same, we must call them. But in the end, Mr. Speaker, we must also be prepared. We must have a military capable of handling any situation.

Listening to the chiefs testify before the Senate last week troubled me greatly, because the chairman of the joint chiefs and the service chiefs, who are now beginning to write to us about their shortfalls, are saying they are desperately close to not being able to meet the needs that they may be asked to respond to by the Commander-in-Chief of this country, whoever it might be.

Mr. Speaker, that is the real scandal in America, a scandal that needs to be addressed, a scandal that needs to be looked at. It is not screaming from the front pages of our newspapers, but when we talk to those military personnel serving our country, they tell us of the seriousness of this issue.

I encourage, I implore my colleagues, Mr. Speaker, to focus on the real scandal in America, not just today but as we approach the end of this session and into a new election cycle, and as we move into the next new session of Congress; that we look at national security in the context of what is occurring today around the world.

The threats in the 21st Century are going to be different from the Cold War. Missile proliferation and missiles are the weapons of choice, followed closely by weapons of mass destruction, be they chemical, biological or nuclear, that could be brought into our homeland or into our allies' territories and set off as we saw in the World Trade Center, the Murrah bombing in Oklahoma City, or the Atlanta bombing at the Olympics.

And the threats of the 21st Century are going to involve asymmetric warfare, the use of computers, and capabilities beyond our imagination to compromise our smart systems. If I am an adversary and want to take out America in the 21st Century, I am not just going to think about missiles and weapons of mass destruction, I am going to try to find ways to compromise our smart systems. Not just our missiles, that are all controlled by computers; not just our battlefield, which will be digitized in the 21st Century; but our quality of life systems, our electric grid system for our cities, our air traffic control system for our airplanes, our subway systems for our large metro transit authorities. These are the areas that we expect to be challenged in the 21st Century. And without the resources and the commitment, Mr. Speaker, this becomes the vulnerability of America in the 21st Century.

I encourage and, again, I implore our colleagues on both sides of the aisle, because this is a bipartisan issue. And in the past our successes in plussing up defense spending have all been bipartisan. It has been Democrats and Republicans working together in fighting a

White House that has decimated our military's capability.

Mr. Speaker, I yield back the balance of my time.

CONSTITUTIONAL IMPEACHMENT

The SPEAKER pro tempore (Mr. BRADY of Texas). Under the Speaker's announced policy of January 7, 1997, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 60 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, rising behind my very able colleague, I would be remiss in not joining him in saying that this is an issue of great concern. It is a bipartisan issue. It warrants the attention of the Nation and of this Congress, and it warrants a collaborative effort between the executive and the legislative branch.

It is for that very reason that I thought it was almost imperative that, 1 day after the proceedings in the House Committee on the Judiciary, I come to the floor to discuss these issues that now seem to take the majority of the time, of the thought and analysis and the conscience of America. Today, Mr. Speaker, I rise as an American, and I speak on the issue of constitutional impeachment.

I am an American who happens to be a member of the House Committee on the Judiciary and, as well, a Democrat. But as I speak about constitutional impeachment, I hope that those who may engage in this debate or listen to this debate will not be thwarted by the fact that I serve on this Nation's House Committee on the Judiciary, may not be thwarted by the fact that I am a Democrat, may not label my remarks because I am an African American or because I am a woman.

□ 1930

Frankly I welcome agreement and disagreement. But I would hope in this hour we would be able to get away from what has been the characterization of this debate over the last couple of weeks, partisan, full of labels and misinformation.

Frankly, Mr. Speaker, this is a constitutional discussion. Because of that, I would like to begin by reading actually from the Constitution. First of all, I think we can all agree that the Declaration of Independence which declared us independent was actually the promise and the Constitution, working through a very difficult process, was the fulfillment.

Alexander Hamilton in 1775 said:

> The sacred rights of mankind are not to be rummaged for among old parchments or musty records. They are written as with a sunbeam in the whole volume of human nature, by the hand of the divinity itself, and can never be erased or obscured by mortal power.

Frankly, this, I think, captured the document we now call the Constitution, for obviously writing in 1775 and before, we know that now in 1998 those pages would be parched. But frankly Alexander Hamilton wanted to ensure that these rights would be sacred, that they would last until time was no more. He wrote and he joined others in collaborating and writing and debating and speaking to the Constitution so that it would be a living document. Frankly, as I have said from the very beginning of this process, the President of the United States, who also can claim the Constitution, is neither above nor beneath the law. The Constitution specifically points to us the people. You are not included because you are an elected official or excluded.

And so its beginning preamble says, ''We the people of the United States, in order to form a more perfect union, establish justice, ensure domestic tranquility, provide for the common defense, promote the general welfare and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America.''

This is a living document. It is for and by the people. Most of all, I think the Founding Fathers coming from places foreign to us that they felt were despotic, domineering, overwhelming, they wanted a country that fully respected equality. They particularly emphasized the need for the three branches of government. They wanted a strong executive but also the judiciary and the legislative. And in this discussion and in this constitutional impeachment discussion, I remind my colleagues in their debate and tone, let us not incite the American people. Let us not create hysteria. Let us not draw upon the tragedy and the unfortunate events in Philadelphia, where people lifted up in essence physically against each other. We do that, you know, in our words and how we define this.

So first of all, Mr. Speaker, I would like to be able to elaborate on how we got here. First of all, we understand we have got a Constitution. In the wisdom of the Founding Fathers, they established a provision dealing with the removal of the President and Vice President of the United States and other civil officers. In Article 2, Section 4, it reads very simply, ''The President, Vice President and all civil officers of the United States shall be removed from office on impeachment for, and conviction of, treason, bribery or other high crimes and misdemeanors.'' Let me emphasize ''high crimes and misdemeanors.'' Different from the time that we are in today, our Founding Fathers knew that the word ''high'' meant very serious, very high, very important, very troubling, very difficult. They did not want us to entertain frivolous concerns, because they were particularly concerned about us understanding the value of preserving this sovereign Nation. And so as the debate has been played out in the eye of the American public, there are those who would claim impeachable offenses for the President's allegations, or alleged lying to the American people. I say alleged, for some would listen and say, ''That's already a given,'' because the House Judiciary Committee's work has not been done; but yes, it is well recognized that the President's behavior was reprehensible. The President has admitted an untruth and admitted improper relations.

Mr. Speaker, even with that, the challenge for those of us who are given this high calling is frankly to abide by the Constitution and not to presume. Now, I can say tonight that from the minimal work and the minimal documentation, I am very uncomfortable with even believing that there is any premise for reaching the level of this unconstitutional allegations or unconstitutional effort, if you will, to proceed against the President for offenses that may not rise to the level of constitutional offenses.

Let me clarify what I said, for I would never want to suggest that we have reached an unconstitutional level at this point. But if we follow through in the mode in which we are now proceeding, I would think the Founding Fathers would say that we are acting unconstitutionally, because we are rushing to judgment on offenses that on their face clearly do not appear to be constitutionally based as offenses that would warrant a constitutional impeachment.

Martin Luther King, whom I call a legal scholar, trained legally, if you will, in fighting injustices, not one that had a law degree, but certainly received his scholarship from being on the front line in fighting against injustice, said in his letter from a Birmingham jail, which many of us are familiar with, ''Injustice anywhere is a threat to justice everywhere. Whatever affects one directly affects all indirectly.''

So it is important for me to share with the American public how we got to where we are today. Frankly, we are operating or operated under H. Res. 525. This was a resolution that came to the floor of the House September 11, 1998. It came after my appearance and several others who appeared in the Rules Committee on September 10, 1998 and argued vigorously that if we were to proceed, suggesting that we should move under Article 2, Section 4, we should move with a very fine standard in the backdrop, and that was that of the Watergate proceedings; chaired by Chairman Rodino, then the Democrats in the minority, then a Republican President, and, of course, Republicans in the minority on that committee. But even with that backdrop, Chairman Rodino, and history paints him well, provided a very fair and even-handed process. Debating, yes. A difference of opinion, yes. Political in some sense, yes. But remember, now, in contrast to where we are today, on October 6, 1998, there had been a Senate Watergate proceedings under Sam Ervin, there had been at least 3 months of review of the materials that had been laid out before the public eye

through those proceedings, even before the House Judiciary Committee considered this thing called inquiry. And so I argued September 10 not as a Democrat, not as a member of the House Judiciary Committee already predisposed, not as a defender of President William Jefferson Clinton. More importantly, I think, I hope that I was defending at that time or at least proceeding to comment both constitutionally and as an American. I argued that fairness dictated that we follow a very good track record, and that was a track record of the Watergate proceedings which moved into executive session and reviewed the documentation that might have been presented then by the special prosecutor and allowed the President's counsel to review, and argued vigorously that we were making a very serious mistake by opening the door to dissemination of materials of which no one had reviewed.

Frankly, the arguments were not wholly listened to, and a resolution came out of the Rules Committee that moved to the House on September 11, 1998. But listen to the language of this rule that would have still given us an opportunity to follow appropriately very evenhanded procedures that were utilized during the Watergate proceedings. H.Res. 525 reads in part, Section 2:

> The material transmitted to the House by the Independent Counsel shall be considered as referred to the Committee. That is the House Judiciary Committee. The portion of such material consisting of approximately 445 pages comprising an introduction, a narrative and a statement of grounds shall be printed as a document of the House. The balance of such material shall be deemed to have been received in executive session but shall be released from the status on September 28, 1998, except as otherwise determined by the Committee. Materials so released shall immediately be submitted for printing as a document of the House.

Let me point the Speaker to a very salient point. This material was deemed received in executive session and the authority was given over to the House Judiciary Committee, Mr. Speaker, to carefully, deliberatively and constitutionally to review this material and determine what the appropriate procedures might have been; trust given to representatives of both Republicans and Democrats, representatives of the American people, representatives of both sides of the aisle, trust invested in them as members of the House Judiciary Committee to appropriately review this material and, therefore, give its best judgment to the House as to how it should proceed. Unfortunately, our colleagues, Republican colleagues in that committee chose not to follow what I thought was constitutionally grounded in the very fine proceedings that were offered as a backdrop and as a study or a place of study, the Watergate proceedings, and then did nothing for a period of days but meet to release. Out of that came the hysteria and what now is a challenge to these constitutional proceedings.

The argument made by my Republican friends was that the people's right to know, America's right to know, and tragically I agreed with my earlier stance, continue to agree with that, was absolutely the wrong premise, for the premise was based upon more of the people's right to know and not the reflection of the somberness of the responsibility that the Founding Fathers gave this that you do not go easily into the day to impeach the President of the United States. This is not a discussion about the Democratic President or the Republican President. It is a discussion about the Presidency of the United States of America, one again where the Founding Fathers refused to take lightly. In fact as they defined high crimes and misdemeanors, they refused to accept the definition of maladministration, something that was done by the President, and I will get into that further, that you did not like or you did like.

So when we voted on September 11, and I voted enthusiastically against the release of these documents, including the 445 pages, we in essence gave authority to the House Judiciary Committee not to do as I believe we should have been doing, which is to deliberate, to study and to review and to move carefully into a process that may result in a very considered vote on an impeachment inquiry. But what we did is to throw into a House Judiciary Committee that seemed hell-bent, if you will, on releasing documents with minimal review. Yes, the staff has indicated that they have reviewed every single piece of paper. Review may be taken in a more general term. They have touched it, they have looked at it. Frankly, I would take great issue in that, Mr. Speaker, because I believe if people of good will had been able to review extensively all of the documents that were released, they would not have released such salacious, pornographic materials not for the Nation to see but for the world to see.

So our first error was to ignore the rule of this House, a rule that I had hoped would have, more than not, sent these materials totally in executive session and asked us to carry on our deliberative work, but the rule that was passed did actually send the materials in executive session and gave to the authority of the Judiciary Committee the right to distribute these materials and, of course, our Republican majority decided that it was more important to flutter and clutter the American airwaves, the international airwaves and to create mass hysteria around allegations by this Office of Independent Counsel, allegations rather than referrals.

□ 1945

Let me go to the next unfortunate circumstance that provides, I think, difficulty in the referral by the Office of Independent Counsel. We must realize that during Watergate there was no such Office of Independent Counsel. It was called a special prosecutor. A man that I have great respect for was that special prosecutor.

Certainly we all are aware or remember the midnight massacre. Well Leon Jaworski came after that, a special prosecutor, a Texan, a great American, a man who upheld and believed in the integrity and the ethical premise of the law. He did his job, and out of his work came enormous or a number of prosecutions or indictments. His grand jury in fact actually performed, and he presented to the House Committee on the Judiciary not a list of allegations and an indictable document or a document that was to be considered an indictment; he frankly present to the House Judiciary Committee facts and materials of which they had the responsibility to review and to assess.

Let me tell you what came about through this independent counsel, Mr. Starr. He did not receive or nor did he attempt to receive judicial assent, such as it was, sought by the independent counsel prior to sending the referral to Congress and to do anything to assure fairness.

The contrast to the Watergate experience could not be more striking. In that earlier case it will be recalled the Watergate special prosecution force did not send to Congress an argumentative or inflammatory document, but rather a simple road map which merely summarized and identified the location of relevant evidence. Moreover, this document was submitted for review by Judge Sirica, the supervising judge of the grand jury before it was sent to the House of Representatives. Counsel for President Nixon was given notice and an opportunity to be heard before the report was sent to Congress.

This is not an attempt for cover-up. This is an attempt to appreciate the basic fairness upon which we operate and the constitutional premise of due process.

Judge Sirica carefully reviewed the report explicitly finding that it constituted a fair summary of the grand jury's evidence. It draws no accusatory conclusions, it contains no recommendations, advice or statements that infringe on the prerogatives of other branches of government.

My friends, this is extremely, extremely important because the OIC, the Office of Independent Counsel, is not the judiciary, it is not the legislative branch. In fact, it is not the executive. It is almost a fourth arm of government and bears extensive review itself. It is a frightening element of which this Congress should surely review for its fairness and its properness.

It renders no moral or social judgment. I am continuing to read from Judge Sirica's report. The report is a simple and straightforward compilation of information gathered by the grand jury and no more. The special prosecutor has obviously taken care to assure that its report contains no objectionable features and has throughout acted in the interests of fairness.

In this case, on the other hand, the independent counsel went not to the

supervising grand jury judge, Chief Judge Norma Holloway Johnson, but rather to the special division for the purpose of appointing independent counsels of the United States Court of Appeals for the District of Columbia which had appointed him independent counsel almost exactly 4 years earlier. There was no notice for the President, no opportunity for counsel to be heard on the propriety or fairness of any referral to Congress, nor did the independent counsel submit a report for the special division to review if it had been so, if had been so inclined. Instead, the independent counsel sought and received a blank check from the special division to include in its referral which would not be drafted and submitted to Congress until 2 months later all grand jury material that the independent counsel deems necessary to comply with the requirements of Section 595.

Against this back drop it is critical that the Committee on the Judiciary develop standards that would warrant us understanding what impeachable offenses are, and so against a very even-handed back drop that the Watergate special prosecutor, Mr. Jaworski, participated in, going to the court, allowing Mr. Nixon's counsel to review, making sure that there was an even-handed review, having the judge give credence and approval to the approach, we had a completely contrary perspective or a contrary approach used by Mr. Starr.

This strikes at the very premise of constitutionality and the basis upon which I frankly think that we should proceed.

So what we had was a document presented to us, 445 pages, a document full of allegations, an indictment document, and, by the way, a grand jury that still remains open, that has not acted in any sense, that has not indicted or not in any event made any statements about this other than to have witnesses come forward as it relates in particular to the incidents with Monica Lewinsky.

Let me share with you why I think that the backdrop or the Watergate is a standard that could be utilized. As I proceed, you will have my admit or concede the point that the Republicans now argue, that they are following the Watergate model. But you will also hear me counter that it may be a little too late at this time, too late and certainly not timely for what we needed to have been doing early on.

In the committee's report, the staff report dated February 1974, it was very clear what the staff perceived and how the Committee on the Judiciary would operate. Although staff at that time provided insight, certainly they did not have the final word. But I think this language is very helpful to us as we think about how we should proceed here and how we can get back on the right track.

Delicate issues of basic constitutional law are involved, the staff said. Those issues cannot be defined in detail in advance of a full investigation of the facts. The Supreme Court of the United States does not reach out in the abstract to rule on the constitutionality of statutes or of conduct. Cases must be brought and adjudicated on particular facts in terms of the Constitution.

Similarly, now the staff has suggesting as the House committee in 1974 was about to proceed, the House does not engage in abstract, advisory or hypothetical debates about the precise nature of conduct that calls for the exercise of its constitutional powers. Rather it must await full development of the facts and the understanding of the events to which those facts relate.

My friends and Mr. Speaker, before we can even understand the facts, before we can make any sense out of Mr. Starr's referral, these matters were thrown to the American people. There were no discussions on establishing standards and matching those standards with the facts. Rather it was to create hysteria, and here we had a model and an example of which we could very carefully study so as not to create incidences where American is rising up against American and conclusions are being made primarily because they have found no leadership in this Congress.

Interestingly enough, our own Speaker, NEWT GINGRICH, was charged with lying, and he appeared and had the opportunity to go before the House Committee on Standards of Official Conduct. That committee provided the Speaker with the opportunity to review those materials, to have counsel, to be engaged, and yet their final solution to date is still sealed. Although a fine was assessed, we have yet to throw to the public those documents that provided evidence of this Speaker lying, and in fact this speaker was reelected to the position of Speaker.

So all I am asking for, Mr. Speaker, is simple fairness, and frankly let me share with you why it is necessary to have fairness. Among the weaknesses of the Articles of Confederation, and this is going back to the impeachment remedy as discovered or designed by those individuals who were coming together in the early part of this Nation who wanted to strengthen and ensure that this country lasted. Might I try to put a better light on this by getting my glasses to read it more clearly?

Among the weaknesses of the Articles of Confederation, and I draw again from Federalist Papers, but I am citing the February 1974 Watergate staff report, Page 8; among the weaknesses of the Articles of Confederation apparent to the delegates for the constitutional convention was that they provided for a purely legislative form of government whose ministers were subservient to Congress. One of the first decisions of the delegates was that their new plan would include a separate executive, judiciary and legislature. However the framers sought to avoid the creation of a too powerful executive. The revolution had been fought against the tyranny of a king and his counsel, and the framers sought to build in safeguards against executive abuse and usurpation of power. They explicitly rejected a plural executive despite arguments that they were creating the fetus of a monarchy because a single person would give the most responsibility to the office. For the same reason they rejected proposals for a counsel of advice or privy counsel to the executive.

Frankly our Founding Fathers were wise enough to strike a good balance. In striking a good balance they were clearly fearful of giving too much authority to any one branch because they did not want to see one branch topple the other branch. Here lies the foundation of why we must be extremely concerned about where we are with this impeachment process.

We cannot go immediately, Mr. Speaker, to jump to the conclusion that this President or a President should be impeached.

I said earlier, and I say it again. I have not determined and I see no basis, in spite of the counsel for the Republican presenting a very lengthy presentation yesterday in the committee, that we have impeachable offenses. One of the reasons why we cannot conclude there, and I have concluded to the extent of what we have done so far that there are none, is because this committee refuses to acknowledge the importance of determining constitutional standards before we vote on an impeachment inquiry.

Yesterday Mr. Schippers presented us with a document. Certainly I know that he worked very hard on this document, but added other offenses based upon staff's review of the material. In fact, Mr. Schippers presented to us new allegations that for me provide great discomfort because he is alleging conspiracy, conspiracy between the President and Miss Lewinsky, and I might say that in looking at the contacts of which he bases his premise on, I am baffled why we would have leaked to conspiracy with a minimal of contact and no evidence of the two parties now mentioned in a conspiracy that would have not shown any basis of conspiracy or coming together.

But what that adds, Mr. Speaker, is another criminal element. I am not sure if the basis or the reason for Mr. Schippers doing so is because he saw severe weaknesses in the presentation already presented by Mr. Starr.

But you know all of this would have been avoided if our committee under the House Res. 525 had taken those words in executive session and proceeded to deliberate and review materials and through that process come to the House and said we are still reviewing materials and in fact we now want to proceed and define the Constitutional standards so that, as we would come out to the public, we would have been able to match allegations, if that was the case, with Constitutional standards. But yet we found ourselves

in the committee yesterday listening to presentations by counsel only; no witnesses, Mr. Speaker; coming to a conclusion that we are at a point for an impeachment inquiry.

I simply say, Mr. Speaker, we had leaked and spoken before we had thought, and as well we had made determinations before we could even rise to the occasion of being able to explain to the American people that we were constitutionally sound.

I see the ranking member has come, and before I yield to him let me share with those who frankly have maybe come to a conclusion in the direction that the President should be impeached to understand our frustration and hopefully see this not as a defense of one man, but how somber and sacred this responsibility is. We cannot even entertain the concerns about saving Social Security or dealing with the lack of preparedness that our Joint Chiefs have come to this Congress and said that they are concerned about, very troubling issues that impact national security, because we have leaked into a process a dangerous process Mr. Speaker, without rhyme or reason and guidance.

□ 2000

I cannot express the level of my frustration when Democrats who were Americans and are still Americans today gave that committee every opportunity to pull back and to not go in or move this engine in the manner in which it is going so that we can deal in a very somber manner, constitutionally sound, with the issues at hand.

Let me share with my colleagues as well additional readings from our early Founding Fathers, but might I just cite this as on page 24 of the staff report. There are a lot of people who said lying and perjury. But our Founding Fathers again, and others who have studied this issue, frankly, understood impeachment, and they understood the elements of it, or at least they understood what they thought they wanted to ensure the sanctity of this sovereign nation.

It reads, ''Impeachment and the criminal law serve fundamentally different purposes. Impeachment is the first step in a remedial process, removal from office, and possible disqualification from holding future office. The purpose of impeachment is not personal punishment.''

Can I say that again, Mr. Speaker, because there are people who are upset with the behavior of the President of the United States. Can I say something, Mr. Speaker, so am I. So are my colleagues. I do not want to speak for the gentleman from Michigan (Mr. Conyers), my esteemed ranking member. I have great respect for him. But I would not even imagine that he would counter what he has heard about people's disappointment and outrage.

But, frankly, Mr. Speaker, the purpose of impeachment is not personal punishment. Its function is primarily to maintain constitutional government. Furthermore, the Constitution itself provides that impeachment is no substitute for the ordinary process of criminal law since it specifies that impeachment does not immunize the officer from criminal liability for his wrongdoing.

I will yield to the gentleman from Michigan (Mr. CONYERS), my very esteemed ranking member who had the challenge, if you will, of serving on the 1974 Watergate committee. I think that he will share with us that he was not a wallflower. He was not one who did not view the proceedings vigorously, but more importantly, that he came to the conclusion that Mr. Nixon should be impeached.

I do not think that anyone who was on that committee would shy away from whatever their viewpoint may have been. But, frankly, I think that we can stand here in all honesty and say that the real crux of what we are now challenged to do in 1998 is not a pay back for 1974. This is not ''I got you'' or ''I will get you.'' This is not a circumstance where we could very well say, ''I have waited all these years to get me a Democratic President.''

For I hope that there was no one on that committee, Mr. Speaker, my ranking member, included, that had a ''get you'' mentality after they finished the evenhanded process using the Constitution.

That is the only thing that we are asking today. For I can tell my colleagues, as a younger person in 1974, might I claim very young person, my heart was troubled. Fear rolls up. I did not know whether this country's sovereignty would be maintained. Even then I claimed to be a Democrat.

So, Mr. Speaker, this is not a time that we can cover ourselves from politics that are extremely partisan.

Mr. Speaker, I am happy to yield to the esteemed gentleman from Detroit, Michigan (Mr. CONYERS), the ranking member of the House Committee on the Judiciary, who has taught me the value of removing myself from partisan politics and the real crux of this matter, which is the constitutionality of this process and the preservation of a nation.

Mr. CONYERS. Mr. Speaker, I was listening to the gentlewoman from Texas (Ms. JACKSON-LEE) and felt compelled to come to the floor to join in this tremendously useful discussion that she is having with our colleagues about this very awesome event that is under consideration, the investigation of a sitting President of the United States, and how the Committee on the Judiciary, which has jurisdiction over this matter, should deal with it.

I must say that her discussion was compelling, and it is as thorough as she always is found to be as we work through the complex matters that confront the Committee on the Judiciary. There have been many, but none as towering as the one that we are burdened with at this moment.

So I say to the gentlewoman that I enjoy her discussions, and I am pleased to join in with a comment or two. I do not have any particular purpose but to share this discussion with her.

But it seems from a initial point of view that the American people are of a nearly singular accord to move this question away from the Congress and, as a matter of fact, out of their sight and hearing at the earliest possible moment.

Overwhelmingly, people have asked me, written me, called me, stopped me on the streets and said, please get rid of this matter. I explain to them that it is the objective of most of us here, and I include Republican colleagues in this, who are very concerned that we dispose of this as rapidly as possible and yet keep order.

So the question that originally confronts us is, how do we do that? Well, one way that we do not do it is to dump, I have lost track of how many, tens of thousands of pages of material from the independent counsel on to the American people and in the public, not to the Congress, in particular, and this is very much contrary to the 1974 Watergate impeachment inquiry, not to the attorneys representing the President of the United States who is being investigated so that he might prepare a decent response, but to the American people.

If there is a logic for this, I have not heard it yet. It escapes me as to why these tens of thousands of pages of salacious material that quite frankly border on the obscene, which the independent counsel has gratuitously sought to put into the public domain, in other words, through the government at taxpayers' expense, we have now had the most pornographic government document ever printed in the 209 years of our existence.

The question to Mr. Starr is why? The answer is that the Speaker of the House chose, upon receiving them, to make them public. For what purpose, I do not know. There are many suggestions that there may have been political motivation.

But the point of the fact is that we now have many citizens, many parents, and even young people themselves saying why did they do it? What are they trying to prove? What does this have to do with any inquiry on the Congress, much less an impeachment inquiry by giving all of this material to the public, and, incidentally, not giving one page to the President of the United States or his representatives.

So the referral that has been referred to and the releases that have come afterward, and we just made some more this week, another several thousand pages, all have to do with the relationship of the President with one other person.

In the fifth year of his investigation, which we are still not sure if it is concluded or not, and to that end, the gentleman from Illinois (Chairman HYDE) and I jointly sent a letter to him asking him in effect, for goodness sakes, if

there are any other materials, you could not be holding them back at this date in your fifth year. This is not a game. This is not a poker escapade. This is not casino or roulette wheel.

If you had dozens of attorneys and investigators and members of the Federal Bureau of Investigation working, and you come up with nothing, nothing on Whitewater, nothing on Filegate, nothing on Travelgate, nothing on China, nothing on campaign finances, nothing about Vince Foster's suicide, only the President and one person, we must presume, contrary to the Speaker of the House, that that is all they have.

I have never heard of members of the bar releasing something that is second or third importance and not saying that they had something more significant. So it is only reasonable for us to assume that this is it. But if this is not it, would the Office of the Independent Counsel be polite enough to let the Members of Congress know that that is the case. I am sorry to report that, to this moment, we have not had a response from our letter.

Now, the question of why the Speaker chose to do it this way is after the horse has left the barn. He did it. People resent it. Now they want to know what it is the Committee on the Judiciary is going to do now that, according to the independent counsel statute, Mr. Starr has referred the matter to the Speaker who has, in turn, referred it to the Committee on the Judiciary.

So yesterday we met to discuss what it is we should do, the Committee on the Judiciary, on a vote, in which all of the Republicans voted to move forward on a resolution recommending an inquiry that is glaringly deficient in one major aspect. The resolution does not call for a threshold decision to be made that describes what the grounds and standards for impeachment should be, and this is still left to be determined.

In other words, as the gentlewoman from Texas and the gentleman from California (Mr. BERMAN) noted during the committee, and I quote him, ''The majority party has an obligation to recognize that high crimes and misdemeanors has a meaning. It was not just carelessly flung into the Constitution. And at Article II Section 4, it is described that an impeachment proceeding is an appropriate act for the President, the Vice President, and other certain high officials when there is involved treason, embezzlement, and other high crimes and misdemeanors.'' Well, not even Mr. BARR has suggested that treason is involved.

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No one has suggested that embezzlement is involved. So the question that gripped our full committee is, are there other high crimes and misdemeanors?

Now, note the Founding Fathers' phrasing: Treason, embezzlement, and other high crimes and misdemeanors. So treason is a high crime and misdemeanor, embezzlement is a high crime and misdemeanor. But they said there are others.

Well, the threshold question, if we look at the Starr referral, is marital infidelity, if there is any, a high crime and misdemeanor. Is personal misconduct that does not deal with the violations of the office or the abuse of the powers of the President, is that a high crime and misdemeanor?

Mr. Speaker, I must say that I have commissioned our attorneys on the Committee on the Judiciary to find out not only in American jurisprudence, and we have only had 13 cases of impeachment, most of them were with judges, and there were none that ever included or involved themselves with marital infidelity, personal conduct, or sexual relations of any kind, none of them; so the question is, perhaps in the English common law out of which this whole notion of impeachment came, maybe there is something there. We find nothing there. In other words, just as a common sense threshold inquiry, I say to my colleagues, there is nothing within the report of our distinguished former Judge Kenneth W. Starr that even touches within the parameters of Article 2, Section 4.

Ms. JACKSON-LEE of Texas. Mr. Speaker, reclaiming my time, the gentleman is making such an enormously important point, and the reason why that point is so important is because as the gentleman will recall yesterday in committee, and the gentleman eloquently challenged in a constitutional manner Mr. Shipper's presentation, for it was a recounting, of course, of the report of Mr. Starr, Mr. Shipper being the counsel for the Republicans, to be able to make such a report, and as I said, to leap from that point to conclusions when there had not been any intervening definition of constitutional offenses that would warrant impeachment, and I cite for the gentleman issues that the Republicans' counsel seemed to emphasize: Lying and conspiracy.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BRADY of Texas). The gentlewoman will suspend.

The Chair will remind Members to abstain from language that is personally offensive toward the President, including references to various types of unethical behavior and references to alleged criminal conduct.

Ms. JACKSON-LEE of Texas. Mr. Speaker, as the gentleman well knows, these issues that were being discussed, there was contravening documentation which was not presented in the report given. I think those speak, in particular, to whether or not we have been able to look at this matter in fullness. We have just noted that we cannot even discuss these matters on the floor of the House out of respect for the executive. Frankly, tragically, these matters were spread across the land, but the executive had no ability to respond.

Mr. CONYERS. Mr. Speaker, if the gentlewoman will yield, this begins to further outline the travesty. Every young person with a computer in his house has now seen the very things that the Speaker at this moment precludes us from discussing because they are pure allegations and they are, in effect, untested. There have never been any cross-examination of who may have alleged them. Mr. Starr has never been before the committee. We do not know where or how he got them. And yet, while they are common fare for citizens and young people, this material has now been served up by the Republicans in this body to everybody in America.

I know that one 2-year-old has asked his father, who is Monica Lewinsky? Mr. Speaker, 2 years old. I know another teacher who has been asked by a third grader, teacher, what is an orgasm? This is offensive to parents, teachers, mature people who realize that this being put on the Internet has absolutely no salutary purpose.

By the way, I was reminded recently from a call from Memphis, Tennessee from a person in the music industry that these are the same people, I say to the gentlewoman, that have criticized rap artists for their obscenity and for their profanity, and now, they have outdone them tenfold by spreading thousands of pages of salacious, obscene, pornographic material, for no purpose. This is not the Committee on the Judiciary's finding, these are merely allegations which were not even necessary to support whatever conclusions the Office of Independent Counsel came to.

Mr. Speaker, I go back to an observation by our friend, the gentleman from California (Mr. BERMAN) who said that whatever the Rules of Procedure are that we adopt, our first order of business should be to resolve, if the events and allegations portrayed in the Starr report, rise to the level of an impeachable offense.

Now, not only do lawyers and constitutional authorities agree, but common sense and American citizens would think that we would take that simple precaution before we rush to vote out and recommend to this House, which will vote on Friday of this week, an inquiry of impeachment without ever having one instruction about what is this great constitutional language, high crimes and misdemeanors, the only thing in which these allegations can apply. Is perjury an impeachable offense? Well, I am not sure. Is lying an impeachable offense? I doubt it seriously. Fortunately, Members of Congress are not subject to impeachment proceedings, or the whole legislative branch of government could be brought to a standstill, possibly. Is concealing a personal affair an impeachable act?

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. If the gentleman will kindly suspend, again, the Chair reminds Members to abstain from references to various types of unethical behavior and alleged criminal conduct.

The gentleman is recognized.

Mr. CONYERS. Mr. Speaker, may I respectfully point out that I did not attribute that to the President of the United States.

Now, we have the report. The Starr report is not only a matter of public record, it is a matter of congressional notice.

I am a little bit at a loss as to why I cannot refer to what is in the government report that probably the gentleman voted for to have released, and now is telling me and suggesting that there is something inappropriate about me discussing it on the floor of the House.

We are not the children of America.

The SPEAKER pro tempore. If the gentleman will suspend, the Chair would remind the Members that the House rules regarding proper decorum in debate were announced to the House earlier on September 10. Both the Speaker and the minority leader, in concurrence, supported this announcement. It said:

> When an impeachment matter is not pending on the floor, a Member who feels a need to dwell on personal factual bases underlying the rationale in which he might question the fitness or competence of an incumbent president must do so in other forums, while conforming his or her remarks in debate to the more rigorous standard of decorum that must prevail in this Chamber.

With that understanding, the Chair will recognize the gentleman.

Mr. CONYERS. Mr. Speaker, may I inquire respectfully of the Speaker, may we refer to the Starr report referred to the Congress of the United States?

The SPEAKER pro tempore. In general terms, yes.

Mr. CONYERS. In general terms, yes. And may we quote from the Starr report referred to the House of Representatives?

The SPEAKER pro tempore. Sir, depending upon the exact verbiage being referenced, yes.

Mr. CONYERS. Mr. Speaker, in other words, we can talk about it in the Committee on the Judiciary, Mr. Starr can dump it into the public domain; but on the floor of the Congress it is not discussable because of what? I am sorry, I do not follow the distinguished Speaker's logic.

The SPEAKER pro tempore. If the gentleman will suspend, the difference is what the specific reference is, and whether an impeachment resolution is actually pending. The House rules regarding proper debate are well established and cooperation is expected of all Members.

The gentleman may continue.

Mr. CONYERS. I thank the Speaker, and I will not talk about the Starr report anymore, because nobody knows what is in the Starr report; nobody knows about how disgusting it has been to many Americans; nobody knows what the allegations are, and we do not want to talk about it in advance for any reason.

So I, with great reluctance, return the balance of time to the gentlewoman from Texas and thank her very much for her important contribution.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the ranking member of the Committee on the Judiciary very much, as I notice his very eloquent recounting of where we are. I see my good friend from New York on the floor of the House. I am hoping that we will be able to conclude this within a few more minutes.

But let me just speak to where we are as we started out constitutionally. I argued the case that we are attempting to frame this in a constitutional manner. The gentleman has made a very valid point. If any distinction can be made, what we are talking about is one, we have alleged facts, but we have no constitutional standards. On Friday or Thursday, we will present to this House a resolution by a chairman who has already said, the gentleman from Illinois (Mr. HYDE), that he too would like to see this end before January 1999, but yet, the resolution will now be an open-ended, anything-goes, Whitewater, Filegate, Travelgate, allegations against Mr. Foster, as well as the Monica Lewinsky-Gate, and no definitive time in which we would finish.

Mr. CONYERS. Mr. Speaker, will the gentlewoman yield?

Ms. JACKSON-LEE. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Speaker, I just want to tell the gentlewoman that the Speaker of the House has said just the opposite. He has said that this might go into the millennium. In other words, he has no intentions of working with the Committee on the Judiciary to bring this to a reasonable close within the end of the year. I thank the gentlewoman for yielding yet again.

Ms. JACKSON-LEE of Texas. Mr. Speaker, as we look at that point, and the gentleman is very right, we are faced with the dismal lacking of presentation by constitutional scholars who have said to us that high crimes and misdemeanors denote for the Founding Fathers the critical element of injury to the State. It was public and not private.

So we are leaping now to the floor of the House on Thursday to present an impeachment inquiry vote, quite contrary to Watergate, by doing so with no limitations and, of course, on the issues of a private incident.

I understand the Speaker is gaveling me. Might I turn to my good colleague, because we have much to say to conclude.

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ISSUES SURROUNDING THE IMPEACHMENT PROCEEDINGS

The SPEAKER pro tempore (Mr. BRADY of Texas). Under the Speaker's announced policy of January 7, 1997, the gentleman from New York (Mr. OWENS) is recognized for 60 minutes.

Mr. OWENS. Mr. Speaker, I yield to the gentlewoman from Texas (Ms. JACKSON-LEE) for her conclusion.

CONSTITUTIONAL ISSUES REGARDING IMPEACHMENT

Ms. JACKSON-LEE. I thank the gentleman from New York for his very fine kindness. What I wanted to emphasize is I started out this evening by offering a constitutional explanation as to where we are. And so I wanted to put into the RECORD the noted words of the legal scholar from Yale University, Professor Charles Black. And I want to pick up on what the very fine gentleman from Detroit, Michigan (Mr. CONYERS), the ranking member, has so eloquently emphasized. That Americans are asking us to get a handle on this. Republican colleagues are asking us to get a handle on this. And we can do this if we collaborate.

Charles Black says to us: In the English practice, from which the framers borrowed the phrase, ''high crimes and misdemeanors'' denoted political offenses, the critical element of which was injury to the state. Impeachment was meant to address public offenses committed by public officials in violation of the public trust and duties. Because Presidential impeachment invalidates the will of the American people, it was designed to be justified for the gravest wrongs, offenses against the Constitution itself. In short, only serious assaults on the integrity of the processes of government and such crimes as would so stain a President as to make his continuance in office dangerous to the public order.

Mr. Speaker, this is the reach that we should be reaching to understand whether Mr. Starr has presented anything of substance to this committee. Not the reach in 24 hours to Thursday to an impeachment inquiry with no standards and, might I say, one meeting that would warrant the determination of constitutional standards that we now understand may be set by the chairman.

As I finish, let me simply say there is much to say here about how we proceed, but I certainly hope as we engage in this debate that we engage in it not classifying people for their party affiliation, for what part of the country they may have come from, but for nothing more than preserving this Constitution.

I hope that everyone will perceive this as an American issue, attacking the very sovereignty of this Nation. And might I simply say that there were many voices on this committee that joined the gentleman from Michigan in 1974, many fine persons; Father Drinan, in fact, who has written articles to suggest that his experience shows no impeachable offenses. And he admitted that he raised the Cambodian issue and that the committee in its goodwill in 1974 refused to put that as an article of impeachment. They refused to put the tax evasion that was alleged as an article of impeachment.

Mr. Speaker, might I just offer the words of my predecessor, Barbara Jordan. Many would want to say how she would be handling these events. I would offer to say her words exactly:

Today I am an inquisitor. I believe hyperbole would not be fictional and would not overstate the solemnness that I feel right now. My faith in the Constitution is whole, it is complete, it is total. I am not going to sit here and be an idle spectator to the diminution, the subversion, the destruction of the Constitution.

She herself noted by quoting the Federal papers that impeachment is limited to high crimes and misdemeanors, and discounted and opposed the term ''maladministration.'' It is to be used only for great misdemeanors, as she quoted from the North Carolina Ratification Convention.

We must be reminded that we have a constitutional obligation to not be idle spectators and not to see the destruction of the Constitution and a subversion of the Constitution. If that is what my Republican friends are alleging against the President of the United States, the executive, then they must prove it. They cannot prove it unless we proceed in an orderly, fair manner, confined to what was referred; not a fishing expedition, and certainly within a reasonable time frame to understand what the Constitution says in order to match that with the allegations.

I am not sure the time has gone, but if the ranking member wants to finish, I am willing if the gentleman from New York (Mr. OWENS) would yield to him. This is wholly important. I am frightened by the prospect of what we are about to proceed with and how we are handling it.

Mr. OWENS. Mr. Speaker, I yield to the gentleman from Michigan (Mr. CONYERS).

Mr. CONYERS. Mr. Speaker, I merely wanted to comment on the continuing brilliance of the gentlewoman from Texas. She is a respected lawyer, an experienced litigator, a proven public servant, and she makes me proud of the fact that she is currently sitting as a member of the Committee on the Judiciary of the House of Representatives. I thank the gentleman from New York for yielding.

Ms. JACKSON-LEE. Mr. Speaker, I thank the gentleman for yielding.

CONGRESS HAS MORE IMPORTANT BUSINESS TO CONSIDER

Mr. OWENS. Mr. Speaker, I thank both of my colleagues from the Committee on the Judiciary and congratulate them on the magnificent job that they are doing. I am certain they are not here tonight because they want to be here, but because they feel a sense of duty to expound and further explain this very grave matter before us.

Like the rest of my Democratic colleagues, we do not think this is the most important subject in the world. We are not anxious to be plunged into the deliberations concerning this impeachment. There are many other matters, many other priorities, many other issues that are far more important. And the talent and the time and the attention of people like my two colleagues on the Committee on the Judiciary we would like to devote to addressing those problems.

Our problem is that we are trapped by the will of the majority. The pinnacle of global leadership, the set of profound priorities which we should be addressing have been overwhelmed and smothered by a blanket of trivialities and diversions which the majority wishes to expand and continue indefinitely.

We are supposed to adjourn at the end of this week. I suppose it might be some kind of recess instead of the usual adjournment process. But as of Sunday, we will be no longer focused on the business, the routine business of the 105th Congress.

We have the appropriations process that has been stalled, and only two appropriations bills have been taken through the entire process. We are going to have a monstrous continuing resolution which cannot do the business of the Nation and focus on the priorities as we should. We have a focus instead on the Committee on the Judiciary, which will absorb the time and attention of not only the people here in Congress, but the whole American public.

An impeachment is a serious matter. It is always serious, whether it is an impeachment that is based on sound reasons. If there really are some impeachable offenses, it would be serious then. It is serious even if we go forward with the impeachment process and we do not have reasons for impeachment. There are no impeachable offenses.

Either way, it is still serious. The time and the attention to be put into it is the same. The diversion of the decision-making powers away from more serious matters is the same. The divisions within the American public are likely to be the same. I think we have a procedure here that is without precedent. The Founding Fathers would have never dreamed of our being in this kind of predicament. We have an intensely partisan impeachment procedure going forward, an impeachment procedure based on personal blunders. The three Ps, partisan, personal. And finally we have an impeachment procedure that has been made pornographic by the release of certain kinds of information it is highly unusual for government documents to be concerned with.

So, we are going down, down, down into a bottomless pit, and it seems to me that somebody ought to seek to try to get us out of this. I hope that better judgment will prevail and prevail soon, before we go deeper into the pit.

We have a constitutional procedure being used as a camouflage for extremism. The Republican credo that ''politics is war without blood'' is underway here. We can see it manifest, war without blood. That means one goes all out to destroy his opponent. Go for the jugular. You want to gut the hog. That is what is driving the process here in Washington with respect to this impeachment procedure. Future generations will look back on us and really be ashamed of the kind of performance that we are setting forth here.

The procedure goes forward despite the fact that the American people and their common sense have a different opinion. Obviously, it does not agree with the intensity we feel about certain things that are being set forth here. What we are doing represents an insult to the intelligence. It is contempt for the common sense. Polls are not supposed to govern us, but I think we ought to pay attention as Members of Congress to the flood of mail, the calls, e-mail.

It is very interesting, my district is unfortunately a district where I have always had a problem of turnout for votes. The number of people who are registered never turn out more than 50, 55 percent. It is a great problem, and I have labored with it for years. And it has gotten worse really over the last few years, the number of people who bother to come out to vote. And we conclude that it is because they are so disappointed because of the fact that so much that is promised and so much that is needed never happens.

In my district, we have a large number of schools that still have coal-burning furnaces. That has been the case for years and years, and I have been in office for quite a number of years, and I have been highlighting the fact and working hard to try to make something happen. But the coal-burning furnaces are still there. We have 275 in the whole city and a hundred in the borough of Brooklyn and 20 or 25 in my congressional district. They are still there.

So I assume people are discouraged that nothing is happening. Unemployment has always been high in my district, and it is still high. It is true that as a result of the improvement in the economy, unemployment has gone down, employment has gone up, and people are grateful for that, I am sure. But I assume by that lower turnout that they have lost faith and they are not coming out because that problem was not being solved.

But, Mr. Speaker, they are, in my district, concerned about what is happening here with the process of impeachment. I have a flood of mail, unprecedented. I have a flood of phone calls. I have a great amount of e-mail. It contradicts the theory that I formulated in my own head that people have given up on government, that hope has been abandoned. Obviously, they have not given up on government. There is still some basic expectations from government that makes them concerned about what happens with the office of the Presidency, who is going to occupy the White House. They are very concerned, very intense, very angry.

I hope that they will translate that anger into some appropriate conduct, political action. People in my district want an end to the preoccupation with personal misbehavior, an end to magnifying personal blunders into high crimes and misdemeanors. They can see that there is no bribery or treason involved here. They can see that there is no conspiracy of note here.

Conspiracy occurs whenever a group of people get together to try to accomplish a particular end. We can call it a conspiracy. I looked it up in the dictionary to make certain that I was on sound ground. Any kind of action taken by a group of people, a set of plans made by a group of people to accomplish a certain end is a conspiracy.

There are good conspiracies and bad conspiracies. Unlawful conspiracies, I suppose is what is meant by the counsel for the Committee on the Judiciary majority yesterday when he added conspiracy as a charge. Yes, I suppose he can find evidence of a conspiracy. There are all kinds of conspiracies, as I said before.

When I was much younger, before I even became a teenager, I had a great love for peanut butter, and we were very poor. With a family of seven and the father is on minimum wage, you are very poor, and you have to stretch in a thousand ways to survive. Peanut butter was very important. Peanut butter was not a snack food in my house. It was the food that my mother put in our lunches. Peanut butter with crackers is good because the bread does not get soggy. And if you use graham crackers instead of regular crackers, it becomes a combination entree and dessert.

It was a big deal. She had a big jar of peanut butter that she used for our lunches, and we could not raid the jar for snacks. Well, my siblings and I, we had a great love for peanut butter, so we conspired. The peanut butter was on a shelf at the top of the cabinet, and we learned very early that if we would go in the center of the jar to get our peanut butter out and not scrape the sides, our mother could not tell that we raided the jar unless she was very observant.

So, together we could quickly get on a chair and get the jar down, scoop out a good scoop from the middle, and get away with spreading it and getting out of there. It took three of us to do it. It was a conspiracy.

The ''peanut butter conspiracy'' is not equal to the conspiracy that took place in the basement of the White House with respect to Iran-Contra.

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In the basement of the White House we had a group of people who were directly involved in disobeying Congress and plotting, conspiring, to obliterate the will of Congress, to disobey it, to secretly sell guns to a power they had declared a hideous enemy. They were going to sell the guns, get the money, and use it to fund the Contras in Nicaragua against the will of Congress, after many years of deliberation had shown that Congress desired that we take that course of action. So we had a conspiracy.

And when the conspiracy was uncovered, finally exposed, there was another conspiracy to help cover it up. They were actually shredding papers in the basement of the White House, and everybody knew about it for a long time before the Attorney General bothered to secure the site and make certain that evidence was not destroyed. And we had all kinds of other things that took place with respect to Iran-contra. It was a conspiracy. That is one kind of a conspiracy.

We had a conspiracy when Benedict Arnold betrayed his own revolutionary army forces. He was a magnificent general, who had really performed quite well in the Revolutionary War on the side of the colonies, but he was upset and bitter and, for whatever reason, he decided to sell out. That was a conspiracy, too. Probably, unlike the peanut butter conspiracy, which had no serious repercussions, it could have had the greatest of repercussions. If Benedict Arnold had succeeded and not been discovered, it could have meant the end of the Revolutionary War. It could have been a blow that changed history entirely.

So the consequences of Benedict Arnold's conspiracy were much more serious than the consequences of the peanut butter jar conspiracy, or even the consequences of the Iran-contra conspiracy. Iran-contra, if we had pursued it with vigor and had a special prosecutor who cared about what he was doing, as much as some others lately care, it would have been clearly a situation where we would have had an identification of a conspiracy.

But would that conspiracy have merited an impeachment proceeding? I do not think so. I think it would have been very embarrassing, very serious, but the country was not placed at risk. The country's policy was violated, laws were disobeyed, felonies were committed, but I still think, as serious as Iran-contra was, it probably would not have merited impeachment. It was not Benedict Arnold, engaged in an activity which could have brought the country down. It certainly was not the peanut butter conspiracy.

What happened at the White House with respect to the personal blunders there I will let others place on that continuum from the peanut conspiracy on one the hand to Benedict Arnold on the other. What happened at the White House, I will let others place it somewhere there and tell me if we have an impeachable offense.

What the problem is here, and I do not want to go on, because I am certain that most Americans are quite tired of listening to the matters which are surrounding this impeachment process, the problem is that the people in my district want an end to the preoccupation with personal misbehavior or an end to the magnifying of personal blunders into high crimes and misdemeanors. But we cannot govern the agenda. We do not set the agenda. We are compelled by the majority in control to remain on this topic. But even though we are compelled to do that, we have a duty to place it in a larger, more urgent, and more important context.

At this critical moment in history, as we approach the year 2000, the question that Americans ought to be asking is what is the overwhelming preoccupation of this indispensable Nation? What are we doing at this critical moment in history? Can we justify what we are doing in terms of what is at stake at this particular moment?

There are serious matters related to race relations, and the President had the vision to appoint a Race Relations Commission. That Commission, in the final days of its deliberations, was totally ignored. Its report came out. I have already, on this floor previously, criticized that report as being weak in spirit. It represents tiny spirit, in that the people who were there had a golden opportunity.

The President never intended for it to solve major problems, but it was a golden opportunity to make a statement about the profundity of the race relations problem in America. The race question, the race problem, racism in politics, demagogueing the race issue is a major issue in American politics. It sets up a situation where people who should have common interests are divided. It is part of a divide-and-conquer strategy which is seriously affecting the ability of the Nation to govern itself. We let race issues get in the way.

George Wallace, who recently died, and some people have sort of chosen to forget what he did in American politics, he took the race issue, the demagogueing of the race issue, and made it a fine art that many unscrupulous politicians could later never ignore. There was a time when both the Republican Party and the Democratic party, certainly at the national level, refused to tolerate on the floor of their conventions and in their deliberations open and blatant racist proposals. There was a time when they would not accept it. Even though the Democrats had to wrestle with holding together the coalition of southerners and northerners, there was a kind of respectability that prevailed; that did not go into certain areas. That all ended with George Wallace, and people started to follow in his footsteps.

Richard Nixon followed in his footsteps with his southern strategy. When Ronald Reagan got ready to run for office, he went to Philadelphia, Mississippi, the site of the killing of Schwerner, Cheney and Goodman. He wanted to send a clear message to the south by going to that awful place where that awful set of murders had taken place and launching his campaign. So race became, from then on, a major part of the strategy of the Republican Party in terms of its divide and conquer strategy, and it continues to be.

So race relations are very important, and we have sort of pushed that report of the Commission off to the side and it is like it never happened. There was no Commission; there was no report. The Commission itself did not live up to its potential. It at least could have been a scholarly pronunciation of what is at stake with respect to the problem.

At the beginning of the Commission I had said I hoped that they would conclude that here is a serious problem which a Commission, in existence for 12 months, or 18 months, cannot resolve, but the Commission could set out a series of other steps that need to be taken. And one of the steps that should be taken is that a set of scholars, made up partially of Nobel prize winners, should be convened. And with the financing of the major foundations in this country and the rest of the world, that set of scholars should do a thorough study on race relations in the United States.

And if they do not want to deal with race relations because that is too current and controversial, at least do a history of slavery and how the legacy of slavery has impacted on current race relations in this country and in some other parts of the world. Let us at least have a scholarly treatise, a scholarly encyclopedic approach to establishing what the facts are with respect to slavery and slave trade. Some of us think it is the greatest crime ever committed in the history of mankind. The obliteration of a set of people, in terms of their humanity, was at stake, and we think it deserves that kind of attention.

But the race relations report did not come out with any kind of proposal to profoundly continue the exploration of the problem. They even backed away from saying that at least the country should, the official government that exists now, should foster an effort to have an apology for slavery. That is a horrible thought. Let us not apologize in America. We have had some polls taken which shows that overwhelmingly the American people are against any apology for slavery.

It is a strange set of conduct when we consider the fact that apologies are breaking out all over. Every month there is some new apology. The Swiss apologizing over and over again for the fact that they swindled the poor refugees from Germany, Jewish refugees from Germany, out of great amounts of money. They are not only apologizing, they are compensating. They have set up some funds to restore.

That is like reparations. That is another word we do not mention in America with respect to slavery. Reparations is a terrible dirty word. How dare we ask for reparations for 232 years of labor that was not paid for. How dare we make that kind of demand on the American people today when, after all, none of us lived at that time. We are not guilty.

The Germans could say the same thing and the Swiss could say the same thing. But, recently, the Germans at Volkswagen, and Germans at another plant, without confessing that they used slave labor in their plants, the slave labor of the Jews and the other prisoners of war that resulted in an accumulation of wealth, which the allies allowed them to keep and they continued, so that wealth that was accumulated partially with the slave labor of prisoners of Jews and other prisoners during the war is still a part of that corporate set of assets. So without fully admitting it, they have started funds at Volkswagen to compensate for those prisoners and Jews and other prisoners who can be identified. They have started, I think $12 million at one plant, and since they started it there, Volkswagen followed with $12 million. So they are not only apologizing, they are compensating. They are providing reparations.

In June of last year, the Pope apologized to the Jews for the Catholic church's silence during the holocaust. Last year the Japanese apologized to the Comfort Girls in Korea. Apologies are breaking out all over. So why is it that it is such a horrible thought to have the present government of America apologize for the American government's historic involvement with slavery?

I really am trying to emphasize the fact that there is unfinished business here. We have unfinished business in several major places which we should be addressing in the year 1998 and at the close of this 105th Congress. As we go toward the next century, the year 2000, we are going to be greatly crippled as a Nation if we do not address these kind of problems.

Another set of problems that are obvious, and probably less intense emotionally, is the mushrooming set of global economic problems. They are very serious, the problems that are mushrooming around us. We still have unprecedented prosperity. We have a budget surplus that has been recently announced. But consider 10 years ago where the Japanese economy was and where it is today. We are not invulnerable, and the things that are happening around us already are having an impact.

There was a multibillion dollar investment company, long-term investment, I do not have the exact name, but a multibillion dollar hedge fund, they called it. I do not understand what hedge funds are all about, so I will not try to describe it. But the hedge fund was of no significance to me until I heard that an agency of the United States Government, the Federal Reserve Board, had helped to rescue this private bank. Now, that concerns me greatly.

We ought to be concerned about a precedent being set now, which is similar to what happened with the savings and loan swindle. Not quite exactly, because the money used to bail out the hedge fund was private money. The effort to organize it was the authority and the brainpower and the intimidation power, I guess, of the Federal Reserve. So it is not quite as bad yet as the savings and loan swindle.

In the savings and loan swindle we had the American taxpayers, through the Federal Deposit Insurance Corporation and an individual who was head of the corporation, taking the initiative to bail out big banks because they were too big to fail. Now we have an investment fund, a hedge fund, that was considered too big to fail. Americans, wake up. We need to take our eyes off the impeachment proceeding and take a look at the Federal Reserve's action with respect to this multibillion dollar hedge fund. American taxpayer money is next.

They have used taxpayer money already because we pay the salaries of the Federal Reserve Bank. The whole apparatus of the Federal Reserve is a government apparatus. So we have already used the resources of the American government to bail out these big private multibillion dollar funds. What comes next?

□ 2100

What comes next? Which hedge fund will next be in trouble and when will they start using the taxpayers' money to help bail out some of these investment companies that are too big to fail?

By the way, the reason they want to bail out the hedge fund is because the hedge fund owes the banks a lot of money. So we are right back to where we were with the savings and loan swindle. It is the banks, the banks that are private and do not want anybody to interfere with them and their private authority, they are private powers to govern themselves until they get in trouble. When they get in trouble, our banking system suddenly becomes a socialist system, where the taxpayers are commanded, without anything much to say about it, the taxpayers' representatives in Congress go forward to devise schemes to bail out the banks.

We are in a situation now where the banks have collapsed in Indonesia, Malaysia, they are in serious trouble even in Japan. There was an article that appeared in today's New York Times on the front page that said the banks of Japan are now admitting that the amount of capital they have is far less than they have represented today. So the banks all over the world are collapsing and we are concerned with focusing on an impeachment procedure related to personal blunders at the White House and an overzealous investigation by the special prosecutor. Where are we, Americans, and what will our children say when they examine our behavior at this critical point in history?

Let me just conclude by saying, there is one more set of concerns that I would like to invite you to consider. We are the indispensable Nation. We are the great global power. We have responsibilities that probably God has placed on us that no other Nation has. God has been very generous to us. Our beautiful skies and spacious plains and bountiful production of grain and food and natural resources, our long periods of peace, all the things that add up to making our Nation prosperous, we ought to be thankful to God that we have that, and try to give back something to this earth which indicates

that we are grateful, we feel ourselves blessed and we want to do something for the rest of the world. We ought to be concerned.

Let me invite you, take your mind off the impeachment, take your mind off the personal lives of people here in Washington and for a moment consider a report that was done by the United Nations Human Development Fund, the United Nations Human Development Report, which every year comes out and looks for new ways to measure the lives of people throughout the world, what is happening with people.

This year the report put out by Kofi Annan puts aside faceless statistics like the per capita gross domestic product or the export-import figures and puts aside the report, those kinds of things, it burrows into the facts about such things as what are children eating across the world, who goes to school across the world, whether there is clean water to drink, how women share in the economy, who does not get vaccinations against diseases that go on killing people even though we know how to prevent diseases, even though we have vaccinations that prevent the diseases, they keep going on and killing people because the medicine is not available.

This year the report takes its first look at what people have, from how many people have simple toilets or family cars, and what proportion of the world's goods and services are consumed comparatively by the rich and what proportion are consumed by the poor. The report concludes that the pie is huge. The world's consumption bill is $24 trillion a year. Let me repeat that. The world is consuming $24 trillion a year worth of resources. But the servings that go on from one part of the world to another are radically different. Let me repeat. I am summarizing from the United Nations Human Development Report issued by the head of the United Nations Kofi Annan. I could not get the full report in time. It was supposed to get here today but it was not here, so when I get it, I certainly, probably next year, want to quote directly from it, give you the pages and tell you where you can get it. I am sure you can get it yourself from the United Nations. What I am reading from is a summary, a few highlights. It is not a summary, a few highlights from the New York Times, the Sunday Times of September 27 of this year, 1998. The New York Times had a set of highlights with a few photographs. I am going to read a few of those so that you can come back to where we ought to be in this world, on this planet earth, where we as the indispensable Nation, the most fortunate Nation that has ever existed in the history of the world, where we ought to be contemplating what we can do about these problems and where we are here, how does it affect the future existence of our children. Are our children going to be able to survive in a world where there are such gross injustices and such great unevenness in the way resources are distributed? Are human beings, by their very nature cunning, scheming, brainy, crafty animals, are they really going to sit by in three-quarters of the world and let one-quarter of the world have everything indefinitely? Can that go on? Can you deal with that? Or should you worry about whether some future leaders of our Nation might seek some kind of final solution by getting rid of all the have-nots instead of trying to make certain that the world deals with the problems of the have-nots in a different way.

Let me just read a few of these highlights that appeared in the New York Times and think about it. Put aside the impeachment characters, the Peyton Place scenario, put it aside and consider what citizens of the indispensable Nation ought to be considering at this hour in our history.

The haves. The richest fifth of the world's people consume 86 percent of all goods and services, while the poorest fifth consumes just 1.3 percent. The richest fifth of the world's people consumes 86 percent of all goods and services while the poorest fifth consumes just 1.3 percent. Indeed, the richest fifth consumes 45 percent of all meat and fish, 58 percent of all energy used and 84 percent of all paper. The richest has 74 percent of all telephone lines, and owns 87 percent of all vehicles. The richest fifth of the world's people consume 86 percent of all goods and services. The ultrarich, the three richest people in the world have assets that exceed the combined gross domestic product of the 48 least developed countries. The ultrarich, the three richest people, three rich individuals in the world, have assets that exceed the combined gross domestic product of the 48 least developed countries.

In Africa, the average African household today consumes 20 percent less than it did 25 years ago. The average African household consumes 20 percent less than it did 25 years ago. There are more African households. There is terrible leadership. You cannot blame it all on colonialism. Twenty-five years ago colonialism's remnants were still there. People lived better. Has the leadership that has resulted after colonialism was ended decreased the standard of living? Or did resources get pulled out by the colonial powers? Whatever, the fact is that the average African household now is living much worse. They consume 20 percent less than they did 25 years ago.

Consider the fact that the world's 225 richest individuals, of whom 60 are Americans, with total assets of $311 billion, have a combined wealth of over $1 trillion, equal to the annual income of the poorest 47 percent of the entire world's population. Let me repeat that. The world's 225 richest individuals, of whom 60 are Americans, with total assets of $311 billion, have a combined wealth of over $1 trillion, equal to the annual income of the poorest 47 percent of the entire world's population. Americans alone spend $8 billion a year on cosmetics. That is $2 billion more than the estimated annual total needed to provide basic education for everyone in the world. Americans spend $8 billion a year on cosmetics, $2 billion more than the estimated annual total needed to provide basic education for everybody in the world.

The have-nots. Of the 4.4 billion people in developing countries, nearly three-fifths lack access to safe sewers, a third have no access to clean water, a quarter do not have adequate housing, and a fifth have no access to modern health services of any kind. Of the 4.4 billion people in developing countries, nearly three-fifths lack access to safe sewers, a third have no access to clean water, a quarter do not have adequate housing, and a fifth have no access to modern health services of any kind.

Smoke is an interesting topic in this set of highlights. Of the estimated 2.7 million annual deaths from air pollution, 2.2 million are from indoor pollution. 2.7 million annual deaths from air pollution. Of that total, 2.2 million are from indoor pollution, including smoke from dung and wood burned as fuel, which is more harmful than tobacco smoke. Eighty percent of the victims of this kind of death by smoke are rural poor in developing countries.

Telephone lines. Sweden and the United States have 681 and 626 lines per 1,000 people respectively. Afghanistan, Cambodia, Chad and the Democratic Republic of the Congo have one telephone line per 1,000 people.

Ice cream and water. Europeans spend $11 billion a year on ice cream—$11 billion a year on ice cream—$2 billion more than the estimated annual total needed to provide clean water and safe sewers for the world's population.

AIDS. At the end of 1997, over 30 million people were living with HIV, with about 16,000 new infections a day, 90 percent in developing countries. It is now estimated that more than 40 million people will be living with HIV in the year 2000.

Land mines. More than 110 million active land mines are still scattered in 68 countries, with an equal number stockpiled around the world. Every month more than 2,000 people are killed or maimed by mine explosions. In a world where poverty is rampant, we still are spending large amounts of money on weapons, and land mines is one of the most devastating spread throughout the entire world.

Pet food and health. Consider the fact that Americans and Europeans combined spend $17 billion a year on pet food, $4 billion more than the estimated annual total needed to provide basic health and nutrition for everyone in the world. $17 billion a year spent on pet food by Americans and Europeans. That is $4 billion more than we need to provide basic health and nutrition for everyone in the world.

I am reading from highlights of the United Nations Human Development

Report. These highlights appeared in the New York Times on September 27 of this year. I will close with the last one of the highlights. I want to leave this with you to consider over again and I will repeat it, I assure you, in the next few years over and over again and update it because it sums things up in a very dramatic way. $40 billion a year, the key figure, $40 billion a year. Remember, our defense budget is more than $250 billion a year. $40 billion a year. It is estimated that the additional cost of achieving and maintaining universal access to basic education for all, basic health care for all, reproductive health care for all women, adequate food for all and clean water and safe sewers for all is roughly $40 billion a year, or less than 4 percent of the combined wealth of the 225 richest people in the world. I repeat. It is estimated that the additional cost of achieving and maintaining universal access to basic education for all, basic health care for all, reproductive health care for all women, adequate food for all and clean water and safe sewers for all is roughly $40 billion a year, less than 4 percent of the combined wealth of the 225 richest people in the world.

□ 2115

Take your mind off the impeachment proceeding, the diversion away from real problems, and consider the fact that a lot of these statistics have some implication even in America where people are not getting the appropriate health care. More than 10 million people are not getting or have no health care coverage. Take your mind off and consider the fact that large amounts of children still go hungry, even in America. Take your mind off the impeachment procedures and the trivialities related to it, and consider the fact that we are not focused on problems that could be solved.

The most important thing about these highlights of the United Nations report is that they tell us that the problems of the world are soluble with the resources that we have available in the world right now. The doomsayers who said that the overpopulation of the world would guarantee that it would be impossible for everybody to survive, they are not correct. You can use $40 billion a year and provide for the survival and a decent life for all the people of the world, just $40 billion distributed in some kind of intelligent way.

Indeed, you know, never blame God for the travails of mankind. You know, God has put on this earth a bountiful supply of resources, food, energy. You know, it is all here. You know, when you consider the fact that so much is being wasted, all you have to do is take it and distribute it a different way.

God must spend many days weeping about the ingratitude of the American leadership of his Earth, of this planet. What other Nation at any time in history has enjoyed so many benefits, been so blessed by God, and yet we trivialize our role, and we ignore our destiny. We have a duty to see to it that the distribution of these resources should take place in some kind of way to relieve all this massive suffering.

One thing about God is that He is not a dictator, He is not a tyrant. God does not intervene into the affairs of mankind. What a pity that He is not setting the order and forcing the distribution. What a pity that He has so much stake in the free will of mankind. What a pity that He blesses certain nations at different times in history, and He waits for them to follow through.

The Roman Empire once commanded all the known world. China commanded the world that the Romans did not know much about. Those empires did not, the leadership did not behave in ways which spread the benefits of their empires and guaranteed that they would continue.

We are in the same position, probably more so than the Roman or the Chinese ever were. We are the indispensable Nation now abandoning our responsibilities. We have an indispensable Nation that chooses to turn away even from domestic matters which have an impact on the rest of the world.

If we were to educate our own populous, guarantee that every youngster in America had his talents fully developed, we would have a priceless resource to send out for the rest of the world. I mean we would be able to deal with these medical problems, we would be able to deal with the education problems, the sewer problems, the various problems. We alone have enough resources, human resources, if they were fully developed, if we would just use our resources to develop our own.

I often talk about computers and technology in the schools, and back in my district people say that, well, you know, we think you have become some kind of aficionado of computers. You lost your bearing in terms of the importance of technology in the schools. And my answer is that when I talk about computers, I am not an aficionado. I do not even know how to handle my E-mail well. I mean I assure you nothing personal about it, computers are the way of the future. Just as the automobile created a whole culture, computers are creating a whole culture for America and for the rest of the world.

When I talk about computers, I am not talking about a plaything or a luxury. I am talking about putting computers in schools so that every child has the exposure as early as possible to computer literacy, computer learning, because that is the way the world is going, that is where the jobs are going to be. That is definitely where the jobs are going to be.

Already we have a shortage, and we had on the floor of this House a bill which tried to solve the immediate problem of the shortage of computer information technology working by bringing in foreigners. We are going to bring in 90,000 per year and increase that up over the next few years, and yet the Department of Labor says that the shortage will be even worse. Five years from now we are talking about more than 1 million, 1.5 million vacancies that exist.

So this is not a luxury, this is not a hobby. I am talking about a culture that is being created.

You know, when the automobile was being developed, I suppose all the schools in America looked at the automobile and said, do not teach any kids about auto mechanics. I mean, you know, that is a luxury, this is a plaything. You know, the automobile has a place in our culture which provides millions of jobs from the engineers that produce them, the workers in the factory, the salesmen, the mechanics; you know, from A to Z people who have high school education, some who do not have a high school education, all kinds of people are employed in the automobile industry. The computer industry will be the same in a very few years. It is moving, mushrooming, at a much more rapid rate than the automobile industry was built, and that has implications for the whole world and all of these problems throughout the world. You can educate the whole world if you were to computerize centers across the world and you did not have to depend on them creating their own teachers, locally first, but you could have physics and science and math and literature, whatever you want, piped in by long distance learning. You could do it in a matter of 10 or 20 years using the technologies that are now placed at our disposal by the computers and the Internet. You know, you could revolutionize the way the world takes care of itself.

All of that is possible, you know, if you focus first on educating your own population.

You know, school construction makes it possible for you to have buildings that can be wired, hopefully, for computers and be wired for the Internet. The E-rate, which was a magnificent stroke by Congress requiring that the FCC come up with a plan for providing discounted services to schools, that is about to go down the drain because of the fact that some very narrow-minded, tinny-spirited people, greedy people will not go forward and let the E-rate provide the discounts to the schools that they should provide.

We are the indispensable Nation with tinny minds, major experience, and at a points where we could revolutionize and turn the world on its axis and move it in a new direction. We refuse to do it.

The present quagmire. In the present quagmire our only hope is to accelerate the timetable and move out of the mud back to a set of priorities worthy of this indispensable Nation. We either move back to a set of priorities worthy of a Nation, or we can be plunged deeper down. We go into the pit with Larry Flynt who put an advertisement in the Washington Post calling, offering a million dollars for anybody who has information about an illicit affair with a

Congressman or any other member of the government. That is the direction which leads to total chaos, but that is the downhill motion that we are now in. That is the direction we are going. Let us not sink deeper into the quagmire, but instead move rapidly.

We are into an impeachment process. The committee has voted, the Committee on the Judiciary. The only way out is to accelerate the timetable, move it, get out of the mud, get back to a contemplation of the real problems that matter most to America, to most of our people. Listen to the American people and their common sense. Listen to the American people instead of having contempt for them. Their intelligence has risen to the occasion. Our democracy can be saved if you listen to the American people, their sense of balance and justice.

Get out of the quagmire and back to the business of the indispensable Nation.

CONFERENCE REPORT ON H.R. 3874

Mr. GOODLING submitted the following conference report and statement on the bill (H.R. 3874), to amend the National School Lunch Act and the Child Nutrition Act of 1966 to provide children with increased access to food and nutrition assistance, to simplify program operations and improve program management, to extend certain authorities contained in those Acts through fiscal year 2003, and for other purposes;

CONFERENCE REPORT (H. REPT. 105–786)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3874), to amend the National School Lunch Act and the Child Nutrition Act of 1966 to provide children with increased access to food and nutrition assistance, to simplify program operations and improve program management, to extend certain authorities contained in those Acts through fiscal year 2003, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''William F. Goodling Child Nutrition Reauthorization Act of 1998''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—SCHOOL LUNCH AND RELATED PROGRAMS

Sec. 101. Provision of commodities.
Sec. 102. Nutritional and other program requirements.
Sec. 103. Special assistance.
Sec. 104. Miscellaneous provisions and definitions.
Sec. 105. Summer food service program for children.
Sec. 106. Commodity distribution program.
Sec. 107. Child and adult care food program.
Sec. 108. Meal supplements for children in afterschool care.
Sec. 109. Pilot projects.
Sec. 110. Training, technical assistance, and food service management institute.
Sec. 111. Compliance and accountability.
Sec. 112. Information clearinghouse.
Sec. 113. Accommodation of the special dietary needs of individuals with disabilities.

TITLE II—SCHOOL BREAKFAST AND RELATED PROGRAMS

Sec. 201. School breakfast program authorization.
Sec. 202. State administrative expenses.
Sec. 203. Special supplemental nutrition program for women, infants, and children.
Sec. 204. Nutrition education and training.

TITLE III—COMMODITY DISTRIBUTION PROGRAMS

Sec. 301. Information from recipient agencies.
Sec. 302. Food distribution.

TITLE IV—EFFECTIVE DATE

Sec. 401. Effective date.

TITLE I—SCHOOL LUNCH AND RELATED PROGRAMS

SEC. 101. PROVISION OF COMMODITIES.

(a) IN GENERAL.—Section 6 of the National School Lunch Act (42 U.S.C. 1755) is amended—

(1) by striking subsections (c) and (d); and

(2) by redesignating subsections (e), (f), and (g) as subsections (c), (d), and (e), respectively.

(b) CONFORMING AMENDMENTS.—The National School Lunch Act is amended by striking ''section 6(e)'' each place it appears in sections 14(f), 16(a), and 17(h)(1)(B) (42 U.S.C. 1762a(f), 1765(a), 1766(h)(1)(B)) and inserting ''section 6(c)''.

SEC. 102. NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS.

(a) TECHNICAL AMENDMENTS.—Section 9(f) of the National School Lunch Act (42 U.S.C. 1758(f)) is amended—

(1) in paragraph (2), by striking ''subparagraph (A)'' and inserting ''paragraph (1)''; and

(2) in paragraphs (3) and (4), by striking ''this paragraph'' each place it appears and inserting ''this subsection''.

(b) WAIVER OF REQUIREMENT FOR WEIGHTED AVERAGES FOR NUTRIENT ANALYSIS.—Section 9(f) of the National School Lunch Act (42 U.S.C. 1758(f)) is amended by adding at the end the following:

''(5) WAIVER OF REQUIREMENT FOR WEIGHTED AVERAGES FOR NUTRIENT ANALYSIS.—During the period ending on September 30, 2003, the Secretary shall not require the use of weighted averages for nutrient analysis of menu items and foods offered or served as part of a meal offered or served under the school lunch program under this Act or the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773).''.

(c) REQUIREMENT FOR FOOD SAFETY INSPECTIONS.—Section 9 of the National School Lunch Act (42 U.S.C. 1758) is amended by adding at the end the following:

''(h) FOOD SAFETY INSPECTIONS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), a school participating in the school lunch program under this Act or the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) shall, at least once during each school year, obtain a food safety inspection conducted by a State or local governmental agency responsible for food safety inspections.

''(2) EXCEPTION.—Paragraph (1) shall not apply to a school if a food safety inspection of the school is required by a State or local governmental agency responsible for food safety inspections.''.

(d) SINGLE PERMANENT AGREEMENT BETWEEN STATE AGENCY AND SCHOOL FOOD AUTHORITY; COMMON CLAIMS FORM.—Section 9 of the National School Lunch Act (42 U.S.C. 1758), as amended by subsection (c), is further amended by adding at the end the following:

''(i) SINGLE PERMANENT AGREEMENT BETWEEN STATE AGENCY AND SCHOOL FOOD AUTHORITY; COMMON CLAIMS FORM.—

''(1) IN GENERAL.—If a single State agency administers any combination of the school lunch program under this Act, the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773), the summer food service program for children under section 13 of this Act, or the child and adult care food program under section 17 of this Act, the agency shall—

''(A) require each school food authority to submit to the State agency a single agreement with respect to the operation by the authority of the programs administered by the State agency; and

''(B) use a common claims form with respect to meals and supplements served under the programs administered by the State agency.

''(2) ADDITIONAL REQUIREMENT.—The agreement described in paragraph (1)(A) shall be a permanent agreement that may be amended as necessary.''.

SEC. 103. SPECIAL ASSISTANCE.

(a) SCHOOL ELIGIBILITY REQUIREMENTS FOR PAYMENTS.—Section 11(a)(1) of the National School Lunch Act (42 U.S.C. 1759a(a)(1)) is amended—

(1) in subparagraph (C)—

(A) in clause (i)(I), by striking ''3 successive school years'' each place it appears and inserting ''4 successive school years''; and

(B) in clauses (ii) and (iii), by striking ''3-school-year period'' each place it appears and inserting ''4-school-year period'';

(2) in subparagraph (D)—

(A) in clause (i)—

(i) by striking ''3-school-year period'' each place it appears and inserting ''4-school-year period''; and

(ii) by striking ''2 school years'' and inserting ''4 school years'';

(B) in clause (ii)—

(i) by striking the first sentence;

(ii) by striking ''The school'' and inserting ''A school described in clause (i)''; and

(iii) by striking ''5-school-year period'' each place it appears and inserting ''4-school-year period''; and

(C) in clause (iii), by striking ''5-school-year period'' and inserting ''4-school-year period''; and

(3) in subparagraph (E), by striking clause (iii).

(b) ADJUSTMENTS TO PAYMENT RATES.—

(1) IN GENERAL.—Section 11(a)(3)(B) of the National School Lunch Act (42 U.S.C. 1759a(a)(3)(B)) is amended—

(A) by striking ''(B) The annual'' and inserting the following:

''(B) COMPUTATION OF ADJUSTMENT.—

''(i) IN GENERAL.—The annual'';

(B) by striking ''Each annual'' and inserting the following:

''(ii) BASIS.—Each annual'';

(C) by striking ''The adjustments'' and inserting the following:

''(iii) ROUNDING.—

''(I) THROUGH JUNE 30, 1999.—For the period ending June 30, 1999, the adjustments''; and

(D) by adding at the end the following:

''(II) JULY 1, 1999, AND THEREAFTER.—On July 1, 1999, and on each subsequent July 1, the national average payment rates for meals and supplements shall be adjusted to the nearest lower

cent increment and shall be based on the unrounded amounts for the preceding 12-month period.''.

(2) CONFORMING AMENDMENTS.—Section 4(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)) is amended—

(A) in the second sentence of paragraph (1)(B), by striking ''adjusted to the nearest one-fourth cent,''; and

(B) in paragraph (2)(B)(ii), by striking '', which shall be adjusted'' and all that follows and inserting ''(as adjusted pursuant to section 11(a)(3)(B) of the National School Lunch Act (42 U.S.C 1759a(a)(3)(B))).''.

(c) INFORMATION AND ASSISTANCE CONCERNING REIMBURSEMENT OPTIONS.—

(1) IN GENERAL.—Section 11 of the National School Lunch Act (42 U.S.C. 1759a) is amended by adding at the end the following:

''(f) INFORMATION AND ASSISTANCE CONCERNING REIMBURSEMENT OPTIONS.—

''(1) IN GENERAL.—From funds made available under paragraph (3), the Secretary shall provide grants to not more than 10 State agencies in each of fiscal years 2000 and 2001 to enable the agencies, in accordance with criteria established by the Secretary, to—

''(A) identify separately in a list—

''(i) schools that are most likely to benefit from electing to receive special assistance under subparagraph (C) or (E) of subsection (a)(1); and

''(ii) schools that may benefit from electing to receive special assistance under subparagraph (C) or (E) of subsection (a)(1);

''(B) make the list of schools identified under this subsection available to each school district within the State and to the public;

''(C) provide technical assistance to schools, or school districts containing the schools, to enable the schools to evaluate and receive special assistance under subparagraph (C) or (E) of subsection (a)(1);

''(D) take any other actions the Secretary determines are consistent with receiving special assistance under subparagraph (C) or (E) of subsection (a)(1) and receiving a grant under this subsection; and

''(E) as soon as practicable after receipt of the grant, but not later than September 30, 2001, take the actions described in subparagraphs (A) through (D).

''(2) REPORT.—

''(A) IN GENERAL.—Not later than January 1, 2002, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition and Forestry of the Senate a report on the activities of the State agencies receiving grants under this subsection.

''(B) CONTENTS.—In the report, the Secretary shall specify—

''(i) the number of schools identified as likely to benefit from electing to receive special assistance under subparagraph (C) or (E) of subsection (a)(1);

''(ii) the number of schools identified under this subsection that have elected to receive special assistance under subparagraph (C) or (E) of subsection (a)(1); and

''(iii) a description of how the funds and technical assistance made available under this subsection have been used.

''(3) FUNDING.—Out of any moneys in the Treasury not otherwise appropriated, the Secretary of the Treasury shall provide to the Secretary $2,250,000 for each of fiscal years 2000 and 2001 to carry out this subsection. The Secretary shall be entitled to receive the funds and shall accept the funds, without further appropriation.''.

(2) TECHNICAL AMENDMENTS.—The National School Lunch Act is amended in the second sentence of each of sections 21(e)(2)(A) and 26(d) (42 U.S.C. 1769b–1(e)(2)(A), 1769g(d)) by inserting at the end before the period '', without further appropriation''.

SEC. 104. MISCELLANEOUS PROVISIONS AND DEFINITIONS.

(a) ADJUSTMENTS TO REIMBURSEMENT RATES.—Section 12(f) of the National School Lunch Act (42 U.S.C. 1760(f)) is amended—

(1) by striking ''school breakfasts and lunches'' and inserting ''breakfasts, lunches, suppers, and supplements'';

(2) by striking ''sections 4 and 11'' and inserting ''sections 4, 11, 13, and 17''; and

(3) by striking ''lunches and breakfasts'' each place it appears and inserting ''meals and supplements''.

(b) CRIMINAL PENALTIES.—Section 12(g) of the National School Lunch Act (42 U.S.C. 1760(g)) is amended by striking ''$10,000'' and inserting ''$25,000''.

(c) FOOD AND NUTRITION PROJECTS.—Section 12(m) of the National School Lunch Act (42 U.S.C. 1760(m)) is amended by striking ''1998'' each place it appears and inserting ''2003''.

(d) BUY AMERICAN.—Section 12 of the National School Lunch Act (42 U.S.C. 1760) is amended by adding at the end the following:

''(n) BUY AMERICAN.—

''(1) DEFINITION OF DOMESTIC COMMODITY OR PRODUCT.—In this subsection, the term 'domestic commodity or product' means—

''(A) an agricultural commodity that is produced in the United States; and

''(B) a food product that is processed in the United States substantially using agricultural commodities that are produced in the United States.

''(2) REQUIREMENT.—

''(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall require that a school food authority purchase, to the maximum extent practicable, domestic commodities or products.

''(B) LIMITATIONS.—Subparagraph (A) shall apply only to—

''(i) a school food authority located in the contiguous United States; and

''(ii) a purchase of a domestic commodity or product for the school lunch program under this Act or the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773).

''(3) APPLICABILITY TO HAWAII.—Paragraph (2)(A) shall apply to a school food authority in Hawaii with respect to domestic commodities or products that are produced in Hawaii in sufficient quantities to meet the needs of meals provided under the school lunch program under this Act or the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773).''.

(e) PROCUREMENT CONTRACTS.—Section 12 of the National School Lunch Act (42 U.S.C. 1760), as amended by subsection (d), is further amended by adding at the end the following:

''(o) PROCUREMENT CONTRACTS.—In acquiring a good or service for programs under this Act or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) (other than section 17 of that Act (42 U.S.C. 1786)), a State, State agency, school, or school food authority may enter into a contract with a person that has provided specification information to the State, State agency, school, or school food authority for use in developing contract specifications for acquiring such good or service.''.

SEC. 105. SUMMER FOOD SERVICE PROGRAM FOR CHILDREN.

(a) ESTABLISHMENT OF SITE LIMITATION.—Section 13(a)(7)(B) of the National School Lunch Act (42 U.S.C. 1761(a)(7)(B)) is amended by striking clause (i) and inserting the following:

''(i) operate—

''(I) not more than 25 sites, with not more than 300 children being served at any 1 site; or

''(II) with a waiver granted by the State agency under standards developed by the Secretary, with not more than 500 children being served at any 1 site;''.

(b) ELIMINATION OF MEAL CONTRACTING RESTRICTIONS, INDICATION OF INTEREST REQUIREMENT, AND VENDOR REGISTRATION REQUIREMENTS.—Section 13 of the National School Lunch Act (42 U.S.C. 1761) is amended—

(1) in subsection (a)(7)(B)—

(A) by striking clauses (ii) and (iii); and

(B) by redesignating clauses (iv) through (vii) as clauses (ii) through (v) respectively; and

(2) in subsection (l)—

(A) in paragraph (1)—

(i) in the first sentence—

(I) by striking ''(other than private nonprofit organizations eligible under subsection (a)(7))''; and

(II) by striking ''only with food service management companies registered with the State in which they operate'' and inserting ''with food service management companies''; and

(ii) by striking the last sentence;

(B) in paragraph (2)—

(i) in the first sentence, by striking ''shall'' and inserting ''may''; and

(ii) by striking the second and third sentences;

(C) by striking paragraph (3); and

(D) by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

(c) OFFER VERSUS SERVE.—Section 13(f)(7) of the National School Lunch Act (42 U.S.C. 1761(f)(7)) is amended in the first sentence by striking ''attending a site on school premises operated directly by the authority''.

(d) REAUTHORIZATION OF PROGRAM.—Section 13(q) of the National School Lunch Act (42 U.S.C. 1761(q)) is amended by striking ''1998'' and inserting ''2003''.

(e) TECHNICAL AMENDMENT.—

(1) IN GENERAL.—Section 706(j)(1) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2293) is amended by striking ''methods of assessing'' and inserting ''methods for assessing''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) takes effect on January 1, 1997.

SEC. 106. COMMODITY DISTRIBUTION PROGRAM.

Section 14(a) of the National School Lunch Act (42 U.S.C. 1762a(a)) is amended in the matter preceding paragraph (1) by striking ''1998'' and inserting ''2003''.

SEC. 107. CHILD AND ADULT CARE FOOD PROGRAM.

(a) ELIGIBILITY OF INSTITUTIONS.—Section 17(a) of the National School Lunch Act (42 U.S.C. 1766(a)) is amended—

(1) in the fourth sentence, by striking ''Reimbursement'' and inserting ''Except as provided in subsection (r), reimbursement''; and

(2) in the sixth sentence, by striking paragraph (1) and inserting the following:

''(1) an institution (except a school or family or group day care home sponsoring organization) or family or group day care home shall—

''(A)(i) be licensed, or otherwise have approval, by the appropriate Federal, State, or local licensing authority; or

''(ii) be in compliance with appropriate procedures for renewing participation in the program, as prescribed by the Secretary, and not be the subject of information possessed by the State indicating that the license of the institution or home will not be renewed;

''(B) if Federal, State, or local licensing or approval is not available—

''(i) meet any alternate approval standards established by the appropriate State or local governmental agency; or

''(ii) meet any alternate approval standards established by the Secretary after consultation with the Secretary of Health and Human Services; or

''(C) if the institution provides care to school children outside of school hours and Federal, State, or local licensing or approval is not required for the institution, meet State or local health and safety standards; and''.

(b) AUTOMATIC ELIGIBILITY FOR EVEN START PROGRAM PARTICIPANTS.—Section 17(c)(6) of the National School Lunch Act (42 U.S.C. 1766(c)(6)) is amended—

(1) in subparagraph (A), by striking ''(A)''; and

(2) by striking subparagraph (B).

(c) PERIODIC SITE VISITS.—Section 17(d) of the National School Lunch Act (42 U.S.C. 1766(d)) is amended—

(1) in the second sentence of paragraph (1), by inserting after ''if it'' the following: ''has been visited by a State agency prior to approval and it''; and

(2) in paragraph (2)(A)—

(A) by striking ''that allows'' and inserting ''that—

''(i) allows'';

(B) by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(ii) requires periodic site visits to private institutions that the State agency determines have a high probability of program abuse.''.

(d) TAX EXEMPT STATUS AND REMOVAL OF NOTIFICATION REQUIREMENT FOR INCOMPLETE APPLICATIONS.—Section 17(d)(1) of the National School Lunch Act (42 U.S.C. 1766(d)(1)) is amended—

(1) by inserting after the third sentence the following: ''An institution moving toward compliance with the requirement for tax exempt status shall be allowed to participate in the child and adult care food program for a period of not more than 180 days, except that a State agency may grant a single extension of not to exceed an additional 90 days if the institution demonstrates, to the satisfaction of the State agency, that the inability of the institution to obtain tax exempt status within the 180-day period is due to circumstances beyond the control of the institution.''; and

(2) by striking the last sentence.

(e) USE OF FUNDS FOR AUDITS.—Section 17(i) of the National School Lunch Act (42 U.S.C. 1766(i)) is amended by striking ''2 percent'' and inserting ''1.5 percent (except, in the case of each of fiscal years 2005 through 2007, 1 percent)''.

(f) PERMANENT AUTHORIZATION OF DEMONSTRATION PROJECT.—Section 17(p) of the National School Lunch Act (42 U.S.C. 1766(p)) is amended by striking paragraphs (4) and (5).

(g) MANAGEMENT SUPPORT.—Section 17 of the National School Lunch Act (42 U.S.C. 1766) is amended by adding at the end the following:

''(q) MANAGEMENT SUPPORT.—

''(1) TECHNICAL AND TRAINING ASSISTANCE.—In addition to the training and technical assistance that is provided to State agencies under other provisions of this Act and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), the Secretary shall provide training and technical assistance in order to assist the State agencies in improving their program management and oversight under this section.

''(2) FUNDING.—For each of fiscal years 1999 through 2003, the Secretary shall reserve to carry out paragraph (1) $1,000,000 of the amounts made available to carry out this section.''.

(h) PARTICIPATION BY AT-RISK CHILD CARE PROGRAMS.—Section 17 of the National School Lunch Act (42 U.S.C. 1766), as amended by subsection (g), is further amended by adding at the end the following:

''(r) PROGRAM FOR AT-RISK SCHOOL CHILDREN.—

''(1) DEFINITION OF AT-RISK SCHOOL CHILD.—In this subsection, the term 'at-risk school child' means a school child who—

''(A) is not more than 18 years of age, except that the age limitation provided by this subparagraph shall not apply to a child described in section 12(d)(1)(A); and

''(B) participates in a program authorized under this section operated at a site located in a geographical area served by a school in which at least 50 percent of the children enrolled are certified as eligible to receive free or reduced price school meals under this Act or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

''(2) PARTICIPATION IN CHILD AND ADULT CARE FOOD PROGRAM.—An institution may participate in the program authorized under this section only if the institution provides supplements under a program—

''(A) organized primarily to provide care to at-risk school children during after-school hours, weekends, or holidays during the regular school year; and

''(B) with an educational or enrichment purpose.

''(3) ADMINISTRATION.—Except as otherwise provided in this subsection, the other provisions of this section apply to an institution described in paragraph (2).

''(4) SUPPLEMENT REIMBURSEMENT.—

''(A) LIMITATIONS.—An institution may claim reimbursement under this subsection only for—

''(i) a supplement served under a program organized primarily to provide care to at-risk school children during after-school hours, weekends, or holidays during the regular school year; and

''(ii) 1 supplement per child per day.

''(B) RATE.—A supplement shall be reimbursed under this subsection at the rate established for a free supplement under subsection (c)(3).

''(C) NO CHARGE.—A supplement claimed for reimbursement under this subsection shall be served without charge.''.

(i) WIC INFORMATION.—Section 17 of the National School Lunch Act (42 U.S.C. 1766), as amended by subsection (h), is further amended by adding at the end the following:

''(s) INFORMATION CONCERNING THE SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN.—

''(1) IN GENERAL.—The Secretary shall provide each State agency administering a child and adult care food program under this section with information concerning the special supplemental nutrition program for women, infants, and children authorized under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786).

''(2) REQUIREMENTS FOR STATE AGENCIES.—Each State agency shall ensure that each participating family and group day care home and child care center (other than an institution providing care to school children outside school hours)—

''(A) receives materials that include—

''(i) a basic explanation of the importance and benefits of the special supplemental nutrition program for women, infants, and children;

''(ii) the maximum State income eligibility standards, according to family size, for the program; and

''(iii) information concerning how benefits under the program may be obtained;

''(B) receives periodic updates of the information described in subparagraph (A); and

''(C) provides the information described in subparagraph (A) to parents of enrolled children at enrollment.''.

(j) TRANSFER OF HOMELESS PROGRAMS.—

(1) IN GENERAL.—Section 17 of the National School Lunch Act (42 U.S.C. 1766), as amended by subsection (i), is further amended by adding at the end the following:

''(t) PARTICIPATION BY EMERGENCY SHELTERS.—

''(1) DEFINITION OF EMERGENCY SHELTER.—In this subsection, the term 'emergency shelter' means—

''(A) an emergency shelter (as defined in section 321 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11351)); or

''(B) a site operated by the shelter.

''(2) ADMINISTRATION.—Except as otherwise provided in this subsection, an emergency shelter shall be eligible to participate in the program authorized under this section in accordance with the terms and conditions applicable to eligible institutions described in subsection (a).

''(3) LICENSING REQUIREMENTS.—The licensing requirements contained in subsection (a)(1) shall not apply to an emergency shelter.

''(4) HEALTH AND SAFETY STANDARDS.—To be eligible to participate in the program authorized under this section, an emergency shelter shall comply with applicable State or local health and safety standards.

''(5) MEAL OR SUPPLEMENT REIMBURSEMENT.—

''(A) LIMITATIONS.—An emergency shelter may claim reimbursement under this subsection—

''(i) only for a meal or supplement served to children residing at an emergency shelter, if the children are—

''(I) not more than 12 years of age;

''(II) children of migrant workers, if the children are not more than 15 years of age; or

''(III) children with disabilities; and

''(ii) for not more than 3 meals, or 2 meals and a supplement, per child per day.

''(B) RATE.—A meal or supplement eligible for reimbursement shall be reimbursed at the rate at which free meals and supplements are reimbursed under subsection (c).

''(C) NO CHARGE.—A meal or supplement claimed for reimbursement shall be served without charge.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 13(a)(3)(C) of the National School Lunch Act (42 U.S.C. 1761(a)(3)(C)) is amended—

(i) in clause (i), by adding ''or'' at the end;

(ii) by striking clause (ii); and

(iii) by redesignating clause (iii) as clause (ii).

(B) Section 17(a) of the National School Lunch Act (42 U.S.C. 1766(a)) is amended in the third sentence—

(i) by striking ''and public'' and inserting ''public''; and

(ii) by inserting before the period at the end the following: '', and emergency shelters (as provided in subsection (t))''.

(C)(i) Section 17B of the National School Lunch Act (42 U.S.C. 1766b) is repealed.

(ii) Section 25(b)(1) of the National School Lunch Act (42 U.S.C. 1769f(b)(1) is amended—

(I) by striking subparagraph (D); and

(II) by redesignating subparagraphs (E) through (G) as subparagraphs (D) through (F), respectively.

(3) TECHNICAL AMENDMENTS.—

(A) Section 12(d) of the National School Lunch Act (42 U.S.C. 1760(d)) is amended—

(i) in paragraph (1)(A), by striking ''mental or physical'' each place it appears; and

(ii) by adding at the end the following:

''(8) DISABILITY.—The term 'disability' has the meaning given the term in the Rehabilitation Act of 1973 for purposes of title II of that Act (29 U.S.C. 760 et seq.).''.

(B) Section 13(a)(1) of the National School Lunch Act (42 U.S.C. 1761(a)(1)) is amended in subparagraph (D) of the second sentence—

(i) in clause (i), by striking ''to be mentally or physically handicapped'' and inserting ''to have a disability''; and

(ii) in clause (ii), by striking ''the mentally or physically handicapped'' and inserting ''individuals who have a disability''.

(C) Section 17(a) of the National School Lunch Act (42 U.S.C. 1766(a)) is amended by striking ''handicaps'' each place it appears and inserting ''disabilities''.

(D) Section 15 of the Child Nutrition Act of 1966 (42 U.S.C. 1784) is amended—

(i) in paragraph (6), by striking ''mental or physical handicaps'' each place it appears and inserting ''disabilities''; and

(ii) by adding at the end the following:

''(7) DISABILITY.—The term 'disability' has the meaning given the term in the Rehabilitation Act of 1973 for purposes of title II of that Act (29 U.S.C. 760 et seq.).''.

(4) EFFECTIVE DATE.—The amendments made by paragraphs (1) and (2) take effect on July 1, 1999.

SEC. 108. MEAL SUPPLEMENTS FOR CHILDREN IN AFTERSCHOOL CARE.

(a) GENERAL AUTHORITY.—Section 17A(a) of the National School Lunch Act (42 U.S.C. 1766a(a)) is amended—

(1) in paragraph (1), by striking ''supplements to'' and inserting ''supplements under a program organized primarily to provide care for''; and

(2) in paragraph (2), by striking subparagraph (C) and inserting the following:

''(C) operate afterschool programs with an educational or enrichment purpose.''.

(b) ELIGIBLE CHILDREN.—Section 17A(b) of the National School Lunch Act (42 U.S.C. 1766a(b)) is amended by striking ''served to children'' and all that follows and inserting ''served to school children who are not more than 18 years of age, except that the age limitation provided by this subsection shall not apply to a child described in section 12(d)(1)(A).''.

(c) REIMBURSEMENT.—Section 17A(c) of the National School Lunch Act (42 U.S.C. 1766a(c)) is amended by striking ''(c) REIMBURSEMENT.—For'' and inserting the following:

''(c) REIMBURSEMENT.—

''(1) AT-RISK SCHOOL CHILDREN.—In the case of an eligible child who is participating in a program authorized under this section operated at a site located in a geographical area served by a school in which at least 50 percent of the children enrolled are certified as eligible to receive free or reduced price school meals under this Act or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), a supplement provided under this section to the child shall be—

''(A) reimbursed at the rate at which free supplements are reimbursed under section 17(c)(3); and

''(B) served without charge.

''(2) OTHER SCHOOL CHILDREN.—In the case of an eligible child who is participating in a program authorized under this section at a site that is not described in paragraph (1), for''.

SEC. 109. PILOT PROJECTS.

(a) IN GENERAL.—Section 18 of the National School Lunch Act (42 U.S.C. 1769) is amended by striking subsections (c), (e), (g), and (h).

(b) BREAKFAST PILOT PROJECTS.—Section 18(i) of the National School Lunch Act (42 U.S.C. 1769(i)) is amended to read as follows:

''(i) BREAKFAST PILOT PROJECTS.—

''(1) IN GENERAL.—Subject to the availability of funds made available under paragraph (10), for a period of 3 successive school years, the Secretary shall make grants to State agencies to conduct pilot projects in elementary schools under the jurisdiction of not more than 6 school food authorities approved by the Secretary to—

''(A) reduce paperwork, simplify meal counting requirements, and make changes that will increase participation in the school breakfast program; and

''(B) evaluate the effect of providing free breakfasts to elementary school children, without regard to family income, on participation, academic achievement, attendance and tardiness, and dietary intake over the course of a day.

''(2) NOMINATIONS.—A State agency that seeks a grant under this subsection shall submit to the Secretary nominations of school food authorities to participate in a pilot project under this subsection

''(3) APPROVAL.—The Secretary shall approve for participation in pilot projects under this subsection elementary schools under the jurisdiction of not more than 6 nominated school food authorities selected so as to—

''(A) provide for an equitable distribution of pilot projects among urban and rural elementary schools;

''(B) provide for an equitable distribution of pilot projects among elementary schools of varying family income levels; and

''(C) permit the evaluation of pilot projects to distinguish the effects of the pilot projects from other factors, such as changes or differences in educational policies or program.

''(4) GRANTS TO SCHOOL FOOD AUTHORITIES.—A State agency receiving a grant under paragraph (1) shall make grants to school food authorities to conduct the pilot projects described in paragraph (1).

''(5) DURATION OF PILOT PROJECTS.—Subject to the availability of funds made available to carry out this subsection, a school food authority receiving amounts under a grant to conduct a pilot project described in paragraph (1) shall conduct the project during a period of 3 successive school years.

''(6) WAIVER AUTHORITY.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary may waive the requirements of this Act and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) relating to counting of meals, applications for eligibility, and related requirements that would preclude the Secretary from making a grant to conduct a pilot project under paragraph (1).

''(B) NONWAIVABLE REQUIREMENTS.—The Secretary may not waive a requirement under subparagraph (A) if the waiver would prevent a program participant, a potential program participant, or a school from receiving all of the benefits and protections of this Act, the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), or a Federal law (including a regulation) that protects an individual constitutional right or a statutory civil right.

''(7) REQUIREMENTS FOR PARTICIPATION IN PILOT PROJECT.—To be eligible to participate in a pilot project under this subsection—

''(A) a State agency—

''(i) shall submit an application to the Secretary at such time and in such manner as the Secretary shall establish to meet criteria the Secretary has established to enable a valid evaluation to be conducted; and

''(ii) shall provide such information relating to the operation and results of the pilot project as the Secretary may reasonably require; and

''(B) a school food authority—

''(i) shall agree to serve all breakfasts at no charge to all children enrolled in participating elementary schools;

''(ii) shall not have a history of violations of this Act or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.);

''(iii) shall have, under the jurisdiction of the school food authority, a sufficient number of elementary schools that are not participating in the pilot projects to permit a valid evaluation of the effects of the pilot projects; and

''(iv) shall meet all other requirements that the Secretary may reasonably require.

''(8) EVALUATION OF PILOT PROJECTS.—

''(A) IN GENERAL.—The Secretary, acting through the Administrator of the Food and Nutrition Service, shall conduct an evaluation of the pilot projects conducted by the school food authorities selected for participation.

''(B) CONTENT.—The evaluation shall include—

''(i) a determination of the effect of participation in the pilot project on the academic achievement, attendance and tardiness, and dietary intake over the course of a day of participating children that is not attributable to changes in educational policies and practices; and

''(ii) a determination of the effect that participation by elementary schools in the pilot project has on the proportion of students who eat breakfast and on the paperwork required to be completed by the schools.

''(C) REPORT.—On completion of the pilot projects and the evaluation, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the results of the evaluation of the pilot projects required under subparagraph (A).

''(9) REIMBURSEMENT.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), a school conducting a pilot project under this subsection shall receive a total Federal reimbursement under the school breakfast program in an amount that is equal to the total Federal reimbursement for the school for the prior year under the program (adjusted to reflect changes in the series for food away from home of the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor and adjusted for fluctuations in enrollment).

''(B) EXCESS NEEDS.—Funds required for the pilot project in excess of the level of reimbursement received by the school for the prior year (adjusted to reflect changes described in subparagraph (A) and adjusted for fluctuations in enrollment) may be taken from any non-Federal source or from amounts provided under this subsection.

''(10) AUTHORIZATION OF APPROPRIATIONS.—

''(A) IN GENERAL.—There are authorized to be appropriated such sums as are necessary to carry out this subsection.

''(B) REQUIREMENT.—No amounts may be provided under this subsection unless specifically provided in appropriations Acts.''.

(c) CONFORMING AMENDMENTS.—

(1) Section 18 of the National School Lunch Act (42 U.S.C. 1769), as amended by subsections (a) and (b), is further amended by redesignating subsections (d), (f), and (i) as subsections (c), (d), and (e), respectively.

(2) Section 101(b) of the Child Nutrition Amendments of 1992 (42 U.S.C. 1769 note; Public Law 102–342) is amended—

(A) in paragraph (1)—

(i) by striking ''(1)''; and

(ii) by striking ''other than those required under section 18(c) of the National School Lunch Act (42 U.S.C 1769(c)) to identify other'' and inserting ''to identify''; and

(B) by striking paragraph (2).

SEC. 110. TRAINING, TECHNICAL ASSISTANCE, AND FOOD SERVICE MANAGEMENT INSTITUTE.

(a) TECHNICAL AMENDMENTS.—Section 21(c)(2) of the National School Lunch Act (42 U.S.C. 1769b–1(c)(2)) is amended by striking ''of section 24'' each place it appears in subparagraphs (F) and (H) and inserting ''established by the Secretary''.

(b) TRAINING AND TECHNICAL ASSISTANCE.—Section 21(e)(1) of the National School Lunch Act (42 U.S.C. 1769b–1(e)(1)) is amended by striking ''1998'' and inserting ''2003''.

(c) FOOD SERVICE MANAGEMENT INSTITUTE.—Section 21(e)(2)(A) of the National School Lunch Act (42 U.S.C. 1769b–1(e)(2)(A)) is amended in the first sentence by striking ''and $2,000,000 for fiscal year 1996 and each subsequent fiscal year,'' and inserting ''$2,000,000 for each of fiscal years 1996 through 1998, and $3,000,000 for fiscal year 1999 and each subsequent fiscal year,''.

SEC. 111. COMPLIANCE AND ACCOUNTABILITY.

Section 22(d) of the National School Lunch Act (42 U.S.C. 1769c(d)) is amended by striking ''1996'' and inserting ''2003''.

SEC. 112. INFORMATION CLEARINGHOUSE.

Section 26(d) of the National School Lunch Act (42 U.S.C. 1769g(d)) is amended in the first sentence by striking ''and $100,000 for fiscal year 1998'' and inserting ''$100,000 for fiscal year 1998, and $166,000 for each of fiscal years 1999 through 2003''.

SEC. 113. ACCOMMODATION OF THE SPECIAL DIETARY NEEDS OF INDIVIDUALS WITH DISABILITIES.

Section 27 of the National School Lunch Act (42 U.S.C. 1769h) is amended to read as follows:

''SEC. 27. ACCOMMODATION OF THE SPECIAL DIETARY NEEDS OF INDIVIDUALS WITH DISABILITIES.

''(a) DEFINITIONS.—In this section:

''(1) COVERED PROGRAM.—The term 'covered program' means—

''(A) the school lunch program authorized under this Act;

''(B) the school breakfast program authorized under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773); and

''(C) any other program authorized under this Act or the Child Nutrition Act of 1966 (except for section 17) that the Secretary determines is appropriate.

''(2) ELIGIBLE ENTITY.—The term 'eligible entity' means a school food authority, institution, or service institution that participates in a covered program.

''(b) ACTIVITIES.—The Secretary may carry out activities to help accommodate the special dietary needs of individuals with disabilities who are participating in a covered program. The activities may include—

''(1) developing and disseminating to State agencies guidance and technical assistance materials;

''(2) conducting training of State agencies and eligible entities; and

''(3) providing grants to State agencies and eligible entities.

''(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 1999 through 2003.''.

TITLE II—SCHOOL BREAKFAST AND RELATED PROGRAMS

SEC. 201. SCHOOL BREAKFAST PROGRAM AUTHORIZATION.

Section 4(a) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(a)) is amended in the first sentence by striking ''and to carry out the provisions of subsection (g)''.

SEC. 202. STATE ADMINISTRATIVE EXPENSES.

(a) HOMELESS SHELTERS.—Section 7(a)(5)(B) of the Child Nutrition Act of 1966 (42 U.S.C. 1776(a)(5)(B)) is amended to read as follows:

''(B) REALLOCATION OF FUNDS.—

''(i) RETURN TO SECRETARY.—For each fiscal year, any amounts appropriated that are not obligated or expended during the fiscal year and are not carried over for the succeeding fiscal year under subparagraph (A) shall be returned to the Secretary.

''(ii) REALLOCATION BY SECRETARY.—The Secretary shall allocate, for purposes of administrative costs, any remaining amounts among States that demonstrate a need for the amounts.''.

(b) ELIMINATION OF 10 PERCENT TRANSFER LIMITATION.—Section 7(a)(6) of the Child Nutrition Act of 1966 (42 U.S.C. 1776(a)(6)) is amended to read as follows:

''(6) USE OF ADMINISTRATIVE FUNDS.—Funds available to a State under this subsection and under section 13(k)(1) of the National School Lunch Act (42 U.S.C. 1761(k)(1)) may be used by the State for the costs of administration of the programs authorized under this Act (except for the programs authorized under sections 17 and 21) and the National School Lunch Act (42 U.S.C. 1751 et seq.) without regard to the basis on which the funds were earned and allocated.''.

(c) REAUTHORIZATION OF PROGRAM.—Section 7(g) of the Child Nutrition Act of 1966 (42 U.S.C. 1776(g)) is amended by striking ''1998'' and inserting ''2003''.

SEC. 203. SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN.

(a) ADDITIONAL REQUIREMENTS FOR APPLICANTS.—

(1) PHYSICAL PRESENCE REQUIREMENT.—Section 17(d)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(d)(3)) is amended by adding at the end the following:

''(C) PHYSICAL PRESENCE.—

''(i) IN GENERAL.—Except as provided in clause (ii) and subject to the requirements of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), each individual seeking certification or recertification for participation in the program shall be physically present at each certification or recertification determination in order to determine eligibility under the program.

''(ii) WAIVERS.—If the agency determines that the requirement of clause (i) would present an unreasonable barrier to participation, a local agency may waive the requirement of clause (i) with respect to—

''(I) an infant or child who—

''(aa) was present at the initial certification visit; and

''(bb) is receiving ongoing health care from a provider other than the local agency; or

''(II) an infant or child who—

''(aa) was present at the initial certification visit;

''(bb) was present at a certification or recertification determination within the 1-year period ending on the date of the certification or recertification determination described in clause (i); and

''(cc) has 1 or more parents who work.''.

(2) INCOME DOCUMENTATION REQUIREMENT.—Section 17(d)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(d)(3)), as amended by paragraph (1), is further amended by adding at the end the following:

''(D) INCOME DOCUMENTATION.—

''(i) IN GENERAL.—Except as provided in clause (ii), in order to participate in the program pursuant to clause (i) of paragraph (2)(A), an individual seeking certification or recertification for participation in the program shall provide documentation of family income.

''(ii) WAIVERS.—A State agency may waive the documentation requirement of clause (i), in accordance with criteria established by the Secretary, with respect to—

''(I) an individual for whom the necessary documentation is not available; or

''(II) an individual, such as a homeless woman or child, for whom the agency determines the requirement of clause (i) would present an unreasonable barrier to participation.''.

(3) ADJUNCT DOCUMENTATION REQUIREMENT.—Section 17(d)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(d)(3)), as amended by paragraph (2), is further amended by adding at the end the following:

''(E) ADJUNCT DOCUMENTATION.—In order to participate in the program pursuant to clause (ii) or (iii) of paragraph (2)(A), an individual seeking certification or recertification for participation in the program shall provide documentation of receipt of assistance described in that clause.''.

(b) EDUCATION AND EDUCATIONAL MATERIALS RELATING TO EFFECTS OF DRUG AND ALCOHOL USE.—Section 17(e)(1) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(e)(1)) is amended by adding at the end the following: ''A local agency participating in the program shall provide education or educational materials relating to the effects of drug and alcohol use by a pregnant, postpartum, or breastfeeding woman on the developing child of the woman.''.

(c) DISTRIBUTION OF NUTRITION EDUCATION MATERIALS.—Section 17(e)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(e)(3)) is amended—

(1) by striking ''(3) The'' and inserting the following:

''(3) NUTRITION EDUCATION MATERIALS.—

''(A) IN GENERAL.—The''; and

(2) by adding at the end the following:

''(B) SHARING OF MATERIALS.—The Secretary may provide, in bulk quantity, nutrition education materials (including materials promoting breastfeeding) developed with funds made available for the program authorized under this section to State agencies administering the commodity supplemental food program authorized under sections 4(a) and 5 of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note; Public Law 93–86) at no cost to that program.''.

(d) USE OF CLAIMS FROM VENDORS AND PARTICIPANTS.—Section 17(f)(21) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)(21)) is amended to read as follows:

''(21) USE OF CLAIMS FROM VENDORS AND PARTICIPANTS.—A State agency may use funds recovered from vendors and participants, as a result of a claim arising under the program, to carry out the program during—

''(A) the fiscal year in which the claim arises;

''(B) the fiscal year in which the funds are collected; and

''(C) the fiscal year following the fiscal year in which the funds are collected.''.

(e) INDIVIDUALS PARTICIPATING AT MORE THAN 1 SITE.—Section 17(f) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)) is amended by adding at the end the following:

''(23) INDIVIDUALS PARTICIPATING AT MORE THAN 1 SITE.—Each State agency shall implement a system designed by the State agency to identify individuals who are participating at more than 1 site under the program.''.

(f) IDENTIFICATION OF HIGH RISK VENDORS; COMPLIANCE INVESTIGATIONS.—

(1) IN GENERAL.—Section 17(f) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)), as amended by subsection (e), is further amended by adding at the end the following:

''(24) HIGH RISK VENDORS.—Each State agency shall—

''(A) identify vendors that have a high probability of program abuse; and

''(B) conduct compliance investigations of the vendors.''.

(2) REGULATIONS.—The Secretary of Agriculture shall promulgate—

(A) not later than March 1, 1999, proposed regulations to carry out section 17(f)(24) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)(24)), as added by paragraph (1); and

(B) not later than March 1, 2000, final regulations to carry out section 17(f)(24) of that Act.

(g) REAUTHORIZATION OF PROGRAM.—Section 17(g)(1) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(g)(1)) is amended in the first sentence by striking ''1998'' and inserting ''2003''.

(h) PURCHASE OF BREAST PUMPS.—Section 17(h)(1)(C) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(1)(C)) is amended—

(1) by striking ''(C) In'' and inserting the following:

''(C) REMAINING AMOUNTS.—

''(i) IN GENERAL.—Except as provided in clause (ii), in''; and

(2) by adding at the end the following:

''(ii) BREAST PUMPS.—A State agency may use amounts made available under clause (i) for the purchase of breast pumps.''.

(i) NUTRITION SERVICES AND ADMINISTRATION.—

(1) ALLOCATION OF AMOUNTS.—Section 17(h)(2)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(2)(A)) is amended in the first sentence by striking ''1998'' and inserting ''2003''.

(2) TECHNICAL AMENDMENT.—Section 17(h)(2)(A)(iv) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(2)(A)(iv)) is amended by striking '', to the extent funds are not already provided under subparagraph (I)(v) for the same purpose,''.

(3) LEVEL OF PER-PARTICIPANT EXPENDITURE FOR NUTRITION SERVICES AND ADMINISTRATION.—Section 17(h)(2)(B)(ii) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(2)(B)(ii)) is amended by striking ''15 percent'' and inserting ''10 percent (except that the Secretary may establish a higher percentage for State agencies that are small)''.

(4) TECHNICAL AMENDMENTS.—Section 17(h)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(3)) is amended—

(A) in subparagraph (E), by striking ''In the case'' and all that follows through ''subsequent fiscal year,'' and inserting ''For each fiscal year,''; and

(B) by striking subparagraphs (F) and (G).

(5) CONVERSION OF AMOUNTS FOR SUPPLEMENTAL FOODS TO AMOUNTS FOR NUTRITION SERVICES AND ADMINISTRATION.—Section 17(h)(5)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(5)(A)) is amended in the matter preceding clause (i) by striking ''achieves'' and all that follows through ''such State agency may'' and inserting ''submits a plan to reduce average food costs per participant and to increase participation above the level estimated

for the State agency, the State agency may, with the approval of the Secretary,''.

(j) INFANT FORMULA PROCUREMENT.—Section 17(h)(8)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(8)(A)) is amended by adding at the end the following:

''(iii) COMPETITIVE BIDDING SYSTEM.—A State agency using a competitive bidding system for infant formula shall award contracts to bidders offering the lowest net price unless the State agency demonstrates to the satisfaction of the Secretary that the weighted average retail price for different brands of infant formula in the State does not vary by more than 5 percent.''.

(k) INFRASTRUCTURE AND BREASTFEEDING PROMOTION AND SUPPORT ACTIVITIES.—Section 17(h)(10)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(10)(A)) is amended by striking ''1998'' and inserting ''2003''.

(l) CONSIDERATION OF PRICE LEVELS OF RETAIL STORES FOR PARTICIPATION IN PROGRAM.—

(1) IN GENERAL.—Section 17(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)) is amended by adding at the end the following:

''(11) CONSIDERATION OF PRICE LEVELS OF RETAIL STORES FOR PARTICIPATION IN PROGRAM.—

''(A) IN GENERAL.—For the purpose of promoting efficiency and to contain costs under the program, a State agency shall, in selecting a retail store for participation in the program, take into consideration the prices that the store charges for foods under the program as compared to the prices that other stores charge for the foods.

''(B) SUBSEQUENT PRICE INCREASES.—The State agency shall establish procedures to ensure that a retail store selected for participation in the program does not subsequently raise prices to levels that would otherwise make the store ineligible for participation in the program.''.

(2) REGULATIONS.—The Secretary of Agriculture shall promulgate—

(A) not later than March 1, 1999, proposed regulations to carry out section 17(h)(11) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(11)), as added by paragraph (1); and

(B) not later than March 1, 2000, final regulations to carry out section 17(h)(11) of that Act.

(m) MANAGEMENT INFORMATION SYSTEM PLAN.—Section 17(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)), as amended by subsection (l)(1), is further amended by adding at the end the following:

''(12) MANAGEMENT INFORMATION SYSTEM PLAN.—

''(A) IN GENERAL.—In consultation with State agencies, vendors, and other interested persons, the Secretary shall establish a long-range plan for the development and implementation of management information systems (including electronic benefit transfers) to be used in carrying out the program.

''(B) REPORT.—Not later than 2 years after the date of enactment of this paragraph, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on actions taken to carry out subparagraph (A).

''(C) INTERIM PERIOD.—Prior to the date of submission of the report of the Secretary required under subparagraph (B), a State agency may not require retail stores to pay the cost of systems or equipment that may be required to test electronic benefit transfer systems.''.

(n) USE OF FUNDS IN PRECEDING AND SUBSEQUENT FISCAL YEARS.—

(1) IN GENERAL.—Section 17(i)(3)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(i)(3)(A)) is amended—

(A) by striking ''subparagraphs (B) and (C)'' and inserting ''subparagraph (B)''; and

(B) by striking clauses (i) and (ii) and inserting the following:

''(i)(I) not more than 1 percent (except as provided in subparagraph (C)) of the amount of funds allocated to a State agency under this section for supplemental foods for a fiscal year may be expended by the State agency for allowable expenses incurred under this section for supplemental foods during the preceding fiscal year; and

''(II) not more than 1 percent of the amount of funds allocated to a State agency under this section for nutrition services and administration for a fiscal year may be expended by the State agency for allowable expenses incurred under this section for supplemental foods and nutrition services and administration during the preceding fiscal year; and

''(ii)(I) for each fiscal year, of the amounts allocated to a State agency for nutrition services and administration, an amount equal to not more than 1 percent of the amount allocated to the State agency under this section for the fiscal year may be expended by the State agency for allowable expenses incurred under this section for nutrition services and administration during the subsequent fiscal year; and

''(II) for each fiscal year, of the amounts allocated to a State agency for nutrition services and administration, an amount equal to not more than ½ of 1 percent of the amount allocated to the State agency under this section for the fiscal year may be expended by the State agency, with the prior approval of the Secretary, for the development of a management information system, including an electronic benefit transfer system, during the subsequent fiscal year.''.

(2) CONFORMING AMENDMENTS.—Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) is amended—

(A) in subsection (h)(10)(A), by inserting after ''nutrition services and administration funds'' the following: ''and supplemental foods funds''; and

(B) in subsection (i)(3)—

(i) by striking subparagraphs (C) through (G); and

(ii) by redesignating subparagraph (H) as subparagraph (C).

(o) FARMERS' MARKET NUTRITION PROGRAM.—

(1) MATCHING REQUIREMENT.—Section 17(m)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)(3)) is amended in the first sentence by inserting ''program income or'' after ''satisfied from''.

(2) CRITERIA FOR ADDITIONAL FUNDS.—Section 17(m)(6)(C) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)(6)(C)) is amended—

(A) by striking ''serve additional recipients in'';

(B) by striking clause (ii) and inserting the following:

''(ii) documentation that demonstrates that—

''(I) there is a need for an increase in funds; and

''(II) the use of the increased funding will be consistent with serving nutritionally at-risk persons and expanding the awareness and use of farmers' markets;'';

(C) in clause (iii), by striking the period at the end and inserting ''; and''; and

(D) by adding at the end the following:

''(iv) whether, in the case of a State that intends to use any funding provided under subparagraph (G)(i) to increase the value of the Federal share of the benefits received by a recipient, the funding provided under subparagraph (G)(i) will increase the rate of coupon redemption.''.

(3) RANKING CRITERIA FOR STATE PLANS.—Section 17(m)(6) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)(6)) is amended—

(A) by striking subparagraph (F); and

(B) by redesignating subparagraph (G) as subparagraph (F).

(4) FUNDING FOR CURRENT AND NEW STATES.—Section 17(m)(6)(F) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)(6)(F)), as redesignated by paragraph (3)(B), is amended—

(A) in clause (i)—

(i) in the first sentence, by striking ''that wish'' and all follows through ''to do so'' and inserting ''whose State plan''; and

(ii) in the second sentence, by striking ''for additional recipients'';

(B) in the second sentence of clause (ii), by striking ''that desire to serve additional recipients, and''.

(5) REAUTHORIZATION OF PROGRAM.—Section 17(m)(9)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)(9)(A)) is amended by striking ''1998'' and inserting ''2003''.

(p) DISQUALIFICATION OF CERTAIN VENDORS.—

(1) IN GENERAL.—Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) is amended by adding at the end the following:

''(o) DISQUALIFICATION OF VENDORS CONVICTED OF TRAFFICKING OR ILLEGAL SALES.—

''(1) IN GENERAL.—Except as provided in paragraph (4), a State agency shall permanently disqualify from participation in the program authorized under this section a vendor convicted of—

''(A) trafficking in food instruments (including any voucher, draft, check, or access device (including an electronic benefit transfer card or personal identification number) issued in lieu of a food instrument under this section); or

''(B) selling firearms, ammunition, explosives, or controlled substances (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)) in exchange for food instruments (including any item described in subparagraph (A) issued in lieu of a food instrument under this section).

''(2) NOTICE OF DISQUALIFICATION.—The State agency shall—

''(A) provide the vendor with notification of the disqualification; and

''(B) make the disqualification effective on the date of receipt of the notice of disqualification.

''(3) PROHIBITION OF RECEIPT OF LOST REVENUES.—A vendor shall not be entitled to receive any compensation for revenues lost as a result of disqualification under this subsection.

''(4) EXCEPTIONS IN LIEU OF DISQUALIFICATION.—

''(A) IN GENERAL.—A State agency may permit a vendor that, but for this paragraph, would be disqualified under paragraph (1), to continue to participate in the program if the State agency determines, in its sole discretion according to criteria established by the Secretary, that—

''(i) disqualification of the vendor would cause hardship to participants in the program authorized under this section; or

''(ii)(I) the vendor had, at the time of the violation under paragraph (1), an effective policy and program in effect to prevent violations described in paragraph (1); and

''(II) the ownership of the vendor was not aware of, did not approve of, and was not involved in the conduct of the violation.

''(B) CIVIL PENALTY.—If a State agency under subparagraph (A) permits a vendor to continue to participate in the program in lieu of disqualification, the State agency shall assess the vendor a civil penalty in an amount determined by the State agency, in accordance with criteria established by the Secretary, except that—

''(i) the amount of the civil penalty shall not exceed $10,000 for each violation; and

''(ii) the amount of civil penalties imposed for violations investigated as part of a single investigation may not exceed $40,000.''.

(2) REGULATIONS.—The Secretary of Agriculture shall promulgate—

(A) not later than March 1, 1999, proposed regulations to carry out section 17(o) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(o)), as added by paragraph (1); and

(B) not later than March 1, 2000, final regulations to carry out section 17(o) of that Act.

(q) CRIMINAL FORFEITURE.—Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), as amended by subsection (p)(1), is amended by adding at the end the following:

''(p) CRIMINAL FORFEITURE.—

''(1) IN GENERAL.—Notwithstanding any provision of State law and in addition to any other penalty authorized by law, a court may order a

person that is convicted of a violation of a provision of law described in paragraph (2), with respect to food instruments (including any item described in subsection (o)(1)(A) issued in lieu of a food instrument under this section), funds, assets, or property that have a value of $100 or more and that are the subject of a grant or other form of assistance under this section, to forfeit to the United States all property described in paragraph (3).

''(2) APPLICABLE LAWS.—A provision of law described in this paragraph is—

''(A) section 12(g) of the National School Lunch Act (42 U.S.C. 1760(g)); and

''(B) any other Federal law imposing a penalty for embezzlement, willful misapplication, stealing, obtaining by fraud, or trafficking in food instruments (including any item described in subsection (o)(1)(A) issued in lieu of a food instrument under this section), funds, assets, or property.

''(3) PROPERTY SUBJECT TO FORFEITURE.—The following property shall be subject to forfeiture under paragraph (1):

''(A) All property, real and personal, used in a transaction or attempted transaction, to commit, or to facilitate the commission of, a violation described in paragraph (1).

''(B) All property, real and personal, constituting, derived from, or traceable to any proceeds a person obtained directly or indirectly as a result of a violation described in paragraph (1).

''(4) PROCEDURES; INTEREST OF OWNER.—Except as provided in paragraph (5), all property subject to forfeiture under this subsection, any seizure or disposition of the property, and any proceeding relating to the forfeiture, seizure, or disposition shall be subject to section 413 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 853), other than subsection (d) of that section.

''(5) PROCEEDS.—The proceeds from any sale of forfeited property and any amounts forfeited under this subsection shall be used—

''(A) first, to reimburse the Department of Justice, the Department of the Treasury, and the United States Postal Service for the costs incurred by the Departments or Service to initiate and complete the forfeiture proceeding;

''(B) second, to reimburse the Office of Inspector General of the Department of Agriculture for any costs incurred by the Office in the law enforcement effort resulting in the forfeiture;

''(C) third, to reimburse any Federal, State, or local law enforcement agency for any costs incurred in the law enforcement effort resulting in the forfeiture; and

''(D) fourth, by the State agency to carry out approval, reauthorization, and compliance investigations of vendors.''.

(r) STUDY OF COST CONTAINMENT PRACTICES.—

(1) IN GENERAL.—The Secretary of Agriculture shall conduct a study on the effect of cost containment practices established by States under the special supplemental nutrition program for women, infants, and children authorized under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) for the selection of vendors and approved food items (other than infant formula) on—

(A) program participation;

(B) access and availability of prescribed foods;

(C) voucher redemption rates and actual food selections by participants;

(D) participants on special diets or with specific food allergies;

(E) participant use and satisfaction of prescribed foods;

(F) achievement of positive health outcomes; and

(G) program costs.

(2) REPORT.—The Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate—

(A) not later than 2 years after the date of enactment of this Act, an interim report describing the results of the study conducted under paragraph (1); and

(B) not later than 3 years after the date of enactment of this Act, a final report describing the results of the study conducted under paragraph (1).

(s) STUDY OF WIC SERVICES.—

(1) IN GENERAL.—The Comptroller General of the United States shall conduct a study that assesses—

(A) the cost of delivering services under the special supplemental nutrition program for women, infants, and children authorized under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), including the costs of implementing and administering cost containment efforts;

(B) the fixed and variable costs incurred by State and local governments for delivering the services and the extent to which those costs are charged to State agencies;

(C) the quality of the services delivered, taking into account the effect of the services on the health of participants; and

(D) the costs incurred for personnel, automation, central support, and other activities to deliver the services and whether the costs meet Federal audit standards for allowable costs under the program.

(2) REPORT.—Not later than 3 years after the date of enactment of this Act, the Comptroller General shall submit to the Secretary of Agriculture, the Committee on Education and the Workforce of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report containing the results of the study conducted under paragraph (1).

SEC. 204. NUTRITION EDUCATION AND TRAINING.

Section 19(i) of the Child Nutrition Act of 1966 (42 U.S.C. 1788(i)) is amended—

(1) by striking the subsection heading and all that follows through paragraph (3)(A) and inserting the following:

''(i) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—

''(A) FUNDING.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 1997 through 2003.''; and

(2) by redesignating paragraphs (4) and (5) as paragraphs (2) and (3), respectively.

TITLE III—COMMODITY DISTRIBUTION PROGRAMS

SEC. 301. INFORMATION FROM RECIPIENT AGENCIES.

Section 3(f)(2) of the Commodity Distribution Reform Act and WIC Amendments of 1987 (7 U.S.C. 612c note; Public Law 100–237) is amended to read as follows:

''(2) INFORMATION FROM RECIPIENT AGENCIES.—

''(A) IN GENERAL.—The Secretary shall ensure that information with respect to the types and forms of commodities that are most useful to persons participating in programs described in subsection (a)(2) is collected from recipient agencies operating the programs.

''(B) FREQUENCY.—The information shall be collected at least once every 2 years.

''(C) ADDITIONAL SUBMISSIONS.—The Secretary shall provide the recipient agencies a means for voluntarily submitting customer acceptability information.''.

SEC. 302. FOOD DISTRIBUTION.

The Commodity Distribution Reform Act and WIC Amendments of 1987 (7 U.S.C. 612c note; Public Law 100–237) is amended—

(1) by redesignating sections 13 and 14 as sections 17 and 18, respectively; and

(2) by inserting after section 12 the following:

''SEC. 13. AUTHORITY TO TRANSFER COMMODITIES BETWEEN PROGRAMS.

''(a) TRANSFER.—Subject to subsection (b), the Secretary may transfer any commodities purchased with appropriated funds for a domestic food assistance program administered by the Secretary to any other domestic food assistance program administered by the Secretary if the transfer is necessary to ensure that the commodities will be used while the commodities are still suitable for human consumption.

''(b) REIMBURSEMENT.—The Secretary shall, to the maximum extent practicable, provide reimbursement for the value of the commodities transferred under subsection (a) from accounts available for the purchase of commodities under the program receiving the commodities.

''(c) CREDITING.—Any reimbursement made under subsection (b) shall—

''(1) be credited to the accounts that incurred the costs when the transferred commodities were originally purchased; and

''(2) be available for the purchase of commodities with the same limitations as are provided for appropriated funds for the reimbursed accounts for the fiscal year in which the transfer takes place.

''SEC. 14. AUTHORITY TO RESOLVE CLAIMS.

''(a) IN GENERAL.—The Secretary may determine the amount of, settle, and adjust all or part of a claim arising under a domestic food assistance program administered by the Secretary.

''(b) WAIVER.—The Secretary may waive a claim described in subsection (a) if the Secretary determines that a waiver would serve the purposes of the program.

''(c) AUTHORITY OF THE ATTORNEY GENERAL.—Nothing in this section diminishes the authority of the Attorney General under section 516 of title 28, United States Code, or any other provision of law, to supervise and conduct litigation on behalf of the United States.

''SEC. 15. PAYMENT OF COSTS ASSOCIATED WITH REMOVAL OF COMMODITIES THAT POSE A HEALTH OR SAFETY RISK.

''(a) IN GENERAL.—The Secretary may use funds available to carry out section 32 of the Act of August 24, 1935 (49 Stat. 774, chapter 641; 7 U.S.C. 612c), that are not otherwise committed, for the purpose of reimbursing States for State and local costs associated with the removal of commodities distributed under any domestic food assistance program administered by the Secretary if the Secretary determines that the commodities pose a health or safety risk.

''(b) ALLOWABLE COSTS.—The costs—

''(1) may include costs for storage, transportation, processing, and destruction of the commodities described in subsection (a); and

''(2) shall be subject to the approval of the Secretary.

''(c) REPLACEMENT COMMODITIES.—

''(1) IN GENERAL.—The Secretary may use funds described in subsection (a) for the purpose of purchasing additional commodities if the purchase will expedite replacement of the commodities described in subsection (a).

''(2) RECOVERY.—Use of funds under paragraph (1) shall not restrict the Secretary from recovering funds or services from a supplier or other entity regarding the commodities described in subsection (a).

''(d) CREDITING OF RECOVERED FUNDS.—Funds recovered from a supplier or other entity regarding the commodities described in subsection (a) shall—

''(1) be credited to the account available to carry out section 32 of the Act of August 24, 1935 (49 Stat. 774, chapter 641; 7 U.S.C. 612c), to the extent the funds represent expenditures from that account under subsections (a) and (c); and

''(2) remain available to carry out the purposes of section 32 of that Act until expended.

''(e) TERMINATION DATE.—The authority provided by this section terminates effective October 1, 2000.

''SEC. 16. AUTHORITY TO ACCEPT COMMODITIES DONATED BY FEDERAL SOURCES.

''(a) IN GENERAL.—The Secretary may accept donations of commodities from any Federal agency, including commodities of another Federal agency determined to be excess personal

property pursuant to section 202(d) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 483(d)).

''(b) USE.—The Secretary may donate the commodities received under subsection (a) to States for distribution through any domestic food assistance program administered by the Secretary.

''(c) PAYMENT.—Notwithstanding section 202(d) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 483(d)), the Secretary shall not be required to make any payment in connection with the commodities received under subsection (a).''.

TITLE IV—EFFECTIVE DATE

SEC. 401. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act take effect on October 1, 1998.

And the Senate agree to the same.

From the Committee on Education and the Workforce, for consideration of the House bill, and the Senate amendment, and modifications committed to conference:

BILL GOODLING,
FRANK RIGGS,
MIKE CASTLE,
W. L. CLAY,
M. G. MARTINEZ,

From the Committee on Agriculture, for consideration of secs. 2, 101, 104(b), 106, 202(c), and 202(o) of the House bill, and secs. 101, 111, 114, 203(c), 203(r), and titles III and IV of the Senate amendment, and modifications committed to conference:

BOB SMITH,
BOB GOODLATTE,
CHARLIE STENHOLM,
Managers on the Part of the House.

RICHARD G. LUGAR,
THAD COCHRAN,
MITCH MCCONNELL,
TOM HARKIN,
PATRICK J. LEAHY,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two House on the amendment of the Senate to the bill (H.R. 3874) to reauthorize the Child Nutrition and Special Supplemental Feeding program for Women, Infants and Children programs, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment that is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clerical changes.

EXPLANATION OF THE CONFERENCE AGREEMENT

1. PROVISION OF COMMODITIES

Present law

Permanently appropriated ''Section 32'' funds are required to be used to pay, in cash, for any shortfall in states' commodity entitlement, and this money is exempt from state matching requirements. [Sec. 6(c) & (d) of the NSLA]

House bill

Deletes out-of-date provisions of current law regarding payments for commodity entitlement shortfalls and the related exemption from state matching requirements. [Sec. 101]

Senate amendment

Same as the House bill, with technical differences. [Sec. 101]

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

2. WAIVER OF REQUIREMENT FOR WEIGHTED AVERAGES FOR NUTRIENT ANALYSIS

Present law

No provision.

House bill

No provision.

Senate amendment

Bars the Secretary from requiring the use of weighted averages for nutrient analysis of menu items and foods offered or served as part of reimbursable meals in school meal programs—through September 2003. [Sec. 102]

Conference agreement

The conference agreement adopts the Senate provision.

3. HEALTH AND SAFETY INSPECTIONS

Present law

No provision.

House bill

Requires schools, twice during each school year, to obtain state or local health and safety inspections to ensure that meals provided under school meal programs are prepared and served in a healthful and safe environment—if the school's food service operations are not required by state or local law to undergo health and safety inspections. [Sec. 102(a)]

Senate amendment

Requires schools, at least once during each school year, to obtain a food safety inspection conducted by a state or local government agency responsible for food safety inspections—if a food safety inspection of the school is not required by a state or local authority. [Sec. 103]

Conference agreement

The conference agreement adopts the Senate provision with an amendment.

It is the intent of the Conference Committee that schools which have a requirement for food safety inspections, regardless of the time frame, are in compliance with this provision.

The Committee also understands that, in certain localities, local offices of the State Health Department conduct voluntary health and safety inspections in schools. It is the Committee's interpretation of this provision that any such voluntary inspection performed at least once a year fulfills the school's obligation to complete annual health and safety inspections.

4. SINGLE PERMANENT AGREEMENTS BETWEEN STATE AGENCIES AND SCHOOL FOOD AUTHORITIES

Present law

No provision.

House bill

Requires single agreements between state agencies and school food authorities operating multiple child nutrition programs (school meal programs, summer programs, and child care food programs)—to the extent that a single state agency administers the programs involved. The agreements are to be permanent, but may be amended as necessary. [Sec. 102(b)]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the House provision, with a technical amendment.

The conferees agreement would require the use of a single claim form that incorporates sections for claims for all meals served. At its simplest, this would mean adding sections from each current form to a single form.

The conferees believe that the consolidated agreements and single claim forms in the bill allow additional flexibility for States and school districts. States may consolidate program accountability reviews where schools also operate the Child and Adult Care Food Program. Further, where a schools's food service operations, including its Summer Food Service Program operations, are managed by the same personnel, States need not conduct a review of the school's summer program in the same year in which its school food service operations have been reviewed and determined to be satisfactory. This will result in savings at the State level in that State agency staff will be able to coordinate reviews among programs. States may conduct additional reviews as necessary where there is a concern about compliance or for new sponsors, as current law provides.

School districts could operate all programs under the same meal pattern requirements. Schools would also have the same menu planning options for the Summer Food Service Program that school meals enjoy. This simplifies the menu planning process and maintains consistency among programs. It also simplifies program oversight at the State level.

5. COMMON CLAIMING PROCEDURES

Present law

No provision.

House bill

Requires common reimbursement claiming procedures for meals and supplements served in school meal programs, summer programs, and child and adult care food programs—to the extent that a single state agency administers the programs involved. [Sec. 102(b)]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the House provision with a technical amendment.

6. ADMINISTRATION OF CHILD NUTRITION PROGRAMS BY FEDERAL REGIONAL OFFICES

Present law

The Secretary is required to administer NSLA and CNA programs, other than the WIC program—i.e., withhold and administer funds due a state for federally administered programs—to the extent the Secretary has done so continuously since October 1980. If a state education agency is not permitted to pay funds to nonpublic schools, the Secretary must take over administration and payment for nonpublic schools. [Sec. 10 of the NSLA & Sec. 5 of the CNA.]

House bill

No provision.

Senate amendment

Ends the requirement that the Secretary administer NSLA and CNA programs—effective September 30, 2001. However, the Secretary may extend federal administration for up to 2 years if a state (1) demonstrates that it will not be able to take responsibility for the program involved and (2) submits a plan describing when and how it will assume administrative responsibility. Deletes the requirement that the Secretary take over administration for nonpublic schools. Requires the provision of training and technical assistance to states assuming administrative responsibility for NSLA/CNA programs. [Sec. 104 and Sec. 201]

Conference agreement

The conference agreement adopts the House position.

7. SCHOOLS' ELIGIBILITY UNDER ''PROVISION 2''

Present law

''Provision 2'' schools opt to serve free meals to all students for a 3-year period (without the normally required annual family income eligibility determinations) and are responsible for any extra costs. State agencies may extend this term by 2 years if socio-economic data show that the school's family income profile has remained stable. After a 2-year extension, subsequent extensions of 5 years each may be allowed if the school's family income profile has remained stable. [Sec. 11(a)(1) of the NSLA]

House bill

Requires that ''provision 2'' schools be eligible for an initial 4-year period, with added 4-year extensions if socio-economic data show that the school's family income profile has remained stable. [Sec. 103(a)]

Senate amendment

Same as the House bill. [Sec. 105]

Conference agreement

The conference agreement follows the House bill and the Senate amendment, with an amendment directing the provision of grants to states to help schools seeking to apply for provision 2 or provision 3 status.

The conferees change the initial and extension periods to 4 years each for ''provision 2 schools.'' The new time frames are applicable for schools upon initial application and, for those schools already utilizing this provision, upon application for extension.

8. ROUNDING ADJUSTMENTS TO FEDERAL PAYMENT RATES

Present law

When annual inflation adjustments are made to federal payment rates for meals and snacks served under school meal programs and by day care centers under the CACFP, the resultant rates for free and reduced-price meals/snacks served to lower-income children are rounded to the nearest quarter cent. Inflation-adjusted rates for ''full-price'' meals/snacks are rounded down to the nearest whole cent. [Sec. 11(a)(3) of the NSLA]

House bill

Requires that, when annual inflation adjustments are made to federal payment rates for meals and snacks served under school meal programs and by day care centers under the CACFP, all resultant rates be rounded down to the nearest whole cent. This new rounding rule would affect rates paid beginning May 1, 1999. [Sec. 103(b)]

Senate amendment

Same as the House bill, with technical differences. [Sec. 106]

Conference agreement

The conference agreement follows the House bill with an amendment to change the effective date to July 1, 1999.

The Conference Committee intends that, under this section, reimbursements for all breakfasts, including severe need breakfasts, will, when adjusted for inflation, be rounded down to the nearest whole cent.

9. FEDERAL PAYMENT RATES UNDER THE SUMMER FOOD SERVICE PROGRAM FOR ALASKA, HAWAII, AND OUTLYING AREAS

Present law

Federal payment rates for meals/snacks served under the Summer Food Service program may not be varied for Alaska, Hawaii, and outlying areas. Rates for meals/snacks served under other child nutrition programs may be varied for Alaska, Hawaii, and outlying areas to reflect cost differences. [Sec. 12(f) of the NSLA]

House bill

Permits the Secretary to vary payment rates under the Summer Food Service program for Alaska, Hawaii, and outlying areas to reflect cost differences. [Sec. 104(a)]

Senate amendment

Same as the House bill, with technical differences. [Sec. 107]

Conference agreement

The conference agreement adopts the Senate provision with technical amendments.

10. CRIMINAL PENALTIES

Present law

Federal fines that may be imposed on those found to have embezzled, willfully misapplied, stolen, or obtained by fraud funds, assets, or property subject to a grant or other form of assistance under the NSLA or the CNA are limited to $10,000 (where the value is $100 or more). [Sec. 12(g) of the NSLA]

House bill

Increases the limit on fines imposed for WIC program violations to $25,000. [Sec. 202(s)]

Senate amendment

Increases the limit on fines for all NSLA and CNA violations to $25,000. [Sec. 108]

Conference agreement

The conference agreement adopts the Senate provision.

11. GRANTS FOR FOOD AND NUTRITION CURRICULA INTEGRATION PROJECTS

Present law

Grants in support of projects that integrate food and nutrition education into elementary school curricula are authorized through FY1998. [Sec. 12(m) of the NSLA]

House bill

No provision.

Senate amendment

Extends authority for grants for food and nutrition curricula integration projects through FY2003. [Sec. 109]

Conference agreement

The conference agreement adopts the Senate provision.

12. ADEQUATE MEAL SERVICE PERIODS

Present law

No provision.

House bill

No provision.

Senate amendment

Provides that schools participating in federal school meal programs are encouraged to establish meal service periods that provide children with adequate time to fully consume meals in a conducive environment. [Sec. 110]

Conference agreement

The conference agreement adopts the House position.

The Conference Committee believes that the benefits derived from meals provided in schools depend to a considerable extent on the environment in which they are provided and consumed, and that school administrators and the entire school community play an essential role in assuring that children receive the full benefit of such meals. Accordingly, the conferees call on the Secretary to encourage schools to make every effort to establish meal service periods that provide children adequate time to fully consume their meals and to provide an environment conducive to eating those meals.

13. BUY AMERICAN PROVISION

Present law

No provision.

House bill

Requires that schools located in the contiguous U.S. and participating in school meal programs purchase—to the extent practicable—only ''food products that are produced in the United States.'' ''Food products that are produced in the United States'' are defined as: (1) unmanufactured food products grown or produced in the U.S. and (2) food products that are manufactured in the U.S. substantially from agricultural products grown or produced in the U.S. Also requires that ''recipient agencies'' in Hawaii purchase food products grown in Hawaii in sufficient quantities to meet school meal program needs. [Sec. 104(b)]

Senate amendment

Same as the House bill—except for (1) technical differences and (2) the House provision requiring purchases of foods grown in Hawaii. [Sec. 111]

Conference Agreement

The conference agreement adopts the House provision with a technical amendment.

The conferees bill incorporates language similar to that proposed by the U.S. Department of Agriculture which requires schools in the contiguous States participating in the National School Lunch and Breakfast Programs to purchase, whenever possible, only food products that are produced in the United States for those programs.

Although Hawaii is exempt from ''Buy American'' provisions, the bill eliminates this exemption with respect to food products that are produced in Hawaii in sufficient quantities to meet the needs of meals provided under the school lunch and breakfast programs.

Finally, the bill includes a definition of ''food products that are produced in the United States.'' The conferees included this definition for a variety of reasons. First, the conferees determined it was important to assist local schools in determining which products qualify under this new requirement. Second, the conferees believe it is important to make sure that ''food products that are produced in the United States'' means products are produced ''substantially'' from agricultural products grown in the United States. Under the ''Buy American Act'' substantially means over 51 percent from American products. However, the Department of Agriculture has been using a definition of ''food products that are produced in the United States'' that includes products which are canned and labeled in the United States, but may have 100 percent foreign ingredients. By adding this definition, the bill serves both the needs of schools that purchase these products and American agriculture.

The conferees do not intend to specify how this provision will be implemented by individual schools nor do the conferees expect the Secretary to issue regulations or guidance to schools specifying how this provision will be implemented.

14. PROCUREMENT CONTRACTS

Present law

No provision.

House bill

No provision.

Senate amendment

When acquiring goods/services using NSLA/CNA funds, allows states, state agencies, and schools to contract with those who have provided assistance in drafting the contract specifications. [Sec. 112]

Conference agreement

The conference agreement adopts the Senate provision with an amendment to limit

permission to award contracts to persons who have provided specification information and to clarify that this provision does not apply to the WIC program.

The Conference Committee intends for this provision to encourage Child Nutrition program administrators to obtain information from as many sources as possible. This provision is not intended to prevent a program from participating in group purchasing arrangements or prevent program administrators from, where permitted, forming purchasing cooperatives. This provision is not intended to allow a potential contractor or other interested party to participate in the procurement process through drafting the procurement specification, procedures or documents.

In addressing the procurement actions by a school food service authorities or other subgrantees, the conferees expect the Department to implement its responsibilities, in its pending rulemaking and administration of program authorities with generous deference to the discretion of State and local authorities especially when dealing with State and local procurement laws and regulations. State and local authorities, not the federal government bear responsibility for the cost of such subgrantee procurements. The conferees expect the Secretary to implement procurement rules to allow purchase of locally produced products to the extent practicable.

The Conferees are especially concerned that no situation arise in which federal authorities require State or local school food service authorities to issue Requests for Proposals in such a prescriptive form as to inhibit innovation that might improve service or reduce costs for the local school food service authority. Similarly, the Conferees expect the Department to assure that it exercises all the flexibility available to it in order to avoid unnecessary expense to school districts when they implement federal requirements.

The great success of the National School Lunch and Breakfast Programs is primarily due to the interwoven responsibilities for, and commitment to, the mission of those programs by federal, State, and local authorities. Through its oversight functions, Congress intends to assure that federal program responsibilities are executed in a manner that respects the role of State and local food service authorities. The Department should be prepared to promptly and fully account to the Committees of jurisdiction for each instance in which federal authorities address a matter of a subgrantee procurement.

15. SUMMER FOOD SERVICE PROGRAM: LIMITS ON THE NUMBER OF SITES AND CHILDREN SERVED BY PRIVATE NONPROFIT ORGANIZATIONS

Present law

Private nonprofit Summer Food Service program sponsors are limited to five urban sites and 20 rural sites. They also are limited to serving not more than a total of 2,500 children (with not more than 300 at any one site, unless a waiver is granted to serve up to 500 children). [Sec. 13(a)(7)(B) of the NSLA]

House bill

Increases the limit on sites operated by private nonprofit sponsors to 25 (with no variation between urban and rural sites). Eliminates the limit (2,500) on the total number of children served by a private nonprofit sponsor. Retains per-site limits on the number of children served by a private nonprofit sponsor (300, or 500 if a waiver is granted). [Sec. 105(a)]

Senate amendment

Same as the House bill, with technical differences. [Sec. 113(a)]

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

16. SUMMER FOOD SERVICE PROGRAM: MEAL PREPARATION BY PRIVATE NONPROFIT ORGANIZATIONS

ORGANIZATIONS

Present law

Private nonprofit Summer Food Service program sponsors must prepare their own meals/snacks or obtain meals/snacks from a public facility (e.g., a school). [Sec. 13(a)(7)(B) of the NSLA]

House bill

Eliminates the requirement that private nonprofit sponsors prepare their own meals/snacks or obtain meals/snacks from a public facility. [Sec. 105(a)]

Senate amendment

Same as the House bill, with technical differences. [Sec. 113(b)]

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

17. SUMMER FOOD SERVICE PROGRAM: ''INDICATION OF INTEREST'' REQUIREMENT FOR PRIVATE NONPROFIT ORGANIZATIONS

Present law

Private nonprofit Summer Food Service program sponsors are only allowed to participate in areas where school or other public sponsors have not indicated an interest in running a summer program by March 1st of each year. [Sec. 13(a)(7)(B) of the NSLA]

House bill

Eliminates the March 1st ''indication of interest'' requirement for private nonprofit sponsors. [Sec. 105(a)]

Senate amendment

Same as the House bill. [Sec. 113(b)]

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

18. SUMMER FOOD SERVICE PROGRAM: ''OFFER VS. SERVE'' RESTRICTIONS

Present law

School food authorities participating in the Summer Food Service program may permit children *attending a site on school premises operated directly by the authority* to refuse one or more meal items without affecting federal payments made for the meal. [Sec. 13(f)(7) of the NSLA]

House bill

Allows school food authorities sponsoring summer programs to permit children to refuse one or more meal items without affecting federal payment—without regard to whether they are attending a site on school premises operated directly by the authority. [Sec. 105(b)]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the House provision.

19. SUMMER FOOD SERVICE PROGRAM: USE OF FOOD SERVICE MANAGEMENT COMPANIES

Present law

Private nonprofit Summer Food Service program sponsors may not contract with food service management companies. [Sec. 13(l) of the NSLA]

House bill

Eliminates the bar against private nonprofit sponsors contracting with food service management companies. [Sec. 105(c)]

Senate amendment

Same as the House bill. [Sec. 113(b)]

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

20. SUMMER FOOD SERVICE PROGRAM: REGISTRATION OF FOOD SERVICE MANAGEMENT COMPANIES

Present law

States are *required* to register food service management companies that wish to contract with Summer Food Service program sponsors. Registration must include: (1) certification that the company meets health, safety, and sanitation standards, (2) disclosure of past and present owners, (3) records of contract terminations or disallowances and sanitary code violations, and (4) addresses of the company's food preparation sites. Companies cannot be registered if they lack administrative/financial capability or have been seriously deficient in their participation in the program. The Secretary is required to maintain a record of all registered companies. [Sec. 13(l) of the NSLA]

House bill

Allows states to register food service management companies. Eliminates current-law stipulations as to what registration must include. Eliminates the current-law requirement that the Secretary maintain a list of registered companies. [Sec. 105(c)]

Senate amendment

Same as the House bill. [Sec. 113(b)]

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

21. SUMMER FOOD SERVICE PROGRAM: REAUTHORIZATION

Present law

Appropriations for the Summer Food Service program are authorized through FY1998. [Sec. 13(q) of the NSLA]

House bill

Extends the appropriations authorization through FY2003. [Sec. 105(d)]

Senate amendment

Same as the House bill. [Sec. 113(c)]

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

The conferees intend that the removal of barriers to participation by private non-profit sponsors will increase access of low income children to nutritious meals during the summer months when they are not in school. However, because of past problems, the Committees of jurisdiction will closely monitor the performance of private non-profit sponsors once these restrictions have been removed. Should past abuses be repeated, the Committees will move swiftly to reinstate these barriers.

22. COMMODITY DISTRIBUTION: REAUTHORIZATION

Present law

The Secretary is required to use permanently appropriated funds available under ''Section 32'' of the Act of August 24, 1935, and funds available to the Commodity Credit Corporation (CCC) to purchase agricultural commodities needed to maintain annually programmed levels of commodity assistance for programs under the NSLA, the CNA, and the Older Americans Act. This requirement expires at the end of FY1998. [Sec. 14(a) of the NSLA]

House bill

Extends the requirement to use Section 32 and CCC funds to maintain commodity assistance levels through FY2003. [Sec. 108]

Senate amendment

Same as the House bill. [Sec. 114]

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

23. CHILD AND ADULT CARE FOOD PROGRAM: LICENSING OF CENTERS

Present law

CACFP centers must have federal, state, or local licensing or approval (or be complying with appropriate licensing/approval renewal procedures). Where federal, state, or local licensing/ approval is not available, centers may participate in the CACFP if they receive funds under Title XX of the Social Security Act or otherwise demonstrate that they meet alternate licensing/approval standards. [Sec. 17(a)(1) of the NSLA]

House bill

Revises licensing/approval conditions for CACFP centers by (1) removing requirements that schools operating programs under the CACFP meet any child care licensing/approval standards, (2) allowing institutions that—are (a) located where federal, state, or local licensing/approval is not required and (b) provide care to school children outside of school hours—to participate in the CACFP as long as the institution meets state and local health and safety standards. Also deletes permission to participate in the CACFP under licensing/approval requirements if the center receives Title XX funds. [Sec. 107(a)]

Senate amendment

Same as the House bill, except that the permission to participate if a center receives Title XX funds is retained. [Sec. 115(b)]

Conference agreement

The conference agreement adopts the House provision.

The Conference Committee does not intend to disqualify any institution which originally qualified under Title XX of the Social Security Act.

24. CHILD AND ADULT CARE FOOD PROGRAM: ELIGIBILITY OF EVEN START PARTICIPANTS

Present law

Children who have not entered kindergarten and are enrolled as participants in the Even Start program must be considered automatically (''categorically'') eligible for ''benefits'' under the CACFP. This requirement expired September 30, 1997. [Sec. 17(c)(6) of the NSLA]

House bill

Extends automatic CACFP eligibility for Even Start participants through FY2003. [Sec. 107(b)]

Senate amendment

Deletes provisions for automatic CACFP eligibility for Even Start participants. [Sec. 115(c)]

Conference agreement

The conference agreement adopts the House provision with an amendment to make the automatic eligibility of Even Start participants permanent.

The conferees note that participants in the Even Start family literacy program generally have lower family incomes than those families participating in the Head Start program. Providing automatic eligibility for the children of these families places them on an equal footing with Head Start participants.

25. CHILD AND ADULT CARE FOOD PROGRAM: SITE VISITS

Present law

No provision.

House bill

No provision.

Senate amendment

Requires state agencies to perform a site visit to private institutions prior to approval for the CACFP. Also requires state agencies to conduct periodic site visits to private institutions in the CACFP that the agency determines to have a high probability of program abuse. [Sec. 115(d)]

Conference agreement

The conference agreement adopts the Senate provision.

26. CHILD AND ADULT CARE FOOD PROGRAM: TAX EXEMPT STATUS

Present law

Private institutions that are ''moving toward compliance'' with requirements for tax exempt status may participate in the CACFP. No time limit is placed on how long the institution can be ''moving toward compliance.'' [Sec. 17(d)(1) of the NSLA]

House bill

Permits a private institution moving toward compliance with requirements for tax exempt status to participate in the CACFP for not more than 6 months, unless it can demonstrate that its inability to obtain tax exempt status is beyond its control—in which case the state agency may grant a single extension not to exceed 90 days. [Sec. 107(c)]

Senate amendment

Same as the House bill, with technical differences. [Sec. 115(e)]

Conference agreement

The conference agreement adopts the Senate provision.

27. CHILD AND ADULT CARE FOOD PROGRAM: INCOMPLETE APPLICATION NOTICE

Present law

If an institution wishing to participate in the CACFP submits an incomplete application, the state agency must notify it within 15 days of receipt of the application. [Sec. 17(d)(1) of the NSLA]

House bill

Deletes the incomplete application notification requirement. [Sec. 107(c)]

Senate amendment

Same as the House bill. [Sec. 115(e)]

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

The conferees understand that an institution must have feedback from the State as to whether the application is complete. Therefore, the conferees encourage State agencies to respond to institutions, in a timely fashion, as to the completeness of an application.

28. CHILD AND ADULT CARE FOOD PROGRAM: SET-ASIDE OF FUNDING FOR AUDITS

Present law

The Secretary is required to make available to states 2% of CACFP funds for the purpose of conducting audits of participating institutions. [Sec. 17(i) of the NSLA]

House bill

Reduces the set-aside of CACFP funding for audits from 2% to 1%. [Sec. 107(d)]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the House provision with an amendment to reduce the set-aside for audit to 1.5%, and to 1% in 2005 through 2007 only.

The Conference Committee included the 2005 through 2007 change in the set aside only for the purpose of complying with budget rules. It is the intention of the conferees that the audit funds be restored before the 2005 deadline.

29. CHILD AND ADULT CARE FOOD PROGRAM: FOR-PROFIT CENTER DEMONSTRATION PROJECTS

Present law

Two statewide demonstration projects are authorized under which for-profit organizations may participate in the CACFP if at least 25% of the children enrolled (or 25% of licensed capacity) meet eligibility requirements for free or reduced-price meals. These projects operate in Iowa and Kentucky, and authorization expires at the end of FY1998. [Sec. 17(p) of the NSLA]

House bill

Makes permanent (and clarifies that funding is mandatory for) the two-state, for-profit CACFP demonstration project. [Sec. 107(e)]

Senate amendment

Extends the two-state, for-profit CACFP demonstration project through FY 2003, and clarifies that funding for the project is mandatory. [Sec. 115(f)]

Conference agreement

The conference agreement adopts the House provision.

30. CHILD AND ADULT CARE FOOD PROGRAM: PROGRAMS FOR HOMELESS CHILDREN

Present law

Under the Homeless Children Nutrition program, public and private nonprofit entities selected by the Secretary receive payments for free food service provided to children under age 6 in emergency shelters. In addition, eligible summer program sponsors can include those conducting regularly scheduled food service primarily for homeless children (age 18 or under or who are handicapped of any age). [Sec. 17B and sec. 13(a)(3) of the NSLA]

House bill

Deletes current-law provisions for payments for food service to homeless children. Replaces current-law provisions with authority for public and private nonprofit emergency homeless shelters meeting state or local health and safety standards to participate in the CACFP. Free meals and snacks would be provided to homeless children residing in participating shelters—through age 12. Payments (at free meal/snack rates) would be provided for three meals or two meals and a snack per child per day. [Sec. 107(f) & sec. 201(a)]

Senate amendment

Same as the House bill, with technical differences. [Sec. 116 and Sec. 202(a)]

Conference agreement

The conference adopts the Senate bill with an amendment to include children older than 12 if they are migrants or disabled.

31. CHILD AND ADULT CARE FOOD PROGRAM: MANAGEMENT SUPPORT

Present law

No provision.

House bill

No provision.

Senate amendment

Requires the Secretary to provide training and technical assistance to help state agencies improve CACFP program management and oversight. To carry out this provision, requires that, for FY 1999 through FY 2003, the Secretary reserve $1 million a year from amounts made available for the CACFP. [Sec. 115(g)]

Conference agreement

The conference agreement adopts the Senate provision.

The Department is to use the training and technical assistance funding provided under the Child and Adult Care Food Program in support of its current effort to improve program integrity and quality and to deal with the increasing incidence of mismanagement and fraud identified in the program. In addition, it is to be used to help ensure proper implementation of the family day care home

tiering requirements. It is critical that this most significant change in Program structure is fully understood and properly implemented at all levels of Program administration and that barriers to implementation are identified and rectified. Specific uses of the funding are to include development of technical assistance materials for program co-operators and training of State agencies.

32. CHILD AND ADULT CARE FOOD PROGRAM: INFORMATION ABOUT THE WIC PROGRAM

Present law

No provision.

House bill

No provision.

Senate amendment

Requires the Secretary to provide state CACFP agencies with information about the WIC program. States agencies must ensure that participating day care centers and homes receive the materials, that they are provided periodic updates, and that parents are provided the information at enrollment. [Sec. 115(g)]

Conference agreement

The conference agreement adopts the Senate provision.

33. CHILD AND ADULT CARE FOOD PROGRAM: PROGRAMS FOR ''AT-RISK'' CHILDREN

Present law

No provision.

House bill

Allows institutions (schools and other public or private nonprofit organizations) that provide care to ''at-risk'' schoolchildren during after-school hours, weekends, or holidays in the regular school year to receive CACFP payments for snacks (one per child per day) served free to participating children. ''At-risk'' schoolchildren are defined as those ages 12 through 18 living in an area served by a school enrolling elementary students in which at least 50% are certified eligible for free or reduced-price school meals. [Sec. 107(g)]

Senate amendment

Same as the House bill, except for technical differences and: (1) participating institutions must be ''organized primarily to provide care to at-risk schoolchildren''; (2) ''at-risk'' schoolchildren are defined so as to include those below age 12. [Sec. 115 (a) & (g)]

Conference agreement

The conference agreement adopts the Senate provision with an amendment requiring that assisted programs serve an educational or enrichment purpose.

The conferees include language requiring the after-school programs to provide education and enrichment for children. The inclusion of this language is meant to ensure that children receiving this benefit are participating in a program that provides the types of activities known to help reduce or prevent involvement in juvenile crime. It is not expected that support would be provided to members of athletic teams and others who are not participating in such activities.

The Conference Committee intends that children who turn age 19 during the school year be eligible for reimbursement. The Committee encourages the Department to give guidance to states on this issue.

34. CHILDREN IN AFTER-SCHOOL CARE

Present law

Schools operating school lunch programs and sponsoring after-school care programs may receive payments (varied by family income) for snacks served to children through age 12 (or age 15 in the case of migrant or handicapped children). Only schools participating in the CACFP on May 15, 1989 are eligible. [Sec. 17A of the NSLA]

House bill

Removes the May 1989 participation requirement for schools' eligibility. Requires that eligible schools' after-school programs have an ''educational or enrichment purpose.'' Allows payments (varied by family income) for snacks served to children through age 18. [Sec. 108]

Senate amendment

Same as the House bill, except: (1) requires that eligible programs be ''organized primarily to provide care'' for children in after-school settings; (2) retains current-law provisions (age limits and payments varied by family income) for children not living in a lower-income area; (3) provides payments for free snacks served to children (through age 18) who live in a lower-income area (i.e., served by a school enrolling elementary school students in which at least 50% are certified eligible for free or reduced-price school meals. [Sec. 117]

Conference agreement

The conference agreement adopts the Senate provision with an amendment to raise the age to 18 for means-tested snacks.

The inclusion of this language is meant to ensure that children receiving this benefit are participating in a program that provides the types of activities known to help reduce or prevent involvement in juvenile crime. It is not expected that support would be provided to members of athletic teams and others who are not participating in such activities.

The Conference Committee intends that children who turn age 19 during the school year continue to be eligible for reimbursement. The Committee encourages the Department to give guidance to states on this issue.

35. PILOT PROJECTS

Present law

A ''boarder baby'' pilot project for food and nutrition services to homeless pregnant women and homeless mothers or guardians of infants is required through FY1998. A pilot project to provide meals and snacks to adolescents participating in programs outside of school hours is authorized through FY1998. A pilot project to offer students additional choices of fruits, vegetables, cereals, and grain-based products (including organically produced products) was authorized through FY1997. A pilot project to offer students additional choices of low-fat dairy products and lean meat and poultry products (including organically produced products) was authorized through FY1997. [Sec. 18(c), (e), (h), & (i) of the NSLA]

House bill

No provisions.

Senate amendment

Extends the requirement to operate a ''boarder baby'' pilot project through FY2003. Deletes authority for a pilot project for adolescents in after-school programs. Deletes authority for a pilot project involving additional choices of fruits, vegetables, cereals, and grain-based products. Deletes authority for a pilot project involving additional choices of low-fat dairy products and lean meat and poultry products. [Sec. 118]

Conference agreement

The conference agreement adopts the Senate provision with an amendment to delete authority for the boarder baby pilot project.

36. SCHOOL BREAKFAST PILOT PROJECTS

Present law

Pilot projects are authorized to reduce paperwork and application and meal counting requirements in school meal programs and to make changes that will increase participation in school meal programs. This authority expired July 31, 1998. [Sec. 18(i) of the NSLA]

House bill

Replaces current-law authority for pilot projects to reduce paperwork and application and meal counting requirements and increase participation in school meal programs.

Establishes discretionary authority for pilot projects for free breakfasts served to all elementary school students in participating schools.

Subject to the availability of advance appropriations, requires the Secretary to make grants, to up to five states, to conduct pilot projects in elementary schools that would reduce paperwork, simplify meal counting requirements, and make changes that increase participation in the School Breakfast program.

On their application, the Secretary would select states for pilot project grants and could waive NSLA & CNA requirements that would preclude making grants to conduct projects.

The Secretary would be responsible, through the FNS, for an evaluation of the projects—including determining their effect on academic achievement, attendance, and dietary intake and the proportion of children who eat breakfast. An evaluation report is required on completion of the projects.

States would apply for pilot project grants and provide information relative to the operation and results of the pilots. States receiving a pilot project grant would select and make grants to school food authorities. In the selection of school food authorities, states would be required, to the extent practicable, to provide for an equitable distribution among urban and rural schools and schools with varying family income levels.

Participating school food authorities would (1) conduct a pilot project for 3 years, (2) ensure that some schools in their jurisdiction do not participate (for evaluation purposes), (3) agree to serve all breakfasts free to participating children, and (4) meet any other requirements established by the Secretary. School food authorities with a history of NSLA or CNA violations would be barred from participation.

Participating school food authorities would receive payments for each breakfast at the basic free rate, and also would receive commodities valued at 5 cents a meal (deducted from their cash payments).

The total amount received by a participating school would be funded with payments under the regular School Breakfast program equal to that in the prior year, adjusted for inflation and enrollment changes, plus amounts derived from any appropriations made to carry out the pilot project.

Such sums as are necessary are authorized to carry out the pilot projects, and amounts must be specifically provided in appropriations Acts. [Sec. 109]

Senate amendment

Deletes current-law authority for pilot projects to reduce paperwork and application and meal counting requirements and increase participation in school meal programs.

Requires the Secretary to make grants for pilot projects for free breakfasts served to all elementary school students in participating schools.

For school years 1999-2000, 2000-2001, and 2001-2002, requires the Secretary to make grants to state agencies to conduct pilot projects in elementary schools in up to six school food authorities that would reduce paperwork, simplify meal counting requirements, and evaluate the effect of providing free breakfasts (without regard to family income) on participation, academic achievement, attendance, and dietary intake.

State agencies would nominate school food authorities for the Secretary's approval as pilot projects.

The Secretary would approve school food authorities for participation and could waive NSLA & CNA requirements that would preclude making grants to conduct projects. Projects would be selected so as to provide (1) an equitable distribution of projects among urban and rural schools, (2) an equitable distribution of projects among schools with varying family income levels, and (3) evaluation of projects to distinguish the effects of the projects from other factors (e.g., changes or differences in educational policies or programs).

The Secretary would be responsible, through the FNS, for an evaluation of the projects—including determining their effect on academic achievement, attendance, dietary intake, the proportion of children students who eat breakfast, and the paperwork required of schools. An evaluation report is required on completion of the projects.

States would apply for pilot project grants, distribute the grants, and provide information relative to the operation and results of the pilots.

Participating school food authorities would (1) conduct a pilot project for 3 years, (2) have under their jurisdiction a sufficient number of schools that are not participating in the project to permit evaluation, (3) agree to serve all breakfasts free to participating children, and (4) meet any other requirements established by the Secretary. School food authorities with a history of NSLA or CNA violations would be barred from participation.

Participating school food authorities would receive payments for each breakfast at the basic (or ''severe-need'') rate for free breakfasts. The total amount received by a participating school would be funded with payments under the regular School Breakfast program equal to that in the prior year, adjusted for inflation and enrollment changes, plus amounts derived from the added mandatory funding provided for the pilot projects.

Funding of $20 million is required to be provided for the pilot projects—not more than $12 million of which would be available for evaluation purposes. [Sec. 119]

Conference agreement

The conference agreement adopts the Senate provision with technical difference and an amendment to fund the pilot out of discretionary funds.

37. TRAINING AND TECHNICAL ASSISTANCE

Present law

Appropriations of $1 million a year are authorized for training activities and technical assistance to improve skills of those employed in food service programs under the NSLA and the CNA. This authorization expires at the end of FY1998. [Sec. 21(e)(1) of the NSLA]

House bill

Extends the appropriations authority for training and technical assistance through FY2003. [Sec. 110]

Senate amendment

Same as the House bill. [Sec. 120]

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

38. FOOD SERVICE MANAGEMENT INSTITUTE

Present law

Annual funding ($2 million a year) is required to be provided for a national Food Service Management Institute. [Sec. 21(e)(2) of the NSLA]

House bill

No provision.

Senate amendment

Increases the mandatory annual funding for the Food Service Management Institute to $3 million a year. [Sec. 121]

Conference agreement

The conference agreement adopts the Senate provision.

39. COMPLIANCE AND ACCOUNTABILITY

Present law

Appropriations of $3 million a year are authorized for a ''unified accountability system'' (also called the ''coordinated review effort,'' or CRE) for ensuring compliance with the NSLA. This authorization expired at the end of FY1996. [Sec. 22 of the NSLA]

House bill

Extends the appropriations authorization for the unified accountability system (CRE) through FY2003. [Sec. 111]

Senate amendment

Same as the House bill. [Sec. 122]

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

40. INFORMATION CLEARINGHOUSE

Present law

The Secretary is required to contract with a non-governmental organization to establish and maintain an information clearinghouse for non-governmental groups that assist low-income persons and communities with regard to food assistance and self-help activities to improve the lives of low-income persons and reduce reliance on government agencies for food and other aid. Mandatory funding ($100,000) ends with FY1998. [Sec. 26 of the NSLA]

House bill

Allows the Secretary to contract with any organization previously contracted with without competition, if the organization has performed satisfactorily under the prior contract. Allows the Secretary to provide a contracting organization up to $150,000 a year through FY2003. Changes the requirement for mandatory funding to an authorization of appropriations. [Sec. 112]

Senate amendment

Increases and extends mandatory funding for the information clearinghouse contract to $166,000 a year through FY2003. [Sec. 123]

Conference agreement

The conference agreement adopts the Senate provision.

41. SPECIAL DIETARY NEEDS OF INDIVIDUALS WITH DISABILITIES

Present law

The Secretary (in consultation with the Attorney General and the Secretary of Education) is required to develop and approve guidance for accommodating the medical and special dietary needs of disabled children in programs under the NSLA and the CNA. Subject to the availability of appropriations, the Secretary is required to make competitive grants to state agencies to assist with nonrecurring expenses incurred in accommodating the medical and special dietary needs of disabled children. Annual appropriations of $1 million are authorized through FY1998. [Sec. 27 of the NSLA]

House bill

Replaces expiring current-law provisions with authority for the Secretary to carry out activities to help accommodate the special dietary needs of individuals with disabilities participating in programs under the NSLA and the CNA. The activities may include developing and disseminating guidance and technical assistance materials, conducting training, and providing grants. Authorizes appropriations (such sums as necessary) through FY2003. [Sec. 113]

Senate amendment

Same as the House bill, except for technical differences. No specific provision authorizing appropriations is included. [Sec. 124]

Conference agreement

The conference agreement adopts the House provision with technical amendments.

42. STATE ADMINISTRATIVE EXPENSE FUNDS: 10% TRANSFER LIMITATION

Present law

Funds made available for state administrative expenses (including state administrative expense funding related to the Summer Food Service program) must be used for the cost of administering the programs for which the money was allocated. However, state agencies may transfer up to 10% of an allocation to other programs. [Sec. 7(a)(6) of the CNA]

House bill

Removes the 10% limit on transferring administrative expense funding among programs. State agencies would be able to use administrative expense funds without regard to the basis on which they were allocated. [Sec. 201(b)]

Senate amendment

Same as the House bill. [Sec. 202(b)]

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

43. STATE ADMINISTRATIVE EXPENSE FUNDS: REAUTHORIZATION

Present law

Appropriations for state administrative expenses are authorized through FY1998. [Sec. 7(g) of the CNA]

House bill

Extends the authorization of appropriations for state administrative expenses through FY2003. [Sec. 201(c)]

Senate amendment

Same as the House bill. [Sec. 202(c)]

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

44. THE WIC PROGRAM: CERTIFICATION PERIOD FOR INFANTS

Present law

No provision.

House bill

No provision.

Senate amendment

Requires that infants be certified, relative to income only, every 180 days. This requirement would not apply to those who are ''presumptively'' eligible because of receipt of public assistance benefits (e.g., food stamps, Medicaid). [Sec. 203(a)]

Conference agreement

The conference agreement adopts the House position.

45. THE WIC PROGRAM: PHYSICAL PRESENCE REQUIREMENT

Present law

No provision.

House bill

Requires that all applicants be physically present at each certification determination. Local agencies could waive this requirement: (1) where there is a conflict with the Americans with Disabilities Act, (2) if it would present a barrier to participation by a child who was present at the initial certification and is receiving ongoing health care from a non-WIC provider, or (3) if it would present a barrier to participation by a child who was

present at the initial certification, was present at a certification determination in the last year, and has working parents. [Sec. 202(a)(1)]

Senate amendment

Same as the House bill, with technical differences. [Sec. 203(b)]

Conference agreement

The conference agreement adopts the House provision with a technical amendment.

Regarding the physical presence requirement, the Committee acknowledges that physical presence at the WIC clinic allows participants to fully take advantage of all the benefits offered through WIC. The WIC Program has played a critical role in increasing immunization rates among young children, primarily due to its role as a gateway to health services. Notwithstanding the importance of physical presence, the Committee wishes to stress that in the implementing this provision, WIC agencies must develop flexible policies. Such policies should assure that medically fragile individuals are not required to come in to the clinic if doing so would exacerbate their illness. In addition, WIC agencies are encouraged to continue offering early morning and late evening appointments to accommodate the schedules of working parents. The conferees do not intend the waiver authority authorized in this section to be applied to two parent families with only one working parent.

46. THE WIC PROGRAM: INCOME DOCUMENTATION AND VERIFICATION

Present law

No provision.

House bill

Requires that all applicants provide documentation of household income or participation in a public assistance program. State agencies could waive this requirement: (1) for applicants for whom the necessary documentation is not available and (2) for applicants (such as homeless persons) for whom it would present a barrier to participation. The Secretary would be required to prescribe regulations to carry out the income documentation requirement. [Sec. 202(a)(2)]

Senate amendment

Same as the House bill except for technical differences and an added requirement that the Secretary issue regulations prescribing when and how verification of income will be required. [Sec. 203(b)]

Conference agreement

The conference agreement adopts the House provision with a technical amendment.

47. THE WIC PROGRAM: EDUCATION AND MATERIALS RELATING TO DRUG AND ALCOHOL USE

Present law

State agencies must ensure that nutrition education and drug abuse education is provided to all pregnant, postpartum, and breast-feeding women and to parents and caretakers of infants and child participants. [Sec. 17(e)(1) of the CNA]

House bill

Adds a requirement that local agencies provide education or education materials relating to the effects of drug and alcohol use by pregnant, postpartum, or breast-feeding women on developing children. [Sec. 202(b)]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the House provision.

48. THE WIC PROGRAM: DISTRIBUTION OF NUTRITION EDUCATION MATERIALS

Present law

No provision.

House bill

Permits the Secretary to provide, in bulk quantity, nutrition education materials developed under the WIC program to state agencies administering the Commodity Supplemental Food program—at no cost to that program. [Sec. 202(c)]

Senate amendment

Same as the House bill, with technical differences. [Sec. 203(c)]

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

The Committee intends that these materials come from already existing materials.

49. THE WIC PROGRAM: VARIETY OF FOODS REQUIREMENT

Present law

No provision.

House bill

No provision.

Senate amendment

Requires states using a retail purchase system to develop a plan to limit participation by stores to those that offer a variety of foods (as determined by the Secretary). [Sec. 203(d)]

Conference agreement

The conference agreement adopts the House position.

50. THE WIC PROGRAM: PARTICIPANTS AT MORE THAN ONE SITE

Present law

No provision.

House bill

Requires each state agency to implement a system designed to identify recipients who are participating at more than one site. [Sec. 202(d)]

Senate amendment

Same as the House bill with technical differences. [Sec. 203(f)]

Conference agreement

The conference agreement adopts Senate provision.

51. THE WIC PROGRAM: HIGH RISK VENDORS

Present law

No provision.

House bill

Requires each state agency to identify vendors that have a high probability of program abuse and conduct compliance investigations of these vendors. Final regulations implementing this requirement would be due by March 1, 1999. [Sec. 202(e)]

Senate amendment

Same as the House bill, but does not include a deadline for final regulations. [Sec. 203(g)]

Conference agreement

The conference agreement adopts the House provision with an amendment to promulgate proposed rules by March 1, 1999 and final rules by March 1, 2000.

52. THE WIC PROGRAM: REAUTHORIZATION

Present law

Appropriations for the WIC program are authorized through FY1998. Funding for nutrition services and administration (NSA) must be allocated on the basis of a formula prescribed by the Secretary—through FY1998. [Sec. 17(g)(1) and Sec. 17(h)(2)(A) of the CNA]

House bill

Extends the appropriations authorization and the requirement for allocating NSA funds through FY2003. [Sec. 202(f) and Sec. 202(h)(1)]

Senate amendment

Same as the House bill, with technical differences. [Sec. 203(h)]

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

The Conference Committee recognizes that WIC helps to assure normal growth in children, reduces levels of anemia, increases immunization rates, provides better access to regular health care and improves diets. WIC blood work testing is an important factor in determining the health progress of children in the WIC program. WIC blood work testing is currently required at certification, which generally does not coincide with the usual schedule of well-child pediatric care visits. This results in enrollment and re-certification delays, duplicated testing and extra physical visits.

The Committee is concerned over the delay in publishing final regulations on the coordination of blood work requirements between the WIC schedule and the Center for Disease Control and Prevention's periodicity schedule. The Committee expects a final rule to be published no later than 6 months after the amendments made to the Child Nutrition Act of 1966 are enacted.

The Committee understands that the Department of Agriculture's Food and Nutrition Service, the WIC directors, the Center for Disease Control and Prevention's National Immunization Program and others have been working to collaboratively promote and support a coordinated strategic approach for linking pre-school immunization and WIC services on the Federal, State and local level. The Committee urges the Department, working with WIC directors, the CDC's National Immunization Program and others, to move expeditiously to complete this effort which should address certain areas of concern including: funding, methodologies, and valid measurements of process and outcome.

The Committee also recognizes the importance of addressing the ethnic and cultural eating patterns of WIC participants and strongly endorses the Department's current effort to provide guidelines to local agencies regarding food substitutions to accommodate ethnic and cultural eating patterns. Such guidelines should assure that the food substitutions will accommodate the supplemental nutritional needs of WIC participants. The Committee urges the Department to proceed expeditiously to complete its final guidelines regarding this matter.

The conferees are aware of the increasing amount of scientific evidence indicating the positive health benefits of fresh fruit and vegetable consumption. These benefits are already enjoyed by participants in the WIC Farmer's Market Nutrition program. Accordingly, the conferees encourage the Secretary to consider carefully, including fresh fruits and vegetables in the WIC food package.

53. THE WIC PROGRAM: PURCHASE OF BREAST PUMPS

Present Law

State agencies may use nutrition services and administration (NSA) funding to purchase breast-feeding aids, including breast pumps. [Sec. 17(h) of the CNA]

House bill

Beginning with FY2000, allows state agencies to use funding provided for food to purchase breast pumps. Includes a maintenance of effort provision requiring state agencies exercising the authority to purchase breast pumps with food funding to continue to spend, from NSA funds, at least the amount spent on breast pumps in the prior fiscal year. [Sec. 202(g)]

Senate amendment

Same as the House bill, with technical differences. [Sec. 203(i)]

Conference agreement

The Conference agreement adopts the House provision with an amendment to delete the maintenance of effort provision.

54. THE WIC PROGRAM: TECHNICAL AMENDMENTS

Present Law

Current law includes a cross-reference to ''subparagraph (I)(v),'' which no longer exists. Current law includes provisions relating to payments for breast-feeding support activities that were effective only for FY1995 and FY1996. [Sec. 17(h)(2)(A)(iv) and Sec. 17(h)(3) of the CNA]

House bill

No provision.

Senate amendment

Deletes out-of-date references and provisions. [Sec. 203(j) and Sec. 203(l)]

Conference agreement

The conference agreement adopts the Senate provision.

55. THE WIC PROGRAM: LEVEL OF PER-PARTICIPANT EXPENDITURES ON NUTRITION SERVICES AND ADMINISTRATION

Present Law

The Secretary may reduce a state agency's nutrition services and administration (NSA) funding if its actual NSA expenditures exceed its per-participant NSA grant by more than 15%. [Sec. 17(h)(2)(B)(ii) of the CNA]

House bill

Reduces the threshold above which the Secretary may reduce a state agency's NSA funding from 15% to 10% (except that the Secretary may establish a higher percentage for small agencies). [Sec. 202(h)(2)]

Senate amendment

Same as the House bill. [Sec. 203(k)]

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Among the factors which influence small state agency levels of per participant expenditures are a much smaller caseload base affecting a small state's ability to absorb unanticipated changes such as the impact of welfare reform and other public policies, changes in infant formula rebates and other cost-containment initiatives, and retail industry food price wars. Staffing resources in small states are limited such that small states agencies cannot proportionately reduce administrative costs to the same extent as larger state agencies in the event of fluctuations in the participant base.

When considering criteria for the establishment of a higher percentage for small state agencies for the level of per participant expenditures, the conferees direct the Secretary to consider the special and unique circumstances affecting the delivery of services to participants in programs administered by small State WIC Agencies and Indian and Native American State WIC agencies. The Secretary should work closely with these agencies in establishing a percentage for the level of per participant expenditures.

56. THE WIC PROGRAM: CONVERSION OF FOOD FUNDING TO NUTRITION SERVICES AND ADMINISTRATION

Present Law

State agencies that achieve, through acceptable measures, participation that exceeds the Secretary's estimate may convert funding provided for food to use for nutrition services and administration (NSA). [Sec. 17(h)(5)]

House bill

Allows state agencies that submit a plan to reduce average food costs per recipient and increase participation above the level estimated for the state agency by the Secretary to convert funding provided for food to use for NSA—with the Secretary's approval. This removes the requirement that the state agency achieve a participation increase above the estimated level in order to earn the right to convert funds. [Sec 202(i)]

Senate amendment

Same as the House bill. [Sec. 203(m)]

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

57. THE WIC PROGRAM: INFANT FORMULA PROCUREMENT

Present law

No provision.

House bill

Requires state agencies to offer infant formula rebate contracts to the bidder offering the lowest net price, unless the state agency demonstrates to the satisfaction of the Secretary that the weighted average retail price for different brands of formula in the state does not vary by more than 5%. [Sec. 202(j)]

Senate amendment

Same as the House bill, except for an added provision that requires the Secretary, prior to the issuance of infant formula contract solicitations, to (1) review the solicitation to ensure that it does not contain any anti-competitive provisions and (2) approve the solicitation only if it contains no anti-competitive provisions. [Sec. 203(n)]

Conference agreement

The conference agreement adopts the House provision.

The conferees are greatly concerned over the recent spate of protests and lawsuits that have been initiated following the award by the States of the competitively bid infant formula contracts. These protests threaten the substantial savings the WIC program has realized through infant formula rebates and can impose unwarranted litigation costs on the states. These added costs and increased resource burdens on the States reportedly have caused a number of States to avoid requesting new competitive bids for infant formula and simply renew existing contracts even though substantial savings could be achieved by requesting new bids. Although the Senate bill language was not included in the conference report, the conferees expect that the Department will continue to fully utilize its existing authority to review infant formula bid solicitations for the purpose of avoiding inclusion of anti-competitive provisions in solicitations.

58. THE WIC PROGRAM: INFRA-STRUCTURE AND BREAST-FEEDING SUPPORT AND PROMOTION FUNDING

Present law

The Secretary is required to use up to $10 million a year of nutrition services and administration (NSA) funding that was not obligated in the prior year for special infrastructure and breast-feeding support and promotion projects. The requirement expires after FY1998. [Sec. 17(h)(10) of the CNA]

House bill

Extends the requirement to use up to $10 million a year in unobligated NSA money for special infrastructure and breast-feeding support and promotion projects through FY2003. [Sec. 202(k)]

Senate amendment

Same as the House bill. [Sec. 203(o)]

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

59. THE WIC PROGRAM: CONSIDERATION OF PRICE LEVELS

Present law

No provision.

House bill

Requires state agencies to consider, in selecting approved retail stores, the prices the store charges for WIC items compared to other stores' prices. Also requires state agencies to establish procedures to ensure that selected stores do not subsequently raise prices to levels that would make them ineligible. Final regulations to carry out this new requirement would be due by March 1, 1999. [Sec. 202(l)]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the House provision with an amendment to promulgate proposed rules by March 1, 1999 and final rules by March 1, 2000.

60. THE WIC PROGRAM: MANAGEMENT INFORMATION SYSTEMS

Present law

No provision.

House bill

Requires the Secretary to establish a long-range plan for developing and implementing management information systems (including electronic benefit transfer systems)—in consultation with state agencies, retailers, and other interested parties. A report to Congress on actions taken to carry out this requirement would be due not later than 2 years from enactment. Prior to submission of the report to Congress, the cost of systems or equipment required to test systems (including electronic benefit transfer systems) could not be imposed on retail food stores. [Sec. 202(m)]

Senate amendment

Same as the House bill. [Sec. 203(p)]

Conference agreement

The conference agreement adopts the Senate provision with a technical amendment.

The Conference Committee understands that many WIC participants live on the border between two states and may shop in both States. It is the intent of the Committee that the Secretary, in consultation with other interested parties, develop operating rules that permit interoperability among states.

61. THE WIC PROGRAM: USE OF FUNDS IN PRECEDING AND SUBSEQUENT FISCAL YEARS

Present law

State agencies may retain and ''spend back'' up to 1% of a given year's food grant to cover food costs incurred in the preceding fiscal year.

State agencies may retain and ''spend forward'' up to 1% of a given year's total grant for costs incurred in the subsequent fiscal year. In addition, States achieving cost containment savings may retain and spend forward up to 5% of the amount of their food grant in the year the savings were achieved and 3% for the second year. [Sec. 17(i)(3) of the CNA]

The Secretary is required to use up to $10 million a year of unobligated NSA funding for special infrastructure and breast-feeding support and promotion projects. [Sec. 17(h)(10) of the CNA]

House bill

Increases state agencies' authority to spend back funding by allowing them to spend back up to 1% of their nutrition services and administration (NSA) grant to cover NSA costs incurred in the preceding fiscal year.

Replaces current spend-forward provisions. Allows state agencies to retain and spend forward NSA funding (for NSA costs incurred in the subsequent fiscal year) up to an amount equal to 1% of their total grant. In

addition, state agencies could spend forward, from NSA funding, up to an amount equal to 1/2% of their total grant for development of management information systems (including electronic benefit transfer systems) in the subsequent fiscal year.

Allows the Secretary to use unobligated food funds to meet the spending requirement for infrastructure and breast-feeding projects—in addition to unobligated NSA funds. [Sec. 202(n)]

Senate amendment

Same as the House bill, except that NSA money spent back could be used to cover either food or NSA costs. [Sec. 203(q)]

Conference agreement

The conference agreement adopts the Senate provision.

The Committee understands that States are anxious to begin implementing these provisions and therefore, directs the Secretary to issue interim rules within 120 days of the enactment of this Act.

62. THE WIC PROGRAM: DISQUALIFICATION OF VENDORS

Present law

No provision.

House bill

Requires state agencies to permanently disqualify WIC vendors convicted of trafficking in food instruments or selling firearms, ammunition, explosives, or controlled substances for food instruments.

The disqualification would be effective on receipt of the notice of disqualification, and the vendor would not be entitled to compensation lost as a result of the disqualification. A state agency would be permitted to waive disqualification if it determines (according to criteria set by the Secretary) that disqualification would cause a hardship for WIC participants. In the case of a waiver, the agency would be required to assess a civil money penalty on the vendor—in an amount determined according to criteria set by the Secretary.

Final regulations implementing these new requirements (including hardship and money penalty criteria) would be due by March 1, 1999. Sec. 202(p)]

Senate amendment

Same as the House bill, except: (1) state agencies could waive disqualification if—the vendor had an ''effective policy and program'' to prevent violations and the ownership was not aware of, did not approve of, did not benefit from, and was not involved in the conduct of the violation. (2) civil money penalties imposed in lieu of dis-qualification would be limited to $20,000 per violation ($40,000 for all violations investigated as part of a single investigation). The new vendor disqualification requirements would take effect on the date the Secretary issues final regulations that include criteria for making hardship determinations and determining civil money penalties. [Sec. 203(s)]

Conference agreement

The conference agreement adopts the Senate provision with technical amendments and amendments to lower the per violation penalty, and to require the promulgation of proposed rules by March 1, 1999 and final rules by March 1, 2000.

Regarding the exception in lieu of disqualification of a WIC vendor, the Committee wishes to stress that it is not the intent of this provision to permit a vendor who has had repeated convictions for WIC offenses to receive a waiver simply because the ownership of the vendor was not aware of, did not approve of, or was not involved in the offenses. The Committee expects the State agency to take the strongest possible action against each vendor who has been repeatedly convicted of trafficking or illegal sales of WIC food instruments.

63. THE WIC PROGRAM: USE OF RECOVERIES FROM VENDORS AND PARTICIPANTS

Present law

State agencies may use funds, for program purposes, recovered as the result of violations in the food delivery system of the program in the year in which the funds are collected. [Sec. 17(f)(21) of the CNA]

House bill

Adds a provision allowing state agencies to use amounts collected from vendors and recipients relating to fraud and abuse violations of the program to be used for program purposes during the 1 year period beginning on the date the amount is received. [Sec. 202(s)]

Senate amendment

Replaces the current-law provision with a provision allowing state agencies to use funds recovered from vendors and participants as the result of a claim arising under the program during: the fiscal year in which the claim arises, the fiscal year in which funds are collected, or the fiscal year following the fiscal year the funds were collected. [Sec. 203(e)]

Conference agreement

The conference agreement adopts the Senate provision with a technical amendment.

64. THE WIC PROGRAM: CRIMINAL FORFEITURE

Present law

No provision.

House bill

Requires a court to order a person convicted of an offense in violation of any provision of WIC law or regulations to forfeit to the United States all real and personal property used in the transaction. No interest in property would be forfeited where the owner establishes lack of knowledge or consent. Proceeds from any sale of forfeited property and any money forfeited would be used to first reimburse the Justice Department for costs incurred, second reimburse the Agriculture Department's Office of Inspector General for costs incurred, third reimburse any federal or state law enforcement agency for costs incurred, and fourth by the state agency to carry out approval, reauthorization, and compliance investigations of vendors. [Sec. 202(t)]

Senate amendment

Same as the House bill, except: (1) allows a court to order forfeiture, (2) describes in more detail the scope of violations that could bring on a forfeiture order, and (3) adds the Treasury Department and Postal Service to the first category of agencies to which proceeds would be distributed. [Sec. 203(t)]

Conference agreement

The conference agreement adopts the Senate provision with technical amendments.

65. THE WIC PROGRAM: STUDY OF COST CONTAINMENT PRACTICES

Present law

No provision.

House bill

Requires the Secretary, acting through the Economic Research Service, to conduct a study of the effect of states' cost containment practices in selecting vendors and approved food items on: (1) program participation, (2) access to and availability of prescribed foods, (3) voucher redemption rates and food selections by participants, (4) participants with special diets or specific food allergies, (5) participant use of and satisfaction with prescribed foods, (6) achievement of positive health outcomes, and (7) program costs. A report to Congress would be due not later than 3 years after enactment. [Sec. 202(q)]

Senate amendment

Same as the House bill, except for technical differences and: (1) requires the GAO to conduct the study, and (2) a report to Congress would be due no later than 2 years after enactment. [Sec. 203(u)]

Conference agreement

The conference agreement adopts the House provision with an amendment deleting the requirement that the Economic Research Service conduct the study and to require an interim report.

66. THE WIC PROGRAM: STUDY OF COST AND QUALITY OF SERVICES

Present law

No provision.

House bill

No provision.

Senate amendment

Requires the GAO to conduct a study that assesses: (1) the cost of delivering WIC services (including the cost of cost containment efforts), (2) the fixed and variable costs incurred by state and local government for delivering WIC services, (3) the quality of WIC services delivered, and (4) costs incurred for personnel, automation, central support, and other activities to deliver services, and whether the costs meet federal audit standards for allowable costs. A report to Congress would be due no later than 3 years after enactment. [Sec. 203(v)]

Conference agreement

The conference agreement adopts the Senate provision with a technical amendment.

67. NUTRITION EDUCATION AND TRAINING PROGRAM: AUTHORIZATION

Present law

Appropriations for the Nutrition Education and Training (NET) program are authorized at $10 million a year through FY2002. [Sec. 19(i) of the CNA]

House bill

Authorizes appropriations at such sums as are necessary through FY2003. [Sec. 203]

Senate amendment

Same as the House bill, with technical differences. [Sec. 204]

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

68. EFFECTIVE DATE

House bill

Provisions to take effect on October 1, 1998 or the date of enactment, whichever is later. [Sec. 2]

Senate amendment

Provisions to take effect on October 1, 1998. [Sec. 401]

Conference agreement

The conference agreement adopts the Senate provision.

69. FARMER'S MARKET NUTRITION PROGRAM: MATCHING REQUIREMENT

Present law

Requires that states receiving grants provide state, local, or private funds for the program in an amount that is equal to at least 30% of the total cost of the program. States may count funds they use for other similar programs toward the matching requirement. [Section 17(m)(3) CNA]

House bill

Revises existing law to require that the matching fund requirement apply only to the administrative cost of the program instead of the entire costs [Sec.202(n)(1)]

Senate amendment

Permits states to use ''program income'' to meet the 30% matching requirement. This change uses the term ''program income'' as defined in the Uniform Federal Assistance Regulations (Sec.3016.25) to permit donations by companies and vendor fines for violations to be used toward the matching requirement. [Sec.203(r)(1)]

Conference agreement

The conference agreement adopts the Senate provision

70. FARMER'S MARKET NUTRITION PROGRAM: CRITERIA FOR ADDITIONAL FUNDS

Present law

Establishes criteria for the Secretary to use when allocating funds to serve additional recipients in a state that received assistance in the previous fiscal year. Among the criteria to be considered is documentation that justifies the need for a participation increase. [Sec.17(m)(6)(C) of the CNA]

House bill

Maintains current law.

Senate amendment

Eliminates service to additional recipients from the criteria for providing funds to states. Also replaces requirement for documentation to justify the need for an increase in participation with language requiring the Secretary to consider the state's need for an increase, use of increased funding consistent with serving nutritionally at-risk persons, and expanding program awareness. Also, adds a requirement that the Secretary consider whether a state that has been operating a program and wants to increase the value of benefits to individual recipients will increase the rate of coupon redemption. [Section 203 (r)(2)(A)]

Conference agreement

The conference agreement adopts the Senate provision.

71. FARMER'S MARKET NUTRITION PROGRAM: APPROVING AND RANKING STATE PLANS

Present law

Establishes a ranking for the Secretary to use in approving state plans for operation of a program to include: favorable consideration of a state's prior experience, use of state or local funds for similar programs, and maintenance of effort by states or localities previously operating programs. Preference is to be given to plans that have the highest concentration of eligible persons, greatest access to farmers' markets, broad geographical areas, and other characteristics the Secretary determines will maximize the availability of benefits to eligible persons. [Section 17(m)(6)(F)]

House bill

Eliminates the ranking criteria and preferences for consideration that the Secretary must use, and makes conforming changes in paragraph designation. [Section 202(n)(2)]

Senate amendment

Same as the House bill. [Section 203(r)(2)(B)]

Conference agreement

The conference agreement follows the House bill and the Senate amendment with technical differences.

72. FARMER'S MARKET NUTRITION PROGRAM: FUNDING FOR CURRENT AND NEW STATES

Present law

Requires that 75% of the funds appropriated for the program be made available to states participating in the program that wish to serve additional participants. Requires the Secretary to reallocate to states that have never participated in the program but have approved state plans any funds not needed to serve additional participants in states that have been operating programs. Requires 25% of funds to be allocated to states with approved plans that have never participated in the program. Requires the Secretary to reallocate funds not needed for these states to states already operating programs that want to serve additional recipients.[Section 17(m)(6)(g)]

House bill

Maintains current law.

Senate amendment

Maintains current law 75–25% split between states operating programs in a previous year and states operating new programs, but eliminates references to serving additional recipients. [Section 203(r)(2)(C)]

Conference agreement

The conference agreement adopts the Senate provision.

73. AUTHORIZATION

Present law

Authorizes such sums as may be necessary for each of fiscal years 1996 through 1998. (Section 17(m)(9)]

House bill

Authorizes such sums as may be necessary for each of fiscal years 1999 through 2003. [Section 202(n)(3)]

Senate amendment

Authorizes such sums as may be necessary for each of fiscal years 1996 through 2003. [Section 203(r)(3)]

Conference agreement

The conference agreement follows the House bill and the Senate amendment with technical differences.

74. COMMODITY SPECIFICATIONS

Present law

Requires the Secretary to apply the requirements for developing specifications for commodity acquisitions and donations to: the commodity supplemental food (CSFP), the food distribution program on Indian Reservations, the school lunch, commodity distribution, child care and adult care food, and school breakfast programs, the elderly commodity program, and the emergency food assistance program.[Sec.3(a)(2)]

House bill

No provision.

Senate amendment

Removes requirement that the Secretary apply requirements for the development of commodity specifications to the child and adult care food program, school breakfast program, elderly commodity program, and emergency food assistance program. [Sec.301(a)]

Conference agreement

The Conference agreement adopts the House position.

75. INFORMATION FROM RECIPIENT AGENCIES

Present law

Requires the Secretary to establish procedures for ensuring that information is received from recipient agencies at least annually regarding the types and forms of commodities that are most useful to them and their participants. [Sec.3(f)(2)]

House bill

No provision.

Senate amendment

Replaces current law annual requirement with a requirement that the Secretary collect such information from these recipient agencies at least once every two years. Also adds a provision permitting the Secretary to require this type of information from recipient agencies participating in other domestic food assistance programs, and to provide these agencies with a means for voluntarily submitting customer acceptability information. [Sec. 301(b)]

Conference agreement

The Conference agreement adopts the Senate provision with technical changes.

76. AUTHORITY TO TRANSFER COMMODITIES

Present law

No current provision.

House bill

No provision.

Senate amendment

Permits the Secretary of Agriculture to transfer commodities purchased for one domestic food program to another if necessary to ensure suitable use for human consumption; permits the Secretary to provide reimbursement from the account of the receiving program to the donating program for the value of commodities transferred; and requires that any reimbursement be credited to the accounts that incurred the costs when the transferred commodities were originally purchased, and be available for the purchase of replacement commodities. [Sec.302(a)]

Conference agreement

The conference agreement adopts the Senate provision.

77. AUTHORITY TO RESOLVE CLAIMS

Present law

No current provisions.

House bill

No provision.

Senate amendment

Gives the Secretary authority to waive or determine the amount of, and settle or adjust all or parts of claims arising under domestic food assistance programs. [Sec. 302(a)]

Conference agreement

The conference agreement adopts the Senate provision.

78. REMOVAL OF COMMODITIES POSING A HEALTH OR SAFETY RISK

Present law

No current provision.

House bill

No provision.

Senate amendment

Permits the Secretary to use uncommitted Section 32 funds to reimburse states for state and local costs of removing commodities distributed to domestic food programs that are determined to pose a health or safety hazard. Allows such funds to be used to cover the costs of storage, transport, processing and destroying hazardous commodities, subject to Secretarial approval. Does not permit the use of section 32 funds for this purpose to restrict the Secretary from recovering funds or services from a supplier or other entity regarding the hazardous commodities, and requires that funds so recovered be credited to the section 32 account and remain available until expended. [Section 302 (a)]

Conference agreement

The conference agreement adopts the Senate provision with a clarifying amendment, and an amendment limiting the authority to two years.

79. AUTHORITY TO ACCEPT DONATED COMMODITIES

Present law

No current provision.

House bill

No provision.

Senate amendment

Permits the Secretary to accept commodities donated by other Federal agencies and

to donate such commodities to states for distribution through any domestic food administration program administered by the Secretary. [Section 302 (a)]

Conference agreement

The conference agreement adopts the Senate provision.

80. EFFECT OF PRIOR AMENDMENTS

Present law

Refers to the amendments made by the Commodity Distribution Reform and WIC Amendments of 1987 to the Child Nutrition Act of 1966.

House bill

No provision.

Senate amendment

Makes clear that striking the amendments made by the Commodity Distribution Reform and WIC Amendments Act of 1987 to the Child Nutrition Act (see above) do not affect the amendments as in effect on September 30, 1998. [Sec.302(b)]

Conference agreement

The conference agreement adopts the Senate provision with technical differences.

From the Committee on Education and the Workforce, for consideration of the House bill, and the Senate amendment, and modifications committed to conference:

BILL GOODLING,
FRANK RIGGS,
MIKE CASTLE,
W.L. CLAY,
M.G. MARTINEZ,

From the Committee on Agriculture, for consideration of secs. 2, 101, 104(b), 106, 202(c) and 202(o) of the House bill, and secs. 101, 111, 114, 203(c), 203(r), and titles III and IV of the Senate amendment, and modifications committed to conference:

BOB SMITH,
BOB GOODLATTE,
CHARLIE STENHOLM,
Managers on the Part of the House.

RICHARD G. LUGAR,
THAD COCHRAN,
MITCH MCCONNELL,
TOM HARKIN,
PATRICK J. LEAHY,
Managers on the Part of the Senate.

CONFERENCE REPORT ON S. 2206

Mr. GOODLING, submitted the following conference report and statement on the bill (S. 2206), to amend the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, and the Community Services Block Grant Act to reauthorize and make improvements to those Acts, to establish demonstration projects that provide an opportunity for persons with limited means to accumulate assets, and for other purposes:

CONFERENCE REPORT (H. REPT. 105–788)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2206), to amend the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, and the Community Services Block Grant Act to reauthorize and make improvements to those Acts, to establish demonstration projects that provide an opportunity for persons with limited means to accumulate assets, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Community Opportunities, Accountability, and Training and Educational Services Act of 1998'' or the ''Coats Human Services Reauthorization Act of 1998''.

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.

TITLE I—HEAD START PROGRAMS

Sec. 101. Short title.
Sec. 102. Statement of purpose.
Sec. 103. Definitions.
Sec. 104. Financial assistance for Head Start programs.
Sec. 105. Authorization of appropriations.
Sec. 106. Allotment of funds.
Sec. 107. Designation of Head Start agencies.
Sec. 108. Quality standards.
Sec. 109. Powers and functions of Head Start agencies.
Sec. 110. Head Start transition.
Sec. 111. Submission of plans to Governors.
Sec. 112. Participation in Head Start programs.
Sec. 113. Early Head Start programs for families with infants and toddlers.
Sec. 114. Technical assistance and training.
Sec. 115. Professional requirements.
Sec. 116. Research and evaluation.
Sec. 117. Reports.
Sec. 118. Repeal of consultation requirement.
Sec. 119. Repeal of Head Start Transition Project Act.

TITLE II—COMMUNITY SERVICES BLOCK GRANT PROGRAM

Sec. 201. Reauthorization.
Sec. 202. Conforming amendments.

TITLE III—LOW-INCOME HOME ENERGY ASSISTANCE

Sec. 301. Short title.
Sec. 302. Authorization.
Sec. 303. Definitions.
Sec. 304. Natural disasters and other emergencies.
Sec. 305. State allotments.
Sec. 306. Administration.
Sec. 307. Payments to States.
Sec. 308. Residential Energy Assistance Challenge option.
Sec. 309. Technical assistance, training, and compliance reviews.

TITLE IV—ASSETS FOR INDEPENDENCE

Sec. 401. Short title.
Sec. 402. Findings.
Sec. 403. Purposes.
Sec. 404. Definitions.
Sec. 405. Applications.
Sec. 406. Demonstration authority; annual grants.
Sec. 407. Reserve Fund.
Sec. 408. Eligibility for participation.
Sec. 409. Selection of individuals to participate.
Sec. 410. Deposits by qualified entities.
Sec. 411. Local control over demonstration projects.
Sec. 412. Annual progress reports.
Sec. 413. Sanctions.
Sec. 414. Evaluations.
Sec. 415. Treatment of funds.
Sec. 416. Authorization of appropriations.

TITLE I—HEAD START PROGRAMS

SEC. 101. SHORT TITLE.

This title may be cited as the ''Head Start Amendments of 1998''.

SEC. 102. STATEMENT OF PURPOSE.

Section 636 of the Head Start Act (42 U.S.C. 9831) is amended to read as follows:

''SEC. 636. STATEMENT OF PURPOSE.

''It is the purpose of this subchapter to promote school readiness by enhancing the social and cognitive development of low-income children through the provision, to low-income children and their families, of health, educational, nutritional, social, and other services that are determined, based on family needs assessments, to be necessary.''.

SEC. 103. DEFINITIONS.

Section 637 of the Head Start Act (42 U.S.C. 9832) is amended—

(1) by redesignating paragraphs (1) and (2) as paragraphs (16) and (17) and inserting the paragraphs at the end of the section;

(2) by inserting before paragraph (3) the following:

''(1) The term 'child with a disability' means—

''(A) a child with a disability, as defined in section 602(3) of the Individuals with Disabilities Education Act; and

''(B) an infant or toddler with a disability, as defined in section 632(5) of such Act.

''(2) The term 'delegate agency' means a public, private nonprofit, or for-profit organization or agency to which a grantee has delegated all or part of the responsibility of the grantee for operating a Head Start program.'';

(3) by striking paragraph (4);

(4) by redesignating paragraph (3) as paragraph (4);

(5) by inserting after paragraph (2) the following:

''(3) The term 'family literacy services' means services that are of sufficient intensity in terms of hours, and of sufficient duration, to make sustainable changes in a family, and that integrate all of the following activities:

''(A) Interactive literacy activities between parents and their children.

''(B) Training for parents regarding how to be the primary teacher for their children and full partners in the education of their children.

''(C) Parent literacy training that leads to economic self-sufficiency.

''(D) An age-appropriate education to prepare children for success in school and life experiences.'';

(6) in paragraph (6), by adding at the end the following: ''Nothing in this paragraph shall be construed to require an agency to provide services to a child who has not reached the age of compulsory school attendance for more than the number of hours per day permitted by State law (including regulation) for the provision of services to such a child.'';

(7) by striking paragraph (12) and inserting the following:

''(12) The term 'migrant and seasonal Head Start program' means—

''(A) with respect to services for migrant farmworkers, a Head Start program that serves families who are engaged in agricultural labor and who have changed their residence from one geographic location to another in the preceding 2-year period; and

''(B) with respect to services for seasonal farmworkers, a Head Start program that serves families who are engaged primarily in seasonal agricultural labor and who have not changed their residence to another geographic location in the preceding 2-year period.'';

(8) by inserting after paragraph (14) the following:

''(15) The term 'scientifically based reading research'—

''(A) means the application of rigorous, systematic, and objective procedures to obtain valid knowledge relevant to reading development, reading instruction, and reading difficulties; and

''(B) shall include research that—

''(i) employs systematic, empirical methods that draw on observation or experiment;

''(ii) involves rigorous data analyses that are adequate to test the stated hypotheses and justify the general conclusions drawn;

''(iii) relies on measurements or observational methods that provide valid data across evaluators and observers and across multiple measurements and observations; and

''(iv) has been accepted by a peer-reviewed journal or approved by a panel of independent experts through a comparably rigorous, objective, and scientific review.''; and

(9) in paragraph (17) (as redesignated in paragraph (1))—

(A) by striking ''Term'' and inserting ''term'';

(B) by striking ''Virgin Islands,'' and inserting ''Virgin Islands of the United States, and the Commonwealth of the Northern Mariana Islands, but for fiscal years ending before October 1, 2001 (and fiscal year 2002, if the legislation described in section 640(a)(2)(B)(iii) has not been enacted before September 30, 2001), also means''; and

(C) by striking ''Palau, and the Commonwealth of the Northern Mariana Islands.'' and inserting ''and the Republic of Palau.''.

SEC. 104. FINANCIAL ASSISTANCE FOR HEAD START PROGRAMS.

Section 638(1) of the Head Start Act (42 U.S.C. 9833(1)) is amended—

(1) by striking ''aid the'' and inserting ''enable the''; and

(2) by striking the semicolon and inserting ''and attain school readiness;''.

SEC. 105. AUTHORIZATION OF APPROPRIATIONS.

Section 639 of the Head Start Act (42 U.S.C. 9834) is amended—

(1) in subsection (a), by striking ''1995 through 1998'' and inserting ''1999 through 2003''; and

(2) in subsection (b), by striking paragraphs (1) and (2) and inserting the following:

''(1) for each of fiscal years 1999 through 2003 to carry out activities authorized under section 642A, not more than $35,000,000 but not less than the amount that was made available for such activities for fiscal year 1998;

''(2) not more than $5,000,000 for each of fiscal years 1999 through 2003 to carry out impact studies under section 649(g); and

''(3) not more than $12,000,000 for fiscal year 1999, and such sums as may be necessary for each of fiscal years 2000 through 2003, to carry out other research, demonstration, and evaluation activities, including longitudinal studies, under section 649.''.

SEC. 106. ALLOTMENT OF FUNDS.

(a) ALLOTMENTS.—Section 640(a) of the Head Start Act (42 U.S.C. 9835(a)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (A)—

(i) by striking ''and migrant'' the first place it appears and all that follows through ''handicapped children'', and inserting ''Head Start programs, services for children with disabilities, and migrant and seasonal Head Start programs'';

(ii) by striking ''and migrant'' each other place it appears and inserting ''Head Start programs and by migrant and seasonal''; and

(iii) by striking ''1994'' and inserting ''1998'';

(B) in subparagraph (B), by striking ''(B) payments'' and all that follows through ''Virgin Islands according'' and inserting the following:

''(B) payments, subject to paragraph (7)—

''(i) to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Virgin Islands of the United States;

''(ii) for fiscal years ending before October 1, 2001, to the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau; and

''(iii) if legislation approving renegotiated Compacts of Free Association for the jurisdictions described in clause (ii) has not been enacted before September 30, 2001, for fiscal year 2002 to those jurisdictions;

according'';

(C) in subparagraph (C), by striking ''; and'' and inserting '', of which not less than $3,000,000 of the amount appropriated for such fiscal year shall be made available to carry out activities described in section 648(c)(4);'';

(D) in subparagraph (D), by striking ''related to the development and implementation of quality improvement plans under section 641A(d)(2).'' and inserting ''carried out under paragraph (1), (2), or (3) of section 641A(d) related to correcting deficiencies and conducting proceedings to terminate the designation of Head Start agencies; and'';

(E) by inserting after subparagraph (D) the following:

''(E) payments for research, demonstration, and evaluation activities under section 649.''; and

(F) by adding at the end the following: ''No Freely Associated State may receive financial assistance under this subchapter after fiscal year 2002.'';

(2) in paragraph (3)—

(A) in subparagraph (A)(i), by striking ''equal'' and all that follows through ''amount;'' and inserting ''equal to the sum of—

''(I) 60 percent of such excess amount for fiscal year 1999, 50 percent of such excess amount for fiscal year 2000, 47.5 percent of such excess amount for fiscal year 2001, 35 percent of such excess amount for fiscal year 2002, and 25 percent of such excess amount for fiscal year 2003;'';

(B) in subparagraph (B)—

(i) in clause (ii)—

(I) by striking ''adequate qualified staff'' and inserting ''adequate numbers of qualified staff''; and

(II) by inserting ''and children with disabilities'' before '', when'';

(ii) in clause (iv), by inserting before the period the following: '', and to encourage the staff to continually improve their skills and expertise by informing the staff of the availability of Federal and State incentive and loan forgiveness programs for professional development'';

(iii) in clause (v), by inserting ''and collaboration efforts for such programs'' before the period;

(iv) in clause (vi), by striking the period and inserting '', and are accessible to children with disabilities and their parents.'';

(v) by redesignating clause (vii) as clause (viii); and

(vi) by inserting after clause (vi) the following:

''(vii) Ensuring that such programs have qualified staff that can promote language skills and literacy growth of children and that can provide children with a variety of skills that have been identified, through scientifically based reading research, as predictive of later reading achievement.'';

(C) in subparagraph (C)—

(i) in clause (i)—

(I) in subclause (I)—

(aa) by striking ''this subparagraph'' and inserting ''this paragraph'';

(bb) by striking ''of staff'' and inserting ''of classroom teachers and other staff'';

(cc) by striking ''such staff'' and inserting ''qualified staff, including recruitment and retention pursuant to achieving the requirements set forth in section 648A(a)''; and

(dd) by adding at the end the following: ''Preferences in awarding salary increases, in excess of cost-of-living allowances, with such funds shall be granted to classroom teachers and staff who obtain additional training or education related to their responsibilities as employees of a Head Start program.'';

(II) in subclause (II), by striking ''the subparagraph'' and inserting ''this subparagraph''; and

(III) by adding at the end the following:

''(III) From the remainder of the amount reserved under this paragraph (after the Secretary carries out subclause (I)), the Secretary shall carry out any or all of the activities described in clauses (ii) through (vii), placing the highest priority on the activities described in clause (ii).'';

(ii) by amending clause (ii) to read as follows:

''(ii) To train classroom teachers and other staff to meet the education performance standards described in section 641A(a)(1)(B), through activities—

''(I) to promote children's language and literacy growth, through techniques identified through scientifically based reading research;

''(II) to promote the acquisition of the English language for non-English background children and families;

''(III) to foster children's school readiness skills through activities described in section 648A(a)(1); and

''(IV) to provide training necessary to improve the qualifications of the staff of the Head Start agencies and to support staff training, child counseling, and other services necessary to address the problems of children participating in Head Start programs, including children from dysfunctional families, children who experience chronic violence in their communities, and children who experience substance abuse in their families.'';

(iii) by striking clause (v); and

(iv) by redesignating clauses (vi) and (vii) as clauses (v) and (vi), respectively; and

(D) in subparagraph (D)(i)(II), by striking ''and migrant'' and inserting ''Head Start programs and migrant and seasonal'';

(3) in paragraph (4)—

(A) in subparagraph (A), by striking ''1981'' and inserting ''1998'';

(B) by amending subparagraph (B) to read as follows:

''(B) any amount available after all allotments are made under subparagraph (A) for such fiscal year shall be distributed proportionately on the basis of the number of children less than 5 years of age from families whose income is below the poverty line.''; and

(C) by adding at the end the following:

''For purposes of this paragraph, for each fiscal year the Secretary shall use the most recent data available on the number of children less than 5 years of age from families whose income is below the poverty line, as published by the Department of Commerce, unless the Secretary and the Secretary of Commerce determine that use of the most recent data available would be inappropriate or unreliable. If the Secretary and the Secretary of Commerce determine that some or all of the data referred to in this paragraph are inappropriate or unreliable, the Secretaries shall issue a report setting forth their reasons in detail.'';

(4) in paragraph (5)—

(A) in subparagraph (A), by striking ''subparagraph (B)'' and inserting ''subparagraphs (B) and (D)'';

(B) in subparagraph (B), by inserting before the period the following: ''and to encourage Head Start agencies to collaborate with entities involved in State and local planning processes (including the State lead agency administering the financial assistance received under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.) and the entities providing resource and referral services in the State) in order to better meet the needs of low-income children and families'';

(C) in subparagraph (C)—

(i) in clause (i)(I), by inserting ''the appropriate regional office of the Administration for Children and Families and'' before ''agencies'';

(ii) in clause (iii), by striking ''and'' at the end;

(iii) in clause (iv)—

(I) by striking ''education, and national service activities,'' and inserting ''education, and community service activities,'';

(II) by striking ''and activities'' and inserting ''activities''; and

(III) by striking the period and inserting ''(including coordination of services with those State officials who are responsible for administering part C and section 619 of the Individuals with Disabilities Education Act (20 U.S.C. 1431–1445, 1419)), and services for homeless children;''; and

(iv) by adding at the end the following:

''(v) include representatives of the State Head Start Association and local Head Start agencies in unified planning regarding early care and education services at both the State and local levels, including collaborative efforts to plan for the provision of full-working-day, full calendar year early care and education services for children; and

''(vi) encourage local Head Start agencies to appoint a State level representative to represent Head Start agencies within the State in conducting collaborative efforts described in subparagraphs (B) and (D), and in clause (v).'';

(D) by redesignating subparagraph (D) as subparagraph (F); and

(E) by inserting after subparagraph (C) the following:

''(D) Following the award of collaboration grants described in subparagraph (B), the Secretary shall provide, from the reserved sums, supplemental funding for collaboration grants—

''(i) to States that (in consultation with their State Head Start Associations) develop statewide, regional, or local unified plans for early childhood education and child care that include the participation of Head Start agencies; and

''(ii) to States that engage in other innovative collaborative initiatives, including plans for collaborative training and professional development initiatives for child care, early childhood education and Head Start service managers, providers, and staff.

''(E)(i) The Secretary shall—

''(I) review on an ongoing basis evidence of barriers to effective collaboration between Head Start programs and other Federal, State, and local child care and early childhood education programs and resources;

''(II) develop initiatives, including providing additional training and technical assistance and making regulatory changes, in necessary cases, to eliminate barriers to the collaboration; and

''(III) develop a mechanism to resolve administrative and programmatic conflicts between programs described in subclause (I) that would be a barrier to service providers, parents, or children related to the provision of unified services and the consolidation of funding for child care services.

''(ii) In the case of a collaborative activity funded under this subchapter and another provision of law providing for Federal child care or early childhood education, the use of equipment and nonconsumable supplies purchased with funds made available under this subchapter or such provision shall not be restricted to children enrolled or otherwise participating in the program carried out under that subchapter or provision, during a period in which the activity is predominantly funded under this subchapter or such provision.''; and

(5) in paragraph (6)—

(A) by inserting ''(A)'' before ''From'';

(B) by striking ''3 percent'' and all that follows and inserting the following: ''7.5 percent for fiscal year 1999, 8 percent for fiscal year 2000, 9 percent for fiscal year 2001, 10 percent for fiscal year 2002, and 10 percent for fiscal year 2003, of the amount appropriated pursuant to section 639(a), except as provided in subparagraph (B); and

(C) by adding at the end the following:

''(B)(i) If the Secretary does not submit an interim report on the preliminary findings of the Early Head Start impact study currently being conducted by the Secretary (as of the date of enactment of the Head Start Amendments of 1998) to the appropriate committees by June 1, 2001, the amount of the reserved portion for fiscal year 2002 that exceeds the reserved portion for fiscal year 2001, if any, shall be used for quality improvement activities described in section 640(a)(3) and shall not be used to serve an increased number of eligible children under section 645A.

''(ii) If the Secretary does not submit a final report on the Early Head Start impact study to the appropriate committees by June 1, 2002, or if the Secretary finds in the report that there are substantial deficiencies in the programs carried out under section 645A, the amount of the reserved portion for fiscal year 2003 that exceeds the reserved portion for fiscal year 2002, if any, shall be used for quality improvement activities described in section 640(a)(3) and shall not be used to serve an increased number of eligible children under section 645A.

''(iii) In this subparagraph:

''(I) The term 'appropriate committees' means the Committee on Education and the Workforce and the Committee on Appropriations of the House of Representatives and the Committee on Labor and Human Resources and the Committee on Appropriations of the Senate.

''(II) The term 'reserved portion', used with respect to a fiscal year, means the amount required to be used in accordance with subparagraph (A) for that fiscal year.

''(C)(i) For any fiscal year for which the Secretary determines that the amount appropriated under section 639(a) is not sufficient to permit the Secretary to reserve the portion described in subparagraph (A) without reducing the number of children served by Head Start programs or adversely affecting the quality of Head Start services, relative to the number of children served and the quality of the services during the preceding fiscal year, the Secretary may reduce the percentage of funds required to be reserved for the portion described in subparagraph (A) for the fiscal year for which the determination is made, but not below the percentage required to be so reserved for the preceding fiscal year.

''(ii) For any fiscal year for which the amount appropriated under section 639(a) is reduced to a level that requires a lower amount to be made available under this subchapter to Head Start agencies and entities described in section 645A, relative to the amount made available to the agencies and entities for the preceding fiscal year, adjusted as described in paragraph (3)(A)(ii), the Secretary shall proportionately reduce—

''(I) the amounts made available to the entities for programs carried out under section 645A; and

''(II) the amounts made available to Head Start agencies for Head Start programs.''.

(b) CHILDREN WITH DISABILITIES.—Section 640(d) of the Head Start Act (42 U.S.C. 9835(d)) is amended—

(1) by striking ''1982'' and inserting ''1999'';

(2) by striking ''(as defined in section 602(a) of the Individuals with Disabilities Education Act)''; and

(3) by adding at the end the following: ''Such policies and procedures shall require Head Start agencies to coordinate programmatic efforts with efforts to implement part C and section 619 of the Individuals with Disabilities Education Act (20 U.S.C 1431–1445, 1419).''.

(c) INCREASED APPROPRIATIONS.—Section 640(g) of the Head Start Act (42 U.S.C. 9835(g)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (A), by striking the semicolon and inserting '', and the performance history of the applicant in providing services under other Federal programs (other than the program carried out under this subchapter);'';

(B) in subparagraph (C), by striking the semicolon and inserting '', and organizations and public entities serving children with disabilities;'';

(C) in subparagraph (D), by striking the semicolon and inserting ''and the extent to which, and manner in which, the applicant demonstrates the ability to collaborate and participate with other local community providers of child care or preschool services to provide full-working-day full calendar year services;'';

(D) in subparagraph (E), by striking ''program; and'' and inserting ''program or any other early childhood program;'';

(E) in subparagraph (F), by striking the period and inserting a semicolon; and

(F) by adding at the end the following:

''(G) the extent to which the applicant proposes to foster partnerships with other service providers in a manner that will enhance the resource capacity of the applicant; and

''(H) the extent to which the applicant, in providing services, plans to coordinate with the local educational agency serving the community involved and with schools in which children participating in a Head Start program operated by such agency will enroll following such program, regarding such services and the education services provided by such local educational agency.''; and

(2) by adding at the end the following:

''(4) Notwithstanding subsection (a)(2), after taking into account paragraph (1), the Secretary may allocate a portion of the remaining additional funds under subsection (a)(2)(A) for the purpose of increasing funds available for activities described in such subsection.''.

(d) MIGRANT AND SEASONAL HEAD START PROGRAMS.—Section 640(l) (42 U.S.C. 9835(l)) is amended—

(1) by striking''(l)'' and inserting ''(l)(1)'';

(2) by striking ''migrant Head Start programs'' each place it appears and inserting ''migrant and seasonal Head Start programs'';

(3) by striking ''migrant families'' and inserting ''migrant and seasonal farmworker families''; and

(4) by adding at the end the following:

''(2) For purposes of subsection (a)(2)(A), in determining the need and demand for migrant and seasonal Head Start programs (and services provided through such programs), the Secretary shall consult with appropriate entities, including providers of services for migrant and seasonal Head Start programs. The Secretary shall, after taking into consideration the need and demand for migrant and seasonal Head Start programs (and such services), ensure that there is an adequate level of such services for eligible children of migrant farmworkers before approving an increase in the allocation of funds provided under such subsection for unserved eligible children of seasonal farmworkers. In serving the eligible children of seasonal farmworkers, the Secretary shall ensure that services provided by migrant and seasonal Head Start programs do not duplicate or overlap with other Head Start services available to eligible children of such farmworkers.

''(3) In carrying out this subchapter, the Secretary shall continue the administrative arrangement responsible for meeting the needs of children of migrant and seasonal farmworkers and Indian children and shall ensure that appropriate funding is provided to meet such needs.''.

(e) CONFORMING AMENDMENT.—Section 644(f)(2) of the Head Start Act (42 U.S.C. 9839(f)(2)) is amended by striking ''Except'' and all that follows through ''financial'' and inserting ''Financial''.

SEC. 107. DESIGNATION OF HEAD START AGENCIES.

Section 641 of the Head Start Act (42 U.S.C. 9836) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by inserting ''or for-profit'' after ''nonprofit''; and

(B) by inserting ''(in consultation with the chief executive officer of the State involved, if such State expends non-Federal funds to carry out Head Start programs)'' after ''Secretary'' the last place it appears;

(2) in subsection (b), by striking ''area designated by the Bureau of Indian Affairs as near-reservation'' and inserting ''off-reservation area designated by an appropriate tribal government in consultation with the Secretary'';

(3) in subsection (c)—

(A) in paragraph (1)—

(i) by inserting '', in consultation with the chief executive officer of the State involved if such State expends non-Federal funds to carry out Head Start programs,'' after ''shall'';

(ii) by inserting ''or for-profit'' after ''nonprofit''; and

(iii) by striking ''makes a finding'' and all that follows through the period at the end, and inserting the following: ''determines that the agency involved fails to meet program and financial management requirements, performance standards described in section 641A(a)(1), results-based performance measures developed by the Secretary under section 641A(b), or other requirements established by the Secretary.'';

(B) in paragraph (2), by inserting '', in consultation with the chief executive officer of the State if such State expends non-Federal funds to carry out Head Start programs,'' after ''shall''; and

(C) by aligning the margins of paragraphs (2) and (3) with the margins of paragraph (1);

(4) in subsection (d)—

(A) in the matter preceding paragraph (1), by inserting after the first sentence the following: ''In selecting from among qualified applicants for designation as a Head Start agency, the Secretary shall give priority to any qualified agency that functioned as a Head Start delegate agency in the community and carried out a Head Start program that the Secretary determines met or exceeded such performance standards and such results-based performance measures.'';

(B) in paragraph (3), by inserting ''and programs under part C and section 619 of the Individuals with Disabilities Education Act (20 U.S.C 1431–1445, 1419)'' after ''(20 U.S.C. 2741 et seq.)'';

(C) in paragraph (4)—

(i) in subparagraph (A), by inserting ''(at home and in the center involved where practicable)'' after ''activities'';

(ii) in subparagraph (D)—

(I) in clause (iii), by adding ''or'' at the end;

(II) by striking clause (iv); and

(III) by redesignating clause (v) as clause (iv);

(iii) in subparagraph (E), by striking ''and (D)'' and inserting '', (D), and (E)'';

(iv) by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively; and

(v) by inserting after subparagraph (C) the following:

''(D) to offer to parents of participating children substance abuse counseling (either directly or through referral to local entities), including information on drug-exposed infants and fetal alcohol syndrome;'';

(D) by amending paragraph (7) to read as follows:

''(7) the plan of such applicant to meet the needs of non-English background children and their families, including needs related to the acquisition of the English language;'';

(E) in paragraph (8)—

(i) by striking the period at the end and inserting ''; and''; and

(ii) by redesignating such paragraph as paragraph (9);

(F) by inserting after paragraph (7) the following:

''(8) the plan of such applicant to meet the needs of children with disabilities;''; and

(G) by adding at the end the following:

''(10) the plan of such applicant to collaborate with other entities carrying out early childhood education and child care programs in the community.'';

(5) by striking subsection (e) and inserting the following:

''(e) If no agency in the community receives priority designation under subsection (c), and there is no qualified applicant in the community, the Secretary shall designate a qualified agency to carry out the Head Start program in the community on an interim basis until a qualified applicant from the community is so designated.''; and

(6) by adding at the end the following:

''(g) If the Secretary determines that a nonprofit agency and a for-profit agency have submitted applications for designation of equivalent quality under subsection (d), the Secretary may give priority to the nonprofit agency. In selecting from among qualified applicants for designation as a Head Start agency under subsection (d), the Secretary shall give priority to applicants that have demonstrated capacity in providing comprehensive early childhood services to children and their families.''.

SEC. 108. QUALITY STANDARDS.

(a) QUALITY STANDARDS.—Section 641A(a) of the Head Start Act (42 U.S.C. 9836a(a)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by inserting '', including minimum levels of overall accomplishment,'' after ''regulation standards'';

(B) in subparagraph (A), by striking ''education,'';

(C) by redesignating subparagraphs (B) through (D) as subparagraphs (C) through (E), respectively; and

(D) by inserting after subparagraph (A) the following:

''(B)(i) education performance standards to ensure the school readiness of children participating in a Head Start program, on completion of the Head Start program and prior to entering school; and

''(ii) additional education performance standards to ensure that the children participating in the program, at a minimum—

''(I) develop phonemic, print, and numeracy awareness;

''(II) understand and use language to communicate for various purposes;

''(III) understand and use increasingly complex and varied vocabulary;

''(IV) develop and demonstrate an appreciation of books; and

''(V) in the case of non-English background children, progress toward acquisition of the English language.'';

(2) by striking paragraph (2);

(3) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively;

(4) in paragraph (2) (as redesignated in paragraph (3))—

(A) in subparagraph (B)(iii), by striking ''child'' and inserting ''early childhood education and''; and

(B) in subparagraph (C)—

(i) in clause (i)—

(I) by striking ''not later than 1 year after the date of enactment of this section,''; and

(II) by striking ''section 651(b)'' and all that follows and inserting ''this subsection; and''; and

(ii) in subclause (ii), by striking ''November 2, 1978'' and inserting ''the date of enactment of the Coats Human Services Reauthorization Act of 1998''; and

(5) in paragraph (3) (as redesignated in paragraph (3)), by striking ''to an agency (referred to in this subchapter as the 'delegate agency')'' and inserting ''to a delegate agency''.

(b) PERFORMANCE MEASURES.—Section 641A(b) of the Head Start Act (42 U.S.C. 9836a(b)) is amended—

(1) in the heading, by inserting ''RESULTS-BASED'' before ''PERFORMANCE'';

(2) in paragraph (1)—

(A) by striking ''Not later than 1 year after the date of enactment of this section, the'' and inserting ''The'';

(B) by striking ''child'' and inserting ''early childhood education and'';

(C) by inserting before ''(referred'' the following: '', and the impact of the services provided through the programs to children and their families''; and

(D) by striking ''performance measures'' and inserting ''results-based performance measures''; and

(3) in paragraph (2)—

(A) in the paragraph heading, by striking ''DESIGN'' and inserting ''CHARACTERISTICS'';

(B) in the matter preceding subparagraph (A), by striking ''shall be designed—'' and inserting ''shall—'';

(C) in subparagraph (A), by striking ''to assess'' and inserting ''be used to assess the impact of'';

(D) in subparagraph (B)—

(i) by striking ''to'';

(ii) by striking ''and peer review'' and inserting '', peer review, and program evaluation''; and

(iii) by inserting '', not later than July 1, 1999'' before the semicolon;

(E) in subparagraph (C), by inserting ''be developed'' before ''for other''; and

(F) by adding at the end the following: ''The performance measures shall include the performance standards described in subsection (a)(1)(B)(ii).'';

(4) in paragraph (3)(A), by striking ''and by region'' and inserting '', regionally, and locally''; and

(5) by adding at the end the following:

''(4) EDUCATIONAL PERFORMANCE MEASURES.—Such results-based performance measures shall include educational performance measures that ensure that children participating in Head Start programs—

''(A) know that letters of the alphabet are a special category of visual graphics that can be individually named;

''(B) recognize a word as a unit of print;

''(C) identify at least 10 letters of the alphabet; and

''(D) associate sounds with written words.

''(5) ADDITIONAL LOCAL RESULTS-BASED PERFORMANCE MEASURES.—In addition to other applicable results-based performance measures, Head Start agencies may establish local results-based educational performance measures.''.

(c) MONITORING.—Section 641A(c) of the Head Start Act (42 U.S.C. 9836a(c)) is amended—

(1) in paragraph (1), by inserting ''and results-based performance measures developed by the Secretary under subsection (b)'' after ''standards established under this subchapter''; and

(2) in paragraph (2)—

(A) in subparagraph (B), by striking ''and'' at the end;

(B) in subparagraph (C)—

(i) by inserting ''(including children with disabilities)'' after ''eligible children''; and

(ii) by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

''(D) include as part of the reviews of the programs, a review and assessment of program effectiveness, as measured in accordance with the results-based performance measures developed by the Secretary pursuant to subsection (b) and with the performance standards established pursuant to subparagraphs (A) and (B) of subsection (a)(1); and

''(E) seek information from the communities and the States involved about the performance of the programs and the efforts of the Head Start agencies to collaborate with other entities carrying out early childhood education and child care programs in the community.''.

(d) TERMINATION.—Section 641A(d) of the Head Start Act (42 U.S.C. 9836a(d)) is amended—

(1) in paragraph (1)—

(A) by inserting ''or results-based performance measures developed by the Secretary under subsection (b)'' after ''subsection (a)''; and

(B) by amending subparagraph (B) to read as follows:

''(B) with respect to each identified deficiency, require the agency—

''(i) to correct the deficiency immediately, if the Secretary finds that the deficiency threatens the health or safety of staff or program participants or poses a threat to the integrity of Federal funds;

''(ii) to correct the deficiency not later than 90 days after the identification of the deficiency if

the Secretary finds, in the discretion of the Secretary, that such a 90-day period is reasonable, in light of the nature and magnitude of the deficiency; or

''(iii) in the discretion of the Secretary (taking into consideration the seriousness of the deficiency and the time reasonably required to correct the deficiency), to comply with the requirements of paragraph (2) concerning a quality improvement plan; and''; and

(2) in paragraph (2)(A), in the matter preceding clause (i), by striking ''able to correct a deficiency immediately'' and inserting ''required to correct a deficiency immediately or during a 90-day period under clause (i) or (ii) of paragraph (1)(B)''.

(e) REPORT.—Section 641A(e) of the Head Start Act (42 U.S.C. 9836a(e)) is amended by adding at the end the following: ''Such report shall be widely disseminated and available for public review in both written and electronic formats.''.

SEC. 109. POWERS AND FUNCTIONS OF HEAD START AGENCIES.

Section 642 of the Head Start Act (42 U.S.C. 9837) is amended—

(1) in subsection (a), by inserting ''or for-profit'' after ''nonprofit'';

(2) in subsection (b)—

(A) in paragraph (6)—

(i) by striking subparagraph (D); and

(ii) by redesignating subparagraphs (E) and (F) and subparagraphs (D) and (E), respectively;

(B) in paragraph (8), by striking ''and'' at the end;

(C) in paragraph (9), by striking the period at the end and inserting ''; and'';

(D) by redesignating paragraphs (6) through (9) as paragraphs (7) through (10), respectively;

(E) by inserting after paragraph (5) the following:

''(6) offer to parents of participating children substance abuse counseling (either directly or through referral to local entities), including information on drug-exposed infants and fetal alcohol syndrome;'';

(F) in paragraph (8) (as redesignated in subparagraph (D)), by striking ''paragraphs (4) through (6)'' and inserting ''paragraphs (4) through (7)''; and

(G) by adding at the end the following:

''(11)(A) inform custodial parents in single-parent families that participate in programs, activities, or services carried out or provided under this subchapter about the availability of child support services for purposes of establishing paternity and acquiring child support; and

''(B) refer eligible parents to the child support offices of State and local governments.'';

(3) in subsection (c)—

(A) by inserting ''and collaborate'' after ''coordinate'';

(B) by striking ''section 402(g) of the Social Security Act, and other'' and inserting ''the State program carried out under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.), and other early childhood education and development''; and

(C) by inserting ''and programs under part C and section 619 of the Individuals with Disabilities Education Act (20 U.S.C 1431–1445, 1419)'' after ''(20 U.S.C. 2741 et seq.)'';

(4) in subsection (d)—

(A) in paragraph (1)—

(i) by striking ''carry out'' and all that follows through ''maintain'' and inserting ''take steps to ensure, to the maximum extent possible, that children maintain'';

(ii) by inserting ''and educational'' after ''developmental''; and

(iii) by striking ''to build'' and inserting ''build'';

(B) by striking paragraph (2);

(C) by redesignating paragraphs (3) through (5) as paragraphs (2) through (4), respectively; and

(D) in subparagraph (A) of paragraph (4) (as redesignated in subparagraph (C)), by striking ''the Head Start Transition Project Act (42 U.S.C. 9855 et seq.)'' and inserting ''section 642A''; and

(5) by adding at the end the following:

''(e) Head Start agencies shall adopt, in consultation with experts in child development and with classroom teachers, an assessment to be used when hiring or evaluating any classroom teacher in a center-based Head Start program. Such assessment shall measure whether such teacher has mastered the functions described in section 648A(a)(1).''.

SEC. 110. HEAD START TRANSITION.

The Head Start Act (42 U.S.C. 9831 et seq.) is amended by inserting after section 642 the following:

''SEC. 642A. HEAD START TRANSITION.

''Each Head Start agency shall take steps to coordinate with the local educational agency serving the community involved and with schools in which children participating in a Head Start program operated by such agency will enroll following such program, including—

''(1) developing and implementing a systematic procedure for transferring, with parental consent, Head Start program records for each participating child to the school in which such child will enroll;

''(2) establishing channels of communication between Head Start staff and their counterparts in the schools (including teachers, social workers, and health staff) to facilitate coordination of programs;

''(3) conducting meetings involving parents, kindergarten or elementary school teachers, and Head Start program teachers to discuss the educational, developmental, and other needs of individual children;

''(4) organizing and participating in joint transition-related training of school staff and Head Start staff;

''(5) developing and implementing a family outreach and support program in cooperation with entities carrying out parental involvement efforts under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.);

''(6) assisting families, administrators, and teachers in enhancing educational and developmental continuity between Head Start services and elementary school classes; and

''(7) linking the services provided in such Head Start program with the education services provided by such local educational agency.''.

SEC. 111. SUBMISSION OF PLANS TO GOVERNORS.

The first sentence of section 643 of the Head Start Act (42 U.S.C. 9838) is amended—

(1) by striking ''30 days'' and inserting ''45 days'';

(2) by striking ''so disapproved'' and inserting ''disapproved (for reasons other than failure of the program to comply with State health, safety, and child care laws, including regulations applicable to comparable child care programs in the State)''; and

(3) by inserting before the period '', as evidenced by a written statement of the Secretary's findings that is transmitted to such officer''.

SEC. 112. PARTICIPATION IN HEAD START PROGRAMS.

(a) REGULATIONS.—Section 645(a)(1) of the Head Start Act (42 U.S.C. 9840(a)(1)) is amended—

(1) by striking ''provide (A) that'' and inserting the following: ''provide—

''(A) that'';

(2) by striking ''assistance; and (B) pursuant'' and inserting the following: ''assistance; and

''(B) pursuant'';

(3) in subparagraph (B), by striking ''that programs'' and inserting ''that—

''(i) programs''; and

(4) by striking ''clause (A).'' and inserting the following: ''subparagraph (A); and

''(ii) a child who has been determined to meet the low-income criteria and who is participating in a Head Start program in a program year shall be considered to continue to meet the low-income criteria through the end of the succeeding program year.

In determining, for purposes of this paragraph, whether a child who has applied for enrollment in a Head Start program meets the low-income criteria, an entity may consider evidence of family income during the 12 months preceding the month in which the application is submitted, or during the calendar year preceding the calendar year in which the application is submitted, whichever more accurately reflects the needs of the family at the time of application.''.

(b) SLIDING FEE SCALE.—Section 645(b) of the Head Start Act (42 U.S.C. 9840(b)) is amended by adding at the end the following: ''A Head Start agency that provides a Head Start program with full-working-day services in collaboration with other agencies or entities may collect a family copayment to support extended day services if a copayment is required in conjunction with the collaborative. The copayment charged to families receiving services through the Head Start program shall not exceed the copayment charged to families with similar incomes and circumstances who are receiving the services through participation in a program carried out by another agency or entity.''.

(c) CONTINUOUS RECRUITMENT AND ACCEPTANCE OF APPLICATIONS.—Section 645(c) of the Head Start Act (42 U.S.C. 9840(c)) is amended by adding at the end the following: ''Each Head Start program operated in a community shall be permitted to recruit and accept applications for enrollment of children throughout the year.''.

(d) OFF-RESERVATION AREA.—Section 645(d)(1)(B) of the Head Start Act (42 U.S.C. 9840(d)(1)(B)) is amended by striking ''a community with'' and all that follows through ''Indian Affairs'' and inserting ''a community that is an off-reservation area, designated by an appropriate tribal government, in consultation with the Secretary''.

SEC. 113. EARLY HEAD START PROGRAMS FOR FAMILIES WITH INFANTS AND TODDLERS.

Section 645A of the Head Start Act (42 U.S.C. 9840a) is amended—

*(1) in the section heading, by inserting ''**EARLY HEAD START**'' before ''**PROGRAMS FOR**'';*

(2) in subsection (a)—

(A) in paragraph (1), by striking ''; and'' and inserting a period;

(B) by striking paragraph (2); and

(C) by striking ''for—'' and all that follows through ''(1)'' and inserting ''for'';

(3) in subsection (b)—

(A) in paragraph (5), by inserting ''(including programs for infants and toddlers with disabilities)'' after ''community'';

(B) in paragraph (7), by striking ''and'' at the end;

(C) by redesignating paragraph (8) as paragraph (9); and

(D) by inserting after paragraph (7) the following:

''(8) ensure formal linkages with the agencies and entities described in section 644(b) of the Individuals with Disabilities Education Act (20 U.S.C. 1444(b)) and providers of early intervention services for infants and toddlers with disabilities under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.); and'';

(4) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking ''subsection (a)(1)'' and inserting ''subsection (a)''; and

(B) in paragraph (2), by striking ''3 (or under'' and all that follows and inserting ''3;'';

(5) in subsection (d)—

(A) in paragraph (1), by adding ''and'' at the end;

(B) by striking paragraph (2);

(C) by redesignating paragraph (3) as paragraph (2); and

(D) in paragraph (2), as redesignated in subparagraph (C), by inserting ''or for-profit'' after ''nonprofit'';

(6) by striking subsection (e);

(7) by redesignating subsections (f) and (g) as subsections (e) and (f), respectively;

(8) in subsection (e) (as redesignated in paragraph (7))—

(A) in the subsection heading, by striking ''OTHER''; and

(B) by striking ''From the balance remaining of the portion specified in section 640(a)(6), after making grants to the eligible entities specified in subsection (e),'' and inserting ''From the portion specified in section 640(a)(6),'';

(9) by striking subsection (h); and

(10) by adding at the end the following:

''(g) MONITORING, TRAINING, TECHNICAL ASSISTANCE, AND EVALUATION.—

''(1) REQUIREMENT.—In order to ensure the successful operation of programs assisted under this section, the Secretary shall use funds from the portion specified in section 640(a)(6) to monitor the operation of such programs, evaluate their effectiveness, and provide training and technical assistance tailored to the particular needs of such programs.

''(2) TRAINING AND TECHNICAL ASSISTANCE ACCOUNT.—

''(A) IN GENERAL.—Of the amount made available to carry out this section for any fiscal year, not less than 5 percent and not more than 10 percent shall be reserved to fund a training and technical assistance account.

''(B) ACTIVITIES.—Funds in the account may be used by the Secretary for purposes including—

''(i) making grants to, and entering into contracts with, organizations with specialized expertise relating to infants, toddlers, and families and the capacity needed to provide direction and support to a national training and technical assistance system, in order to provide such direction and support;

''(ii) providing ongoing training and technical assistance for regional and program staff charged with monitoring and overseeing the administration of the program carried out under this section;

''(iii) providing ongoing training and technical assistance for existing recipients (as of the date of such training or assistance) of grants under subsection (a) and support and program planning and implementation assistance for new recipients of such grants; and

''(iv) providing professional development and personnel enhancement activities, including the provision of funds to recipients of grants under subsection (a) for the recruitment and retention of qualified staff with an appropriate level of education and experience.''.

SEC. 114. TECHNICAL ASSISTANCE AND TRAINING.

(a) IN GENERAL.—Section 648 of the Head Start Act (42 U.S.C. 9843) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking ''and'' at the end;

(B) in paragraph (2), by striking the period and inserting ''; and''; and

(C) by adding at the end the following:

''(3) ensure the provision of technical assistance to assist Head Start agencies, entities carrying out other child care and early childhood programs, communities, and States in collaborative efforts to provide quality full-working-day, full calendar year services, including technical assistance related to identifying and assisting in resolving barriers to collaboration.''; and

(2) in subsection (c)—

(A) by amending paragraph (1) to read as follows:

''(1) give priority consideration to—

''(A) activities to correct program and management deficiencies identified through reviews carried out pursuant to section 641A(c) (including the provision of assistance to local programs in the development of quality improvement plans under section 641A(d)(2)); and

''(B) assisting Head Start agencies in—

''(i) ensuring the school readiness of children; and

''(ii) meeting the educational performance measures described in section 641A(b)(4);'';

(B) in paragraph (2), by inserting ''supplement amounts provided under section 640(a)(3)(C)(ii) in order to'' after ''(2)'';

(C) in paragraph (4)—

(i) by inserting ''and implementing'' after ''developing''; and

(ii) by striking ''a longer day'' and inserting the following: ''the day, and assist the agencies and programs in expediting the sharing of information about innovative models for providing full-working-day, full calendar year services for children'';

(D) in paragraph (7), by striking ''; and'' and inserting a semicolon;

(E) in paragraph (8), by striking the period and inserting ''; and'';

(F) by redesignating paragraphs (3) through (8) as paragraphs (5) through (10), respectively;

(G) by inserting after paragraph (2) the following:

''(3) assist Head Start agencies in the development of collaborative initiatives with States and other entities within the States, to foster effective early childhood professional development systems;

''(4) provide technical assistance and training, either directly or through a grant, contract, or cooperative agreement with an entity that has experience in the development and operation of successful family literacy services programs, for the purpose of—

''(A) assisting Head Start agencies providing family literacy services, in order to improve the quality of such family literacy services; and

''(B) enabling those Head Start agencies that demonstrate effective provision of family literacy services, based on improved outcomes for children and their parents, to provide technical assistance and training to other Head Start agencies and to service providers that work in collaboration with such agencies to provide family literacy services;''; and

(H) by adding at the end the following:

''(11) provide support for Head Start agencies (including policy councils and policy committees, as defined in regulation) that meet the standards described in section 641A(a) but that have, as documented by the Secretary through reviews conducted pursuant to section 641A(c), significant programmatic, quality, and fiscal issues to address.''.

(b) SERVICES.—Section 648(e) of the Head Start Act (42 U.S.C. 9843(e)) is amended by inserting ''(including services to promote the acquisition of the English language)'' after ''non-English language background children''.

SEC. 115. PROFESSIONAL REQUIREMENTS.

Section 648A of the Head Start Act (42 U.S.C. 9843a) is amended—

(1) by amending subsection (a) to read as follows:

''(a) CLASSROOM TEACHERS.—

''(1) PROFESSIONAL REQUIREMENTS.—The Secretary shall ensure that each Head Start classroom in a center-based program is assigned one teacher who has demonstrated competency to perform functions that include—

''(A) planning and implementing learning experiences that advance the intellectual and physical development of children, including improving the readiness of children for school by developing their literacy and phonemic, print, and numeracy awareness, their understanding and use of language, their understanding and use of increasingly complex and varied vocabulary, their appreciation of books, and their problem solving abilities;

''(B) establishing and maintaining a safe, healthy learning environment;

''(C) supporting the social and emotional development of children; and

''(D) encouraging the involvement of the families of the children in a Head Start program and supporting the development of relationships between children and their families.

''(2) DEGREE REQUIREMENTS.—

''(A) IN GENERAL.—The Secretary shall ensure that not later than September 30, 2003, at least 50 percent of all Head Start teachers nationwide in center-based programs have—

''(i) an associate, baccalaureate, or advanced degree in early childhood education; or

''(ii) an associate, baccalaureate, or advanced degree in a field related to early childhood education, with experience in teaching preschool children.

''(B) PROGRESS.—The Secretary shall require Head Start agencies to demonstrate continuing progress each year to reach the result described in subparagraph (A).

''(3) ALTERNATIVE CREDENTIALING REQUIREMENTS.—The Secretary shall ensure that, for center-based programs, each Head Start classroom that does not have a teacher that meets the requirements of clause (i) or (ii) of paragraph (2)(A) is assigned one teacher who has—

''(A) a child development associate credential that is appropriate to the age of the children being served in center-based programs;

''(B) a State-awarded certificate for preschool teachers that meets or exceeds the requirements for a child development associate credential; or

''(C) a degree in a field related to early childhood education with experience in teaching preschool children and a State-awarded certificate to teach in a preschool program.

''(4) WAIVER.—

''(A) IN GENERAL.—On request, the Secretary shall grant a 180-day waiver of the requirements of paragraph (3), for a Head Start agency that can demonstrate that the agency has unsuccessfully attempted to recruit an individual who has a credential, certificate, or degree described in paragraph (3), with respect to an individual who—

''(i) is enrolled in a program that grants any such credential, certificate, or degree; and

''(ii) will receive such credential, certificate, or degree under the terms of such program not later than 180 days after beginning employment as a teacher with such agency.

''(B) LIMITATION.—The Secretary may not grant more than one such waiver with respect to such individual.''; and

(2) in subsection (b)(2)(B)—

(A) by striking ''staff,'' and inserting ''staff or''; and

(B) by striking '', or that'' and all that follows through ''families''.

SEC. 116. RESEARCH AND EVALUATION.

Section 649 of the Head Start Act (42 U.S.C. 9844) is amended—

(1) in subsection (d)—

(A) in paragraph (6), by striking ''and'' at the end;

(B) in paragraph (7), by striking the period at the end and inserting a semicolon;

(C) by redesignating paragraphs (2) through (7) as paragraphs (3) through (8), respectively;

(D) by inserting after paragraph (1) the following:

''(2) establish evaluation methods that measure the effectiveness and impact of family literacy services program models, including models for the integration of family literacy services with Head Start services;''; and

(E) by adding at the end the following:

''(9) study the experiences of small, medium, and large States with Head Start programs in order to permit comparisons of children participating in the programs with eligible children who did not participate in the programs, which study—

''(A) may include the use of a data set that existed prior to the initiation of the study; and

''(B) shall compare the educational achievement, social adaptation, and health status of the participating children and the eligible non-participating children; and

''(10) provide for—

''(A) using the Survey of Income and Program Participation to conduct an analysis of the different income levels of Head Start participants compared to comparable persons who did not attend Head Start programs;

''(B) using the National Longitudinal Survey of Youth, which began gathering data in 1988 on children who attended Head Start programs, to examine the wide range of outcomes measured within the Survey, including outcomes related to cognitive, socio-emotional, behavioral, and academic development;

''(C) using the Survey of Program Dynamics, the new longitudinal survey required by section 414 of the Social Security Act (42 U.S.C. 614), to begin annual reporting, through the duration of the Survey, on Head Start program attendees' academic readiness performance and improvements;

''(D) ensuring that the Survey of Program Dynamics is linked with the National Longitudinal Survey of Youth at least once by the use of a common performance test, to be determined by the expert panel, for the greater national usefulness of the National Longitudinal Survey of Youth database; and

''(E) disseminating the results of the analysis, examination, reporting, and linkage described in subparagraphs (A) through (D) to persons conducting other studies under this subchapter.

The Secretary shall ensure that an appropriate entity carries out a study described in paragraph (9), and prepares and submits to the appropriate committees of Congress a report containing the results of the study, not later than September 30, 2002.''; and

(2) by adding at the end the following:

''(g) NATIONAL HEAD START IMPACT RESEARCH.—

''(1) EXPERT PANEL.—

''(A) IN GENERAL.—The Secretary shall appoint an independent panel consisting of experts in program evaluation and research, education, and early childhood programs—

''(i) to review, and make recommendations on, the design and plan for the research (whether conducted as a single assessment or as a series of assessments) described in paragraph (2), within 1 year after the date of enactment of the Coats Human Services Reauthorization Act of 1998;

''(ii) to maintain and advise the Secretary regarding the progress of the research; and

''(iii) to comment, if the panel so desires, on the interim and final research reports submitted under paragraph (7).

''(B) TRAVEL EXPENSES.—The members of the panel shall not receive compensation for the performance of services for the panel, but shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the panel. Notwithstanding section 1342 of title 31, United States Code, the Secretary may accept the voluntary and uncompensated services of members of the panel.

''(2) GENERAL AUTHORITY.—After reviewing the recommendations of the expert panel, the Secretary shall make a grant to, or enter into a contract or cooperative agreement with, an organization to conduct independent research that provides a national analysis of the impact of Head Start programs. The Secretary shall ensure that the organization shall have expertise in program evaluation, and research, education, and early childhood programs.

''(3) DESIGNS AND TECHNIQUES.—The Secretary shall ensure that the research uses rigorous methodological designs and techniques (based on the recommendations of the expert panel), including longitudinal designs, control groups, nationally recognized standardized measures, and random selection and assignment, as appropriate. The Secretary may provide that the research shall be conducted as a single comprehensive assessment or as a group of coordinated assessments designed to provide, when taken together, a national analysis of the impact of Head Start programs.

''(4) PROGRAMS.—The Secretary shall ensure that the research focuses primarily on Head Start programs that operate in the 50 States, the Commonwealth of Puerto Rico, or the District of Columbia and that do not specifically target special populations.

''(5) ANALYSIS.—The Secretary shall ensure that the organization conducting the research—

''(A)(i) determines if, overall, the Head Start programs have impacts consistent with their primary goal of increasing the social competence of children, by increasing the everyday effectiveness of the children in dealing with their present environments and future responsibilities, and increasing their school readiness;

''(ii) considers whether the Head Start programs—

''(I) enhance the growth and development of children in cognitive, emotional, and physical health areas;

''(II) strengthen families as the primary nurturers of their children; and

''(III) ensure that children attain school readiness; and

''(iii) examines—

''(I) the impact of the Head Start programs on increasing access of children to such services as educational, health, and nutritional services, and linking children and families to needed community services; and

''(II) how receipt of services described in subclause (I) enriches the lives of children and families participating in Head Start programs;

''(B) examines the impact of Head Start programs on participants on the date the participants leave Head Start programs, at the end of kindergarten and at the end of first grade (whether in public or private school), by examining a variety of factors, including educational achievement, referrals for special education or remedial course work, and absenteeism;

''(C) makes use of random selection from the population of all Head Start programs described in paragraph (4) in selecting programs for inclusion in the research; and

''(D) includes comparisons of individuals who participate in Head Start programs with control groups (including comparison groups) composed of—

''(i) individuals who participate in other early childhood programs (such as public or private preschool programs and day care); and

''(ii) individuals who do not participate in any other early childhood program.

''(6) CONSIDERATION OF SOURCES OF VARIATION.—In designing the research, the Secretary shall, to the extent practicable, consider addressing possible sources of variation in impact of Head Start programs, including variations in impact related to such factors as—

''(A) Head Start program operations;

''(B) Head Start program quality;

''(C) the length of time a child attends a Head Start program;

''(D) the age of the child on entering the Head Start program;

''(E) the type of organization (such as a local educational agency or a community action agency) providing services for the Head Start program;

''(F) the number of hours and days of program operation of the Head Start program (such as whether the program is a full-working-day, full calendar year program, a part-day program, or a part-year program); and

''(G) other characteristics and features of the Head Start program (such as geographic location, location in an urban or a rural service area, or participant characteristics), as appropriate.

''(7) REPORTS.—

''(A) SUBMISSION OF INTERIM REPORTS.—The organization shall prepare and submit to the Secretary two interim reports on the research. The first interim report shall describe the design of the research, and the rationale for the design, including a description of how potential sources of variation in impact of Head Start programs have been considered in designing the research. The second interim report shall describe the status of the research and preliminary findings of the research, as appropriate.

''(B) SUBMISSION OF FINAL REPORT.—The organization shall prepare and submit to the Secretary a final report containing the findings of the research.

''(C) TRANSMITTAL OF REPORTS TO CONGRESS.—

''(i) IN GENERAL.—The Secretary shall transmit, to the committees described in clause (ii), the first interim report by September 30, 1999, the second interim report by September 30, 2001, and the final report by September 30, 2003.

''(ii) COMMITTEES.—The committees referred to in clause (i) are the Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

''(8) DEFINITION.—In this subsection, the term 'impact', used with respect to a Head Start program, means a difference in an outcome for a participant in the program that would not have occurred without the participation in the program.

''(h) QUALITY IMPROVEMENT STUDY.—

''(1) STUDY.—The Secretary shall conduct a study regarding the use and effects of use of the quality improvement funds made available under section 640(a)(3) since fiscal year 1991.

''(2) REPORT.—The Secretary shall prepare and submit to Congress not later than September 2000 a report containing the results of the study, including information on—

''(A) the types of activities funded with the quality improvement funds;

''(B) the extent to which the use of the quality improvement funds has accomplished the goals of section 640(a)(3)(B);

''(C) the effect of use of the quality improvement funds on teacher training, salaries, benefits, recruitment, and retention; and

''(D) the effect of use of the quality improvement funds on the development of children receiving services under this subchapter.''.

SEC. 117. REPORTS.

Section 650 of the Head Start Act (42 U.S.C. 9846) is amended—

(1) by inserting ''(a) STATUS OF CHILDREN.—'' before ''At'';

(2) by striking ''and Labor'' each place it appears and inserting ''and the Workforce''; and

(3) by adding at the end the following:

''(b) FACILITIES.—At least once during every 5-year period, the Secretary shall prepare and submit, to the Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report concerning the condition, location, and ownership of facilities used, or available to be used, by Indian Head Start agencies (including Native Alaskan Head Start agencies) and Native Hawaiian Head Start agencies.''.

SEC. 118. REPEAL OF CONSULTATION REQUIREMENT.

Section 657A of the Head Start Act (42 U.S.C. 9852a) is repealed.

SEC. 119. REPEAL OF HEAD START TRANSITION PROJECT ACT.

The Head Start Transition Project Act (42 U.S.C. 9855–9855g) is repealed.

TITLE II—COMMUNITY SERVICES BLOCK GRANT PROGRAM

SEC. 201. REAUTHORIZATION.

The Community Services Block Grant Act (42 U.S.C. 9901 et seq.) is amended to read as follows:

''Subtitle B—Community Services Block Grant Program

''SEC. 671. SHORT TITLE.

''This subtitle may be cited as the 'Community Services Block Grant Act'.

"SEC. 672. PURPOSES AND GOALS.

''The purposes of this subtitle are—

''(1) to provide assistance to States and local communities, working through a network of community action agencies and other neighborhood-based organizations, for the reduction of poverty, the revitalization of low-income communities, and the empowerment of low-income families and individuals in rural and urban areas to become fully self-sufficient (particularly families who are attempting to transition off a State program carried out under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)); and

''(2) to accomplish the goals described in paragraph (1) through—

''(A) the strengthening of community capabilities for planning and coordinating the use of a broad range of Federal, State, local, and other assistance (including private resources) related to the elimination of poverty, so that this assistance can be used in a manner responsive to local needs and conditions;

''(B) the organization of a range of services related to the needs of low-income families and individuals, so that these services may have a measurable and potentially major impact on the causes of poverty in the community and may help the families and individuals to achieve self-sufficiency;

''(C) the greater use of innovative and effective community-based approaches to attacking the causes and effects of poverty and of community breakdown;

''(D) the maximum participation of residents of the low-income communities and members of the groups served by programs assisted through the block grants made under this subtitle to empower such residents and members to respond to the unique problems and needs within their communities; and

''(E) the broadening of the resource base of programs directed to the elimination of poverty so as to secure a more active role in the provision of services for—

''(i) private, religious, charitable, and neighborhood-based organizations; and

''(ii) individual citizens, and business, labor, and professional groups, who are able to influence the quantity and quality of opportunities and services for the poor.

"SEC. 673. DEFINITIONS.

''In this subtitle:

''(1) ELIGIBLE ENTITY; FAMILY LITERACY SERVICES.—

''(A) ELIGIBLE ENTITY.—The term 'eligible entity' means an entity—

''(i) that is an eligible entity described in section 673(1) (as in effect on the day before the date of enactment of the Coats Human Services Reauthorization Act of 1998) as of the day before such date of enactment or is designated by the process described in section 676A (including an organization serving migrant or seasonal farmworkers that is so described or designated); and

''(ii) that has a tripartite board or other mechanism described in subsection (a) or (b), as appropriate, of section 676B.

''(B) FAMILY LITERACY SERVICES.—The term 'family literacy services' has the meaning given the term in section 637 of the Head Start Act (42 U.S.C. 9832).

''(2) POVERTY LINE.—The term 'poverty line' means the official poverty line defined by the Office of Management and Budget based on the most recent data available from the Bureau of the Census. The Secretary shall revise annually (or at any shorter interval the Secretary determines to be feasible and desirable) the poverty line, which shall be used as a criterion of eligibility in the community services block grant program established under this subtitle. The required revision shall be accomplished by multiplying the official poverty line by the percentage change in the Consumer Price Index for All Urban Consumers during the annual or other interval immediately preceding the time at which the revision is made. Whenever a State determines that it serves the objectives of the block grant program established under this subtitle, the State may revise the poverty line to not to exceed 125 percent of the official poverty line otherwise applicable under this paragraph.

''(3) PRIVATE, NONPROFIT ORGANIZATION.—The term 'private, nonprofit organization' includes a religious organization, to which the provisions of section 679 shall apply.

''(4) SECRETARY.—The term 'Secretary' means the Secretary of Health and Human Services.

''(5) STATE.—The term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the United States Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.

"SEC. 674. AUTHORIZATION OF APPROPRIATIONS.

''(a) IN GENERAL.—There are authorized to be appropriated such sums as may be necessary for each of fiscal years 1999 through 2003 to carry out the provisions of this subtitle (other than sections 681 and 682).

''(b) RESERVATIONS.—Of the amounts appropriated under subsection (a) for each fiscal year, the Secretary shall reserve—

''(1) ½ of 1 percent for carrying out section 675A (relating to payments for territories);

''(2) 1 ½ percent for activities authorized in sections 678A through 678F, of which—

''(A) not less than ½ of the amount reserved by the Secretary under this paragraph shall be distributed directly to eligible entities, organizations, or associations described in section 678A(c)(2) for the purpose of carrying out activities described in section 678A(c); and

''(B) ½ of the remainder of the amount reserved by the Secretary under this paragraph shall be used by the Secretary to carry out evaluation and to assist States in carrying out corrective action activities and monitoring (to correct programmatic deficiencies of eligible entities), as described in sections 678B(c) and 678A; and

''(3) 9 percent for carrying out section 680 (relating to discretionary activities) and section 678E(b)(2).

"SEC. 675. ESTABLISHMENT OF BLOCK GRANT PROGRAM.

''The Secretary is authorized to establish a community services block grant program and make grants through the program to States to ameliorate the causes of poverty in communities within the States.

"SEC. 675A. DISTRIBUTION TO TERRITORIES.

''(a) APPORTIONMENT.—The Secretary shall apportion the amount reserved under section 674(b)(1) for each fiscal year on the basis of need among Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

''(b) APPLICATION.—Each jurisdiction to which subsection (a) applies may receive a grant under this section for the amount apportioned under subsection (a) on submitting to the Secretary, and obtaining approval of, an application, containing provisions that describe the programs for which assistance is sought under this section, that is prepared in accordance with, and contains the information described in, section 676.

"SEC. 675B. ALLOTMENTS AND PAYMENTS TO STATES.

''(a) ALLOTMENTS IN GENERAL.—The Secretary shall, from the amount appropriated under section 674(a) for each fiscal year that remains after the Secretary makes the reservations required in section 674(b), allot to each State (subject to section 677) an amount that bears the same ratio to such remaining amount as the amount received by the State for fiscal year 1981 under section 221 of the Economic Opportunity Act of 1964 bore to the total amount received by all States for fiscal year 1981 under such section, except—

''(1) that no State shall receive less than ¼ of 1 percent of the amount appropriated under section 674(a) for such fiscal year; and

''(2) as provided in subsection (b).

''(b) ALLOTMENTS IN YEARS WITH GREATER AVAILABLE FUNDS.—

''(1) MINIMUM ALLOTMENTS.—Subject to paragraphs (2) and (3), if the amount appropriated under section 674(a) for a fiscal year that remains after the Secretary makes the reservations required in section 674(b) exceeds $345,000,000, the Secretary shall allot to each State not less than ½ of 1 percent of the amount appropriated under section 674(a) for such fiscal year.

''(2) MAINTENANCE OF FISCAL YEAR 1990 LEVELS.—Paragraph (1) shall not apply with respect to a fiscal year if the amount allotted under subsection (a) to any State for that year is less than the amount allotted under section 674(a)(1) (as in effect on September 30, 1989) to such State for fiscal year 1990.

''(3) MAXIMUM ALLOTMENTS.—The amount allotted under paragraph (1) to a State for a fiscal year shall be reduced, if necessary, so that the aggregate amount allotted to such State under such paragraph and subsection (a) does not exceed 140 percent of the aggregate amount allotted to such State under the corresponding provisions of this subtitle for the preceding fiscal year.

''(c) PAYMENTS.—The Secretary shall make grants to eligible States for the allotments described in subsections (a) and (b). The Secretary shall make payments for the grants in accordance with section 6503(a) of title 31, United States Code.

''(d) DEFINITION.—In this section, the term 'State' does not include Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

"SEC. 675C. USES OF FUNDS.

''(a) GRANTS TO ELIGIBLE ENTITIES AND OTHER ORGANIZATIONS.—

''(1) IN GENERAL.—Not less than 90 percent of the funds made available to a State under section 675A or 675B shall be used by the State to make grants for the purposes described in section 672 to eligible entities.

''(2) OBLIGATIONAL AUTHORITY.—Funds distributed to eligible entities through grants made in accordance with paragraph (1) for a fiscal year shall be available for obligation during that fiscal year and the succeeding fiscal year, subject to paragraph (3).

''(3) RECAPTURE AND REDISTRIBUTION OF UNOBLIGATED FUNDS.—

''(A) AMOUNT.—Beginning on October 1, 2000, a State may recapture and redistribute funds distributed to an eligible entity through a grant made under paragraph (1) that are unobligated at the end of a fiscal year if such unobligated funds exceed 20 percent of the amount so distributed to such eligible entity for such fiscal year.

''(B) REDISTRIBUTION.—In redistributing funds recaptured in accordance with this paragraph, States shall redistribute such funds to an eligible entity, or require the original recipient of the funds to redistribute the funds to a private, nonprofit organization, located within the community served by the original recipient of the funds, for activities consistent with the purposes of this subtitle.

''(b) STATEWIDE ACTIVITIES.—

''(1) USE OF REMAINDER.—If a State uses less than 100 percent of the grant or allotment received under section 675A or 675B to make grants under subsection (a), the State shall use the remainder of the grant or allotment under section 675A or 675B (subject to paragraph (2)) for activities that may include—

''(A) providing training and technical assistance to those entities in need of such training and assistance;

''(B) coordinating State-operated programs and services, and at the option of the State, locally-operated programs and services, targeted

to low-income children and families with services provided by eligible entities and other organizations funded under this subtitle, including detailing appropriate employees of State or local agencies to entities funded under this subtitle, to ensure increased access to services provided by such State or local agencies;

''(C) supporting statewide coordination and communication among eligible entities;

''(D) analyzing the distribution of funds made available under this subtitle within the State to determine if such funds have been targeted to the areas of greatest need;

''(E) supporting asset-building programs for low-income individuals, such as programs supporting individual development accounts;

''(F) supporting innovative programs and activities conducted by community action agencies or other neighborhood-based organizations to eliminate poverty, promote self-sufficiency, and promote community revitalization;

''(G) supporting State charity tax credits as described in subsection (c); and

''(H) supporting other activities, consistent with the purposes of this subtitle.

''(2) ADMINISTRATIVE CAP.—No State may spend more than the greater of $55,000, or 5 percent, of the grant received under section 675A or State allotment received under section 675B for administrative expenses, including monitoring activities. Funds to be spent for such expenses shall be taken from the portion of the grant under section 675A or State allotment that remains after the State makes grants to eligible entities under subsection (a). The cost of activities conducted under paragraph (1)(A) shall not be considered to be administrative expenses. The startup cost and cost of administrative activities conducted under subsection (c) shall be considered to be administrative expenses.

''(c) CHARITY TAX CREDIT.—

''(1) IN GENERAL.—Subject to paragraph (2), if there is in effect under State law a charity tax credit, the State may use for any purpose the amount of the allotment that is available for expenditure under subsection (b).

''(2) LIMIT.—The aggregate amount a State may use under paragraph (1) during a fiscal year shall not exceed 100 percent of the revenue loss of the State during the fiscal year that is attributable to the charity tax credit, as determined by the Secretary of the Treasury without regard to any such revenue loss occurring before January 1, 1999.

''(3) DEFINITIONS AND RULES.—In this subsection:

''(A) CHARITY TAX CREDIT.—The term 'charity tax credit' means a nonrefundable credit against State income tax (or, in the case of a State that does not impose an income tax, a comparable benefit) that is allowable for contributions, in cash or in kind, to qualified charities.

''(B) QUALIFIED CHARITY.—

''(i) IN GENERAL.—The term 'qualified charity' means any organization—

''(I) that is—

''(aa) described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code;

''(bb) an eligible entity; or

''(cc) a public housing agency as defined in section 3(b)(6) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(6));

''(II) that is certified by the appropriate State authority as meeting the requirements of clauses (iii) and (iv); and

''(III) if such organization is otherwise required to file a return under section 6033 of such Code, that elects to treat the information required to be furnished by clause (v) as being specified in section 6033(b) of such Code.

''(ii) CERTAIN CONTRIBUTIONS TO COLLECTION ORGANIZATIONS TREATED AS CONTRIBUTIONS TO QUALIFIED CHARITY.—

''(I) IN GENERAL.—A contribution to a collection organization shall be treated as a contribution to a qualified charity if the donor designates in writing that the contribution is for the qualified charity.

''(II) COLLECTION ORGANIZATION.—The term 'collection organization' means an organization described in section 501(c)(3) of such Code and exempt from tax under section 501(a) of such Code—

''(aa) that solicits and collects gifts and grants that, by agreement, are distributed to qualified charities;

''(bb) that distributes to qualified charities at least 90 percent of the gifts and grants the organization receives that are designated for such qualified charities; and

''(cc) that meets the requirements of clause (vi).

''(iii) CHARITY MUST PRIMARILY ASSIST POOR INDIVIDUALS.—

''(I) IN GENERAL.—An organization meets the requirements of this clause only if the appropriate State authority reasonably expects that the predominant activity of such organization will be the provision of direct services within the United States to individuals and families whose annual incomes generally do not exceed 185 percent of the poverty line in order to prevent or alleviate poverty among such individuals and families.

''(II) NO RECORDKEEPING IN CERTAIN CASES.—An organization shall not be required to establish or maintain records with respect to the incomes of individuals and families for purposes of subclause (I) if such individuals or families are members of groups that are generally recognized as including substantially only individuals and families described in subclause (I).

''(III) FOOD AID AND HOMELESS SHELTERS.—Except as otherwise provided by the appropriate State authority, for purposes of subclause (I), services to individuals in the form of—

''(aa) donations of food or meals; or

''(bb) temporary shelter to homeless individuals;

shall be treated as provided to individuals described in subclause (I) if the location and provision of such services are such that the service provider may reasonably conclude that the beneficiaries of such services are predominantly individuals described in subclause (I).

''(iv) MINIMUM EXPENSE REQUIREMENT.—

''(I) IN GENERAL.—An organization meets the requirements of this clause only if the appropriate State authority reasonably expects that the annual poverty program expenses of such organization will not be less than 75 percent of the annual aggregate expenses of such organization.

''(II) POVERTY PROGRAM EXPENSE.—For purposes of subclause (I)—

''(aa) IN GENERAL.—The term 'poverty program expense' means any expense in providing direct services referred to in clause (iii).

''(bb) EXCEPTIONS.—Such term shall not include any management or general expense, any expense for the purpose of influencing legislation (as defined in section 4911(d) of the Internal Revenue Code of 1986), any expense for the purpose of fundraising, any expense for a legal service provided on behalf of any individual referred to in clause (iii), any expense for providing tuition assistance relating to compulsory school attendance, and any expense that consists of a payment to an affiliate of the organization.

''(v) REPORTING REQUIREMENT.—The information required to be furnished under this clause about an organization is—

''(I) the percentages determined by dividing the following categories of the organization's expenses for the year by the total expenses of the organization for the year: expenses for direct services, management expenses, general expenses, fundraising expenses, and payments to affiliates; and

''(II) the category or categories (including food, shelter, education, substance abuse prevention or treatment, job training, or other) of services that constitute predominant activities of the organization.

''(vi) ADDITIONAL REQUIREMENTS FOR COLLECTION ORGANIZATIONS.—The requirements of this clause are met if the organization—

''(I) maintains separate accounting for revenues and expenses; and

''(II) makes available to the public information on the administrative and fundraising costs of the organization, and information as to the organizations receiving funds from the organization and the amount of such funds.

''(vii) SPECIAL RULE FOR STATES REQUIRING TAX UNIFORMITY.—In the case of a State—

''(I) that has a constitutional requirement of tax uniformity; and

''(II) that, as of December 31, 1997, imposed a tax on personal income with—

''(aa) a single flat rate applicable to all earned and unearned income (except insofar as any amount is not taxed pursuant to tax forgiveness provisions); and

''(bb) no generally available exemptions or deductions to individuals;

the requirement of paragraph (2) shall be treated as met if the amount of the credit described in paragraph (2) is limited to a uniform percentage (but not greater than 25 percent) of State personal income tax liability (determined without regard to credits).

''(4) LIMITATION ON USE OF FUNDS FOR STARTUP AND ADMINISTRATIVE ACTIVITIES.—Except to the extent provided in subsection (b)(2), no part of the aggregate amount a State uses under paragraph (1) may be used to pay for the cost of the startup and administrative activities conducted under this subsection.

''(5) PROHIBITION ON USE OF FUNDS FOR LEGAL SERVICES OR TUITION ASSISTANCE.—No part of the aggregate amount a State uses under paragraph (1) may be used to provide legal services or to provide tuition assistance related to compulsory education requirements (not including tuition assistance for tutoring, camps, skills development, or other supplemental services or training).

''(6) PROHIBITION ON SUPPLANTING FUNDS.—No part of the aggregate amount a State uses under paragraph (1) may be used to supplant non-Federal funds that would be available, in the absence of Federal funds, to offset a revenue loss of the State attributable to a charity tax credit.

''SEC. 676. APPLICATION AND PLAN.

''(a) DESIGNATION OF LEAD AGENCY.—

''(1) DESIGNATION.—The chief executive officer of a State desiring to receive a grant or allotment under section 675A or 675B shall designate, in an application submitted to the Secretary under subsection (b), an appropriate State agency that complies with the requirements of paragraph (2) to act as a lead agency for purposes of carrying out State activities under this subtitle.

''(2) DUTIES.—The lead agency shall—

''(A) develop the State plan to be submitted to the Secretary under subsection (b);

''(B) in conjunction with the development of the State plan as required under subsection (b), hold at least one hearing in the State with sufficient time and statewide distribution of notice of such hearing, to provide to the public an opportunity to comment on the proposed use and distribution of funds to be provided through the grant or allotment under section 675A or 675B for the period covered by the State plan; and

''(C) conduct reviews of eligible entities under section 678B.

''(3) LEGISLATIVE HEARING.—In order to be eligible to receive a grant or allotment under section 675A or 675B, the State shall hold at least one legislative hearing every 3 years in conjunction with the development of the State plan.

''(b) STATE APPLICATION AND PLAN.—Beginning with fiscal year 2000, to be eligible to receive a grant or allotment under section 675A or 675B, a State shall prepare and submit to the Secretary an application and State plan covering a period of not less than 1 fiscal year and not more than 2 fiscal years. The plan shall be

submitted not later than 30 days prior to the beginning of the first fiscal year covered by the plan, and shall contain such information as the Secretary shall require, including—

''(1) an assurance that funds made available through the grant or allotment will be used—

''(A) to support activities that are designed to assist low-income families and individuals, including families and individuals receiving assistance under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), homeless families and individuals, migrant or seasonal farmworkers, and elderly low-income individuals and families, and a description of how such activities will enable the families and individuals—

''(i) to remove obstacles and solve problems that block the achievement of self-sufficiency (including self-sufficiency for families and individuals who are attempting to transition off a State program carried out under part A of title IV of the Social Security Act);

''(ii) to secure and retain meaningful employment;

''(iii) to attain an adequate education, with particular attention toward improving literacy skills of the low-income families in the communities involved, which may include carrying out family literacy initiatives;

''(iv) to make better use of available income;

''(v) to obtain and maintain adequate housing and a suitable living environment;

''(vi) to obtain emergency assistance through loans, grants, or other means to meet immediate and urgent family and individual needs; and

''(vii) to achieve greater participation in the affairs of the communities involved, including the development of public and private grassroots partnerships with local law enforcement agencies, local housing authorities, private foundations, and other public and private partners to—

''(I) document best practices based on successful grassroots intervention in urban areas, to develop methodologies for widespread replication; and

''(II) strengthen and improve relationships with local law enforcement agencies, which may include participation in activities such as neighborhood or community policing efforts;

''(B) to address the needs of youth in low-income communities through youth development programs that support the primary role of the family, give priority to the prevention of youth problems and crime, and promote increased community coordination and collaboration in meeting the needs of youth, and support development and expansion of innovative community-based youth development programs that have demonstrated success in preventing or reducing youth crime, such as—

''(i) programs for the establishment of violence-free zones that would involve youth development and intervention models (such as models involving youth mediation, youth mentoring, life skills training, job creation, and entrepreneurship programs); and

''(ii) after-school child care programs; and

''(C) to make more effective use of, and to coordinate with, other programs related to the purposes of this subtitle (including State welfare reform efforts);

''(2) a description of how the State intends to use discretionary funds made available from the remainder of the grant or allotment described in section 675C(b) in accordance with this subtitle, including a description of how the State will support innovative community and neighborhood-based initiatives related to the purposes of this subtitle;

''(3) information provided by eligible entities in the State, containing—

''(A) a description of the service delivery system, for services provided or coordinated with funds made available through grants made under section 675C(a), targeted to low-income individuals and families in communities within the State;

''(B) a description of how linkages will be developed to fill identified gaps in the services, through the provision of information, referrals, case management, and followup consultations;

''(C) a description of how funds made available through grants made under section 675C(a) will be coordinated with other public and private resources; and

''(D) a description of how the local entity will use the funds to support innovative community and neighborhood-based initiatives related to the purposes of this subtitle, which may include fatherhood initiatives and other initiatives with the goal of strengthening families and encouraging effective parenting;

''(4) an assurance that eligible entities in the State will provide, on an emergency basis, for the provision of such supplies and services, nutritious foods, and related services, as may be necessary to counteract conditions of starvation and malnutrition among low-income individuals;

''(5) an assurance that the State and the eligible entities in the State will coordinate, and establish linkages between, governmental and other social services programs to assure the effective delivery of such services to low-income individuals and to avoid duplication of such services, and a description of how the State and the eligible entities will coordinate the provision of employment and training activities, as defined in section 101 of such Act, in the State and in communities with entities providing activities through statewide and local workforce investment systems under the Workforce Investment Act of 1998;

''(6) an assurance that the State will ensure coordination between antipoverty programs in each community in the State, and ensure, where appropriate, that emergency energy crisis intervention programs under title XXVI (relating to low-income home energy assistance) are conducted in such community;

''(7) an assurance that the State will permit and cooperate with Federal investigations undertaken in accordance with section 678D;

''(8) an assurance that any eligible entity in the State that received funding in the previous fiscal year through a community services block grant made under this subtitle will not have its funding terminated under this subtitle, or reduced below the proportional share of funding the entity received in the previous fiscal year unless, after providing notice and an opportunity for a hearing on the record, the State determines that cause exists for such termination or such reduction, subject to review by the Secretary as provided in section 678C(b);

''(9) an assurance that the State and eligible entities in the State will, to the maximum extent possible, coordinate programs with and form partnerships with other organizations serving low-income residents of the communities and members of the groups served by the State, including religious organizations, charitable groups, and community organizations;

''(10) an assurance that the State will require each eligible entity in the State to establish procedures under which a low-income individual, community organization, or religious organization, or representative of low-income individuals that considers its organization, or low-income individuals, to be inadequately represented on the board (or other mechanism) of the eligible entity to petition for adequate representation;

''(11) an assurance that the State will secure from each eligible entity in the State, as a condition to receipt of funding by the entity through a community services block grant made under this subtitle for a program, a community action plan (which shall be submitted to the Secretary, at the request of the Secretary, with the State plan) that includes a community-needs assessment for the community served, which may be coordinated with community-needs assessments conducted for other programs;

''(12) an assurance that the State and all eligible entities in the State will, not later than fiscal year 2001, participate in the Results Oriented Management and Accountability System, another performance measure system for which the Secretary facilitated development pursuant to section 678E(b), or an alternative system for measuring performance and results that meets the requirements of that section, and a description of outcome measures to be used to measure eligible entity performance in promoting self-sufficiency, family stability, and community revitalization; and

''(13) information describing how the State will carry out the assurances described in this subsection.

''(c) FUNDING TERMINATION OR REDUCTIONS.—For purposes of making a determination in accordance with subsection (b)(8) with respect to—

''(1) a funding reduction, the term 'cause' includes—

''(A) a statewide redistribution of funds provided through a community services block grant under this subtitle to respond to—

''(i) the results of the most recently available census or other appropriate data;

''(ii) the designation of a new eligible entity; or

''(iii) severe economic dislocation; or

''(B) the failure of an eligible entity to comply with the terms of an agreement or a State plan, or to meet a State requirement, as described in section 678C(a); and

''(2) a termination, the term 'cause' includes the failure of an eligible entity to comply with the terms of an agreement or a State plan, or to meet a State requirement, as described in section 678C(a).

''(d) PROCEDURES AND INFORMATION.—The Secretary may prescribe procedures for the purpose of assessing the effectiveness of eligible entities in carrying out the purposes of this subtitle.

''(e) REVISIONS AND INSPECTION.—

''(1) REVISIONS.—The chief executive officer of each State may revise any plan prepared under this section and shall submit the revised plan to the Secretary.

''(2) PUBLIC INSPECTION.—Each plan or revised plan prepared under this section shall be made available for public inspection within the State in such a manner as will facilitate review of, and comment on, the plan.

''(f) TRANSITION.—For fiscal year 2000, to be eligible to receive a grant or allotment under section 675A or 675B, a State shall prepare and submit to the Secretary an application and State plan in accordance with the provisions of this subtitle (as in effect on the day before the date of enactment of the Coats Human Services Reauthorization Act of 1998), rather than the provisions of subsections (a) through (c) relating to applications and plans.

''SEC. 676A. DESIGNATION AND REDESIGNATION OF ELIGIBLE ENTITIES IN UNSERVED AREAS.

''(a) QUALIFIED ORGANIZATION IN OR NEAR AREA.—

''(1) IN GENERAL.—If any geographic area of a State is not, or ceases to be, served by an eligible entity under this subtitle, and if the chief executive officer of the State decides to serve such area, the chief executive officer may solicit applications from, and designate as an eligible entity—

''(A) a private nonprofit organization (which may include an eligible entity) that is geographically located in the unserved area, that is capable of providing a broad range of services designed to eliminate poverty and foster self-sufficiency, and that meets the requirements of this subtitle; and

''(B) a private nonprofit eligible entity that is geographically located in an area contiguous to or within reasonable proximity of the unserved area and that is already providing related services in the unserved area.

''(2) REQUIREMENT.—In order to serve as the eligible entity for the area, an entity described in paragraph (1)(B) shall agree to add additional members to the board of the entity to ensure adequate representation—

''(A) in each of the three required categories described in subparagraphs (A), (B), and (C) of section 676B(a)(2), by members that reside in the community comprised by the unserved area; and

''(B) in the category described in section 676B(a)(2)(B), by members that reside in the neighborhood to be served.

''(b) SPECIAL CONSIDERATION.—In designating an eligible entity under subsection (a), the chief executive officer shall grant the designation to an organization of demonstrated effectiveness in meeting the goals and purposes of this subtitle and may give priority, in granting the designation, to eligible entities that are providing related services in the unserved area, consistent with the needs identified by a community-needs assessment.

''(c) NO QUALIFIED ORGANIZATION IN OR NEAR AREA.—If no private, nonprofit organization is identified or determined to be qualified under subsection (a) to serve the unserved area as an eligible entity the chief executive officer may designate an appropriate political subdivision of the State to serve as an eligible entity for the area. In order to serve as the eligible entity for that area, the political subdivision shall have a board or other mechanism as required in section 676B(b).

''SEC. 676B. TRIPARTITE BOARDS.

''(a) PRIVATE NONPROFIT ENTITIES.—

''(1) BOARD.—In order for a private, nonprofit entity to be considered to be an eligible entity for purposes of section 673(1), the entity shall administer the community services block grant program through a tripartite board described in paragraph (2) that fully participates in the development, planning, implementation, and evaluation of the program to serve low-income communities.

''(2) SELECTION AND COMPOSITION OF BOARD.—The members of the board referred to in paragraph (1) shall be selected by the entity and the board shall be composed so as to assure that—

''(A) ⅓ of the members of the board are elected public officials, holding office on the date of selection, or their representatives, except that if the number of such elected officials reasonably available and willing to serve on the board is less than ⅓ of the membership of the board, membership on the board of appointive public officials or their representatives may be counted in meeting such ⅓ requirement;

''(B)(i) not fewer than ⅓ of the members are persons chosen in accordance with democratic selection procedures adequate to assure that these members are representative of low-income individuals and families in the neighborhood served; and

''(ii) each representative of low-income individuals and families selected to represent a specific neighborhood within a community under clause (i) resides in the neighborhood represented by the member; and

''(C) the remainder of the members are officials or members of business, industry, labor, religious, law enforcement, education, or other major groups and interests in the community served.

''(b) PUBLIC ORGANIZATIONS.—In order for a public organization to be considered to be an eligible entity for purposes of section 673(1), the entity shall administer the community services block grant program through—

''(1) a tripartite board, which shall have members selected by the organization and shall be composed so as to assure that not fewer than ⅓ of the members are persons chosen in accordance with democratic selection procedures adequate to assure that these members—

''(A) are representative of low-income individuals and families in the neighborhood served;

''(B) reside in the neighborhood served; and

''(C) are able to participate actively in the development, planning, implementation, and evaluation of programs funded under this subtitle; or

''(2) another mechanism specified by the State to assure decisionmaking and participation by low-income individuals in the development, planning, implementation, and evaluation of programs funded under this subtitle.

''SEC. 677. PAYMENTS TO INDIAN TRIBES.

''(a) RESERVATION.—If, with respect to any State, the Secretary—

''(1) receives a request from the governing body of an Indian tribe or tribal organization within the State that assistance under this subtitle be made directly to such tribe or organization; and

''(2) determines that the members of such tribe or tribal organization would be better served by means of grants made directly to provide benefits under this subtitle,

the Secretary shall reserve from amounts that would otherwise be allotted to such State under section 675B for the fiscal year the amount determined under subsection (b).

''(b) DETERMINATION OF RESERVED AMOUNT.—The Secretary shall reserve for the purpose of subsection (a) from amounts that would otherwise be allotted to such State, not less than 100 percent of an amount that bears the same ratio to the State allotment for the fiscal year involved as the population of all eligible Indians for whom a determination has been made under subsection (a) bears to the population of all individuals eligible for assistance through a community services block grant made under this subtitle in such State.

''(c) AWARDS.—The sums reserved by the Secretary on the basis of a determination made under subsection (a) shall be made available by grant to the Indian tribe or tribal organization serving the individuals for whom such a determination has been made.

''(d) PLAN.—In order for an Indian tribe or tribal organization to be eligible for a grant award for a fiscal year under this section, the tribe or organization shall submit to the Secretary a plan for such fiscal year that meets such criteria as the Secretary may prescribe by regulation.

''(e) DEFINITIONS.—In this section:

''(1) INDIAN TRIBE; TRIBAL ORGANIZATION.—The terms 'Indian tribe' and 'tribal organization' mean a tribe, band, or other organized group recognized in the State in which the tribe, band, or group resides, or considered by the Secretary of the Interior, to be an Indian tribe or an Indian organization for any purpose.

''(2) INDIAN.—The term 'Indian' means a member of an Indian tribe or of a tribal organization.

''SEC. 678. OFFICE OF COMMUNITY SERVICES.

''(a) OFFICE.—The Secretary shall carry out the functions of this subtitle through an Office of Community Services, which shall be established in the Department of Health and Human Services. The Office shall be headed by a Director.

''(b) GRANTS, CONTRACTS, AND COOPERATIVE AGREEMENTS.—The Secretary shall carry out functions of this subtitle through grants, contracts, or cooperative agreements.

''SEC. 678A. TRAINING, TECHNICAL ASSISTANCE, AND OTHER ACTIVITIES.

''(a) ACTIVITIES.—

''(1) IN GENERAL.—The Secretary shall use amounts reserved in section 674(b)(2)—

''(A) for training, technical assistance, planning, evaluation, and performance measurement, to assist States in carrying out corrective action activities and monitoring (to correct programmatic deficiencies of eligible entities), and for reporting and data collection activities, related to programs carried out under this subtitle; and

''(B) to distribute amounts in accordance with subsection (c).

''(2) GRANTS, CONTRACTS, AND COOPERATIVE AGREEMENTS.—The activities described in paragraph (1)(A) may be carried out by the Secretary through grants, contracts, or cooperative agreements with appropriate entities.

''(b) TERMS AND TECHNICAL ASSISTANCE PROCESS.—The process for determining the training and technical assistance to be carried out under this section shall—

''(1) ensure that the needs of eligible entities and programs relating to improving program quality (including quality of financial management practices) are addressed to the maximum extent feasible; and

''(2) incorporate mechanisms to ensure responsiveness to local needs, including an ongoing procedure for obtaining input from the national and State networks of eligible entities.

''(c) DISTRIBUTION REQUIREMENT.—

''(1) IN GENERAL.—The amounts reserved under section 674(b)(2)(A) for activities to be carried out under this subsection shall be distributed directly to eligible entities, organizations, or associations described in paragraph (2) for the purpose of improving program quality (including quality of financial management practices), management information and reporting systems, and measurement of program results, and for the purpose of ensuring responsiveness to identified local needs.

''(2) ELIGIBLE ENTITIES, ORGANIZATIONS, OR ASSOCIATIONS.—Eligible entities, organizations, or associations described in this paragraph shall be eligible entities, or statewide or local organizations or associations, with demonstrated expertise in providing training to individuals and organizations on methods of effectively addressing the needs of low-income families and communities.

''SEC. 678B. MONITORING OF ELIGIBLE ENTITIES.

''(a) IN GENERAL.—In order to determine whether eligible entities meet the performance goals, administrative standards, financial management requirements, and other requirements of a State, the State shall conduct the following reviews of eligible entities:

''(1) A full onsite review of each such entity at least once during each 3-year period.

''(2) An onsite review of each newly designated entity immediately after the completion of the first year in which such entity receives funds through the community services block grant program.

''(3) Followup reviews including prompt return visits to eligible entities, and their programs, that fail to meet the goals, standards, and requirements established by the State.

''(4) Other reviews as appropriate, including reviews of entities with programs that have had other Federal, State, or local grants (other than assistance provided under this subtitle) terminated for cause.

''(b) REQUESTS.—The State may request training and technical assistance from the Secretary as needed to comply with the requirements of this section.

''(c) EVALUATIONS BY THE SECRETARY.—The Secretary shall conduct in several States in each fiscal year evaluations (including investigations) of the use of funds received by the States under this subtitle in order to evaluate compliance with the provisions of this subtitle, and especially with respect to compliance with section 676(b). The Secretary shall submit, to each State evaluated, a report containing the results of such evaluations, and recommendations of improvements designed to enhance the benefit and impact of the activities carried out with such funds for people in need. On receiving the report, the State shall submit to the Secretary a plan of action in response to the recommendations contained in the report. The results of the evaluations shall be submitted annually to the Chairperson of the Committee on Education and the Workforce of the House of Representatives and the Chairperson of the Committee on Labor and Human Resources of the Senate as part of the report submitted by the Secretary in accordance with section 678E(b)(2).

''SEC. 678C. CORRECTIVE ACTION; TERMINATION AND REDUCTION OF FUNDING.

''(a) DETERMINATION.—If the State determines, on the basis of a final decision in a review pursuant to section 678B, that an eligible

entity fails to comply with the terms of an agreement, or the State plan, to provide services under this subtitle or to meet appropriate standards, goals, and other requirements established by the State (including performance objectives), the State shall—

''(1) inform the entity of the deficiency to be corrected;

''(2) require the entity to correct the deficiency;

''(3)(A) offer training and technical assistance, if appropriate, to help correct the deficiency, and prepare and submit to the Secretary a report describing the training and technical assistance offered; or

''(B) if the State determines that such training and technical assistance are not appropriate, prepare and submit to the Secretary a report stating the reasons for the determination;

''(4)(A) at the discretion of the State (taking into account the seriousness of the deficiency and the time reasonably required to correct the deficiency), allow the entity to develop and implement, within 60 days after being informed of the deficiency, a quality improvement plan to correct such deficiency within a reasonable period of time, as determined by the State; and

''(B) not later than 30 days after receiving from an eligible entity a proposed quality improvement plan pursuant to subparagraph (A), either approve such proposed plan or specify the reasons why the proposed plan cannot be approved; and

''(5) after providing adequate notice and an opportunity for a hearing, initiate proceedings to terminate the designation of or reduce the funding under this subtitle of the eligible entity unless the entity corrects the deficiency.

''(b) REVIEW.—A determination to terminate the designation or reduce the funding of an eligible entity is reviewable by the Secretary. The Secretary shall, upon request, review such a determination. The review shall be completed not later than 90 days after the Secretary receives from the State all necessary documentation relating to the determination to terminate the designation or reduce the funding. If the review is not completed within 90 days, the determination of the State shall become final at the end of the 90th day.

''(c) DIRECT ASSISTANCE.—Whenever a State violates the assurances contained in section 676(b)(8) and terminates or reduces the funding of an eligible entity prior to the completion of the State hearing described in that section and the Secretary's review as required in subsection (b), the Secretary is authorized to provide financial assistance under this subtitle to the eligible entity affected until the violation is corrected. In such a case, the grant or allotment for the State under section 675A or 675B for the earliest appropriate fiscal year shall be reduced by an amount equal to the funds provided under this subsection to such eligible entity.

''SEC. 678D. FISCAL CONTROLS, AUDITS, AND WITHHOLDING.

''(a) FISCAL CONTROLS, PROCEDURES, AUDITS, AND INSPECTIONS.—

''(1) IN GENERAL.—A State that receives funds under this subtitle shall—

''(A) establish fiscal control and fund accounting procedures necessary to assure the proper disbursal of and accounting for Federal funds paid to the State under this subtitle, including procedures for monitoring the funds provided under this subtitle;

''(B) ensure that cost and accounting standards of the Office of Management and Budget apply to a recipient of the funds under this subtitle;

''(C) subject to paragraph (2), prepare, at least every year, an audit of the expenditures of the State of amounts received under this subtitle and amounts transferred to carry out the purposes of this subtitle; and

''(D) make appropriate books, documents, papers, and records available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for examination, copying, or mechanical reproduction on or off the premises of the appropriate entity upon a reasonable request for the items.

''(2) AUDITS.—

''(A) IN GENERAL.—Subject to subparagraph (B), each audit required by subsection (a)(1)(C) shall be conducted by an entity independent of any agency administering activities or services carried out under this subtitle and shall be conducted in accordance with generally accepted accounting principles.

''(B) SINGLE AUDIT REQUIREMENTS.—Audits shall be conducted under this paragraph in the manner and to the extent provided in chapter 75 of title 31, United States Code (commonly known as the 'Single Audit Act Amendments of 1996').

''(C) SUBMISSION OF COPIES.—Within 30 days after the completion of each such audit in a State, the chief executive officer of the State shall submit a copy of such audit to any eligible entity that was the subject of the audit at no charge, to the legislature of the State, and to the Secretary.

''(3) REPAYMENTS.—The State shall repay to the United States amounts found not to have been expended in accordance with this subtitle or the Secretary may offset such amounts against any other amount to which the State is or may become entitled under this subtitle.

''(b) WITHHOLDING.—

''(1) IN GENERAL.—The Secretary shall, after providing adequate notice and an opportunity for a hearing conducted within the affected State, withhold funds from any State that does not utilize the grant or allotment under section 675A or 675B in accordance with the provisions of this subtitle, including the assurances such State provided under section 676.

''(2) RESPONSE TO COMPLAINTS.—The Secretary shall respond in an expeditious and speedy manner to complaints of a substantial or serious nature that a State has failed to use funds in accordance with the provisions of this subtitle, including the assurances provided by the State under section 676. For purposes of this paragraph, a complaint of a failure to meet any one of the assurances provided under section 676 that constitutes disregarding that assurance shall be considered to be a complaint of a serious nature.

''(3) INVESTIGATIONS.—Whenever the Secretary determines that there is a pattern of complaints of failures described in paragraph (2) from any State in any fiscal year, the Secretary shall conduct an investigation of the use of funds received under this subtitle by such State in order to ensure compliance with the provisions of this subtitle.

''SEC. 678E. ACCOUNTABILITY AND REPORTING REQUIREMENTS.

''(a) STATE ACCOUNTABILITY AND REPORTING REQUIREMENTS.—

''(1) PERFORMANCE MEASUREMENT.—

''(A) IN GENERAL.—By October 1, 2001, each State that receives funds under this subtitle shall participate, and shall ensure that all eligible entities in the State participate, in a performance measurement system, which may be a performance measurement system for which the Secretary facilitated development pursuant to subsection (b), or an alternative system that the Secretary is satisfied meets the requirements of subsection (b).

''(B) LOCAL AGENCIES.—The State may elect to have local agencies that are subcontractors of the eligible entities under this subtitle participate in the performance measurement system. If the State makes that election, references in this section to eligible entities shall be considered to include the local agencies.

''(2) ANNUAL REPORT.—Each State shall annually prepare and submit to the Secretary a report on the measured performance of the State and the eligible entities in the State. Prior to the participation of the State in the performance measurement system, the State shall include in the report any information collected by the State relating to such performance. Each State shall also include in the report an accounting of the expenditure of funds received by the State through the community services block grant program, including an accounting of funds spent on administrative costs by the State and the eligible entities, and funds spent by eligible entities on the direct delivery of local services, and shall include information on the number of and characteristics of clients served under this subtitle in the State, based on data collected from the eligible entities. The State shall also include in the report a summary describing the training and technical assistance offered by the State under section 678C(a)(3) during the year covered by the report.

''(b) SECRETARY'S ACCOUNTABILITY AND REPORTING REQUIREMENTS.—

''(1) PERFORMANCE MEASUREMENT.—The Secretary, in collaboration with the States and with eligible entities throughout the Nation, shall facilitate the development of one or more model performance measurement systems, which may be used by the States and by eligible entities to measure their performance in carrying out the requirements of this subtitle and in achieving the goals of their community action plans. The Secretary shall provide technical assistance, including support for the enhancement of electronic data systems, to States and to eligible entities to enhance their capability to collect and report data for such a system and to aid in their participation in such a system.

''(2) REPORTING REQUIREMENTS.—At the end of each fiscal year beginning after September 30, 1999, the Secretary shall, directly or by grant or contract, prepare a report containing—

''(A) a summary of the planned use of funds by each State, and the eligible entities in the State, under the community services block grant program, as contained in each State plan submitted pursuant to section 676;

''(B) a description of how funds were actually spent by the State and eligible entities in the State, including a breakdown of funds spent on administrative costs and on the direct delivery of local services by eligible entities;

''(C) information on the number of entities eligible for funds under this subtitle, the number of low-income persons served under this subtitle, and such demographic data on the low-income populations served by eligible entities as is determined by the Secretary to be feasible;

''(D) a comparison of the planned uses of funds for each State and the actual uses of the funds;

''(E) a summary of each State's performance results, and the results for the eligible entities, as collected and submitted by the States in accordance with subsection (a)(2); and

''(F) any additional information that the Secretary considers to be appropriate to carry out this subtitle, if the Secretary informs the States of the need for such additional information and allows a reasonable period of time for the States to collect and provide the information.

''(3) SUBMISSION.—The Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate the report described in paragraph (2), and any comments the Secretary may have with respect to such report. The report shall include definitions of direct and administrative costs used by the Department of Health and Human Services for programs funded under this subtitle.

''(4) COSTS.—Of the funds reserved under section 674(b)(3), not more than $350,000 shall be available to carry out the reporting requirements contained in paragraph (2).

''SEC. 678F. LIMITATIONS ON USE OF FUNDS.

''(a) CONSTRUCTION OF FACILITIES.—

''(1) LIMITATIONS.—Except as provided in paragraph (2), grants made under this subtitle (other than amounts reserved under section 674(b)(3)) may not be used by the State, or by

any other person with which the State makes arrangements to carry out the purposes of this subtitle, for the purchase or improvement of land, or the purchase, construction, or permanent improvement (other than low-cost residential weatherization or other energy-related home repairs) of any building or other facility.

''(2) WAIVER.—The Secretary may waive the limitation contained in paragraph (1) upon a State request for such a waiver, if the Secretary finds that the request describes extraordinary circumstances to justify the purchase of land or the construction of facilities (or the making of permanent improvements) and that permitting the waiver will contribute to the ability of the State to carry out the purposes of this subtitle.

''(b) POLITICAL ACTIVITIES.—

''(1) TREATMENT AS A STATE OR LOCAL AGENCY.—For purposes of chapter 15 of title 5, United States Code, any entity that assumes responsibility for planning, developing, and coordinating activities under this subtitle and receives assistance under this subtitle shall be deemed to be a State or local agency. For purposes of paragraphs (1) and (2) of section 1502(a) of such title, any entity receiving assistance under this subtitle shall be deemed to be a State or local agency.

''(2) PROHIBITIONS.—Programs assisted under this subtitle shall not be carried on in a manner involving the use of program funds, the provision of services, or the employment or assignment of personnel, in a manner supporting or resulting in the identification of such programs with—

''(A) any partisan or nonpartisan political activity or any political activity associated with a candidate, or contending faction or group, in an election for public or party office;

''(B) any activity to provide voters or prospective voters with transportation to the polls or similar assistance in connection with any such election; or

''(C) any voter registration activity.

''(3) RULES AND REGULATIONS.—The Secretary, after consultation with the Office of Personnel Management, shall issue rules and regulations to provide for the enforcement of this subsection, which shall include provisions for summary suspension of assistance or other action necessary to permit enforcement on an emergency basis.

''(c) NONDISCRIMINATION.—

''(1) IN GENERAL.—No person shall, on the basis of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds made available under this subtitle. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.) or with respect to an otherwise qualified individual with a disability as provided in section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), or title II of the Americans with Disabilities Act of 1990 (42 U.S.C. 12131 et seq.) shall also apply to any such program or activity.

''(2) ACTION OF SECRETARY.—Whenever the Secretary determines that a State that has received a payment under this subtitle has failed to comply with paragraph (1) or an applicable regulation, the Secretary shall notify the chief executive officer of the State and shall request that the officer secure compliance. If within a reasonable period of time, not to exceed 60 days, the chief executive officer fails or refuses to secure compliance, the Secretary is authorized to—

''(A) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted;

''(B) exercise the powers and functions provided by title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), or title II of the Americans with Disabilities Act of 1990 (42 U.S.C. 12131 et seq.), as may be applicable; or

''(C) take such other action as may be provided by law.

''(3) ACTION OF ATTORNEY GENERAL.—When a matter is referred to the Attorney General pursuant to paragraph (2), or whenever the Attorney General has reason to believe that the State is engaged in a pattern or practice of discrimination in violation of the provisions of this subsection, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

''SEC. 678G. DRUG AND CHILD SUPPORT SERVICES AND REFERRALS.

''(a) DRUG TESTING AND REHABILITATION.—

''(1) IN GENERAL.—Nothing in this subtitle shall be construed to prohibit a State from testing participants in programs, activities, or services carried out or provided under this subtitle for controlled substances. A State that conducts such testing shall inform the participants who test positive for any of such substances about the availability of treatment or rehabilitation services and refer such participants for appropriate treatment or rehabilitation services.

''(2) ADMINISTRATIVE EXPENSES.—Any funds provided under this subtitle expended for such testing shall be considered to be expended for administrative expenses and shall be subject to the limitation specified in section 675C(b)(2).

''(3) DEFINITION.—In this subsection, the term 'controlled substance' has the meaning given the term in section 102 of the Controlled Substances Act (21 U.S.C. 802).

''(b) CHILD SUPPORT SERVICES AND REFERRALS.—During each fiscal year for which an eligible entity receives a grant under section 675C, such entity shall—

''(1) inform custodial parents in single-parent families that participate in programs, activities, or services carried out or provided under this subtitle about the availability of child support services; and

''(2) refer eligible parents to the child support offices of State and local governments.

''SEC. 679. OPERATIONAL RULE.

''(a) RELIGIOUS ORGANIZATIONS INCLUDED AS NONGOVERNMENTAL PROVIDERS.—For any program carried out by the Federal Government, or by a State or local government under this subtitle, the government shall consider, on the same basis as other nongovernmental organizations, religious organizations to provide the assistance under the program, so long as the program is implemented in a manner consistent with the Establishment Clause of the first amendment to the Constitution. Neither the Federal Government nor a State or local government receiving funds under this subtitle shall discriminate against an organization that provides assistance under, or applies to provide assistance under, this subtitle, on the basis that the organization has a religious character.

''(b) RELIGIOUS CHARACTER AND INDEPENDENCE.—

''(1) IN GENERAL.—A religious organization that provides assistance under a program described in subsection (a) shall retain its religious character and control over the definition, development, practice, and expression of its religious beliefs.

''(2) ADDITIONAL SAFEGUARDS.—Neither the Federal Government nor a State or local government shall require a religious organization—

''(A) to alter its form of internal governance, except (for purposes of administration of the community services block grant program) as provided in section 676B; or

''(B) to remove religious art, icons, scripture, or other symbols;

in order to be eligible to provide assistance under a program described in subsection (a).

''(3) EMPLOYMENT PRACTICES.—A religious organization's exemption provided under section 702 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–1) regarding employment practices shall not be affected by its participation in, or receipt of funds from, programs described in subsection (a).

''(c) LIMITATIONS ON USE OF FUNDS FOR CERTAIN PURPOSES.—No funds provided directly to a religious organization to provide assistance under any program described in subsection (a) shall be expended for sectarian worship, instruction, or proselytization.

''(d) FISCAL ACCOUNTABILITY.—

''(1) IN GENERAL.—Except as provided in paragraph (2), any religious organization providing assistance under any program described in subsection (a) shall be subject to the same regulations as other nongovernmental organizations to account in accord with generally accepted accounting principles for the use of such funds provided under such program.

''(2) LIMITED AUDIT.—Such organization shall segregate government funds provided under such program into a separate account. Only the government funds shall be subject to audit by the government.

''(e) TREATMENT OF ELIGIBLE ENTITIES AND OTHER INTERMEDIATE ORGANIZATIONS.—If an eligible entity or other organization (referred to in this subsection as an 'intermediate organization'), acting under a contract, or grant or other agreement, with the Federal Government or a State or local government, is given the authority under the contract or agreement to select nongovernmental organizations to provide assistance under the programs described in subsection (a), the intermediate organization shall have the same duties under this section as the government.

''SEC. 680. DISCRETIONARY AUTHORITY OF THE SECRETARY.

''(a) GRANTS, CONTRACTS, ARRANGEMENTS, LOANS, AND GUARANTEES.—

''(1) IN GENERAL.—The Secretary shall, from funds reserved under section 674(b)(3), make grants, loans, or guarantees to States and public agencies and private, nonprofit organizations, or enter into contracts or jointly financed cooperative arrangements with States and public agencies and private, nonprofit organizations (and for-profit organizations, to the extent specified in paragraph (2)(E)) for each of the objectives described in paragraphs (2) through (4).

''(2) COMMUNITY ECONOMIC DEVELOPMENT.—

''(A) ECONOMIC DEVELOPMENT ACTIVITIES.—The Secretary shall make grants described in paragraph (1) on a competitive basis to private, nonprofit organizations that are community development corporations to provide technical and financial assistance for economic development activities designed to address the economic needs of low-income individuals and families by creating employment and business development opportunities.

''(B) CONSULTATION.—The Secretary shall exercise the authority provided under subparagraph (A) after consultation with other relevant Federal officials.

''(C) GOVERNING BOARDS.—For a community development corporation to receive funds to carry out this paragraph, the corporation shall be governed by a board that shall consist of residents of the community and business and civic leaders and shall have as a principal purpose planning, developing, or managing low-income housing or community development projects.

''(D) GEOGRAPHIC DISTRIBUTION.—In making grants to carry out this paragraph, the Secretary shall take into consideration the geographic distribution of funding among States and the relative proportion of funding among rural and urban areas.

''(E) RESERVATION.—Of the amounts made available to carry out this paragraph, the Secretary may reserve not more than 1 percent for each fiscal year to make grants to private, nonprofit organizations or to enter into contracts with private, nonprofit or for-profit organizations to provide technical assistance to aid community development corporations in developing

or implementing activities funded to carry out this paragraph and to evaluate activities funded to carry out this paragraph.

''(3) RURAL COMMUNITY DEVELOPMENT ACTIVITIES.—The Secretary shall provide the assistance described in paragraph (1) for rural community development activities, which shall include providing—

''(A) grants to private, nonprofit corporations to enable the corporations to provide assistance concerning home repair to rural low-income families and concerning planning and developing low-income rural rental housing units; and

''(B) grants to multistate, regional, private, nonprofit organizations to enable the organizations to provide training and technical assistance to small, rural communities concerning meeting their community facility needs.

''(4) NEIGHBORHOOD INNOVATION PROJECTS.—The Secretary shall provide the assistance described in paragraph (1) for neighborhood innovation projects, which shall include providing grants to neighborhood-based private, nonprofit organizations to test or assist in the development of new approaches or methods that will aid in overcoming special problems identified by communities or neighborhoods or otherwise assist in furthering the purposes of this subtitle, and which may include providing assistance for projects that are designed to serve low-income individuals and families who are not being effectively served by other programs.

''(b) EVALUATION.—The Secretary shall require all activities receiving assistance under this section to be evaluated for their effectiveness. Funding for such evaluations shall be provided as a stated percentage of the assistance or through a separate grant awarded by the Secretary specifically for the purpose of evaluation of a particular activity or group of activities.

''(c) ANNUAL REPORT.—The Secretary shall compile an annual report containing a summary of the evaluations required in subsection (b) and a listing of all activities assisted under this section. The Secretary shall annually submit the report to the Chairperson of the Committee on Education and the Workforce of the House of Representatives and the Chairperson of the Committee on Labor and Human Resources of the Senate.

"SEC. 681. COMMUNITY FOOD AND NUTRITION PROGRAMS.

''(a) GRANTS.—The Secretary may, through grants to public and private, nonprofit agencies, provide for community-based, local, statewide, and national programs—

''(1) to coordinate private and public food assistance resources, wherever the grant recipient involved determines such coordination to be inadequate, to better serve low-income populations;

''(2) to assist low-income communities to identify potential sponsors of child nutrition programs and to initiate such programs in underserved or unserved areas; and

''(3) to develop innovative approaches at the State and local level to meet the nutrition needs of low-income individuals.

''(b) ALLOTMENTS AND DISTRIBUTION OF FUNDS.—

''(1) NOT TO EXCEED $6,000,000 IN APPROPRIATIONS.—Of the amount appropriated for a fiscal year to carry out this section (but not to exceed $6,000,000), the Secretary shall distribute funds for grants under subsection (a) as follows:

''(A) ALLOTMENTS.—From a portion equal to 60 percent of such amount (but not to exceed $3,600,000), the Secretary shall allot for grants to eligible agencies for statewide programs in each State the amount that bears the same ratio to such portion as the low-income and unemployed population of such State bears to the low-income and unemployed population of all the States.

''(B) COMPETITIVE GRANTS.—From a portion equal to 40 percent of such amount (but not to exceed $2,400,000), the Secretary shall make grants on a competitive basis to eligible agencies for local and statewide programs.

''(2) GREATER AVAILABLE APPROPRIATIONS.—Any amounts appropriated for a fiscal year to carry out this section in excess of $6,000,000 shall be allotted as follows:

''(A) ALLOTMENTS.—The Secretary shall use 40 percent of such excess to allot for grants under subsection (a) to eligible agencies for statewide programs in each State an amount that bears the same ratio to 40 percent of such excess as the low-income and unemployed population of such State bears to the low-income and unemployed population of all the States.

''(B) COMPETITIVE GRANTS FOR LOCAL AND STATEWIDE PROGRAMS.—The Secretary shall use 40 percent of such excess to make grants under subsection (a) on a competitive basis to eligible agencies for local and statewide programs.

''(C) COMPETITIVE GRANTS FOR NATIONWIDE PROGRAMS.—The Secretary shall use the remaining 20 percent of such excess to make grants under subsection (a) on a competitive basis to eligible agencies for nationwide programs, including programs benefiting Indians, as defined in section 677, and migrant or seasonal farmworkers.

''(3) ELIGIBILITY FOR ALLOTMENTS FOR STATEWIDE PROGRAMS.—To be eligible to receive an allotment under paragraph (1)(A) or (2)(A), an eligible agency shall demonstrate that the proposed program is statewide in scope and represents a comprehensive and coordinated effort to alleviate hunger within the State.

''(4) MINIMUM ALLOTMENTS FOR STATEWIDE PROGRAMS.—

''(A) IN GENERAL.—From the amounts allotted under paragraphs (1)(A) and (2)(A), the minimum total allotment for each State for each fiscal year shall be—

''(i) $15,000 if the total amount appropriated to carry out this section is not less than $7,000,000 but less than $10,000,000;

''(ii) $20,000 if the total amount appropriated to carry out this section is not less than $10,000,000 but less than $15,000,000; or

''(iii) $30,000 if the total amount appropriated to carry out this section is not less than $15,000,000.

''(B) DEFINITION.—In this paragraph, the term 'State' does not include Guam, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands.

''(5) MAXIMUM GRANTS.—From funds made available under paragraphs (1)(B) and (2)(B) for any fiscal year, the Secretary may not make grants under subsection (a) to an eligible agency in an aggregate amount exceeding $50,000. From funds made available under paragraph (2)(C) for any fiscal year, the Secretary may not make grants under subsection (a) to an eligible agency in an aggregate amount exceeding $300,000.

''(c) REPORT.—For each fiscal year, the Secretary shall prepare and submit, to the Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report concerning the grants made under this section. Such report shall include—

''(1) a list of grant recipients;

''(2) information on the amount of funding awarded to each grant recipient; and

''(3) a summary of the activities performed by the grant recipients with funding awarded under this section and a description of the manner in which such activities meet the objectives described in subsection (a).

''(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 1999 through 2003.

"SEC. 682. NATIONAL OR REGIONAL PROGRAMS DESIGNED TO PROVIDE INSTRUCTIONAL ACTIVITIES FOR LOW-INCOME YOUTH.

''(a) GENERAL AUTHORITY.—The Secretary is authorized to make a grant to an eligible service provider to administer national or regional programs to provide instructional activities for low-income youth. In making such a grant, the Secretary shall give priority to eligible service providers that have a demonstrated ability to operate such a program.

''(b) PROGRAM REQUIREMENTS.—Any instructional activity carried out by an eligible service provider receiving a grant under this section shall be carried out on the campus of an institution of higher education (as defined in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a))) and shall include—

''(1) access to the facilities and resources of such an institution;

''(2) an initial medical examination and follow-up referral or treatment, without charge, for youth during their participation in such activity;

''(3) at least one nutritious meal daily, without charge, for participating youth during each day of participation;

''(4) high quality instruction in a variety of sports (that shall include swimming and that may include dance and any other high quality recreational activity) provided by coaches and teachers from institutions of higher education and from elementary and secondary schools (as defined in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801)); and

''(5) enrichment instruction and information on matters relating to the well-being of youth, to include educational opportunities and information on study practices, education for the prevention of drug and alcohol abuse, and information on health and nutrition, career opportunities, and family and job responsibilities.

''(c) ADVISORY COMMITTEE; PARTNERSHIPS.—The eligible service provider shall, in each community in which a program is funded under this section—

''(1) ensure that—

''(A) a community-based advisory committee is established, with representatives from local youth, family, and social service organizations, schools, entities providing park and recreation services, and other community-based organizations serving high-risk youth; or

''(B) an existing community-based advisory board, commission, or committee with similar membership is utilized to serve as the committee described in subparagraph (A); and

''(2) enter into formal partnerships with youth-serving organizations or other appropriate social service entities in order to link program participants with year-round services in their home communities that support and continue the objectives of this subtitle.

''(d) ELIGIBLE PROVIDERS.—A service provider that is a national private, nonprofit organization, a coalition of such organizations, or a private, nonprofit organization applying jointly with a business concern shall be eligible to apply for a grant under this section if—

''(1) the applicant has demonstrated experience in operating a program providing instruction to low-income youth;

''(2) the applicant agrees to contribute an amount (in cash or in kind, fairly evaluated) of not less than 25 percent of the amount requested, for the program funded through the grant;

''(3) the applicant agrees to use no funds from a grant authorized under this section for administrative expenses; and

''(4) the applicant agrees to comply with the regulations or program guidelines promulgated by the Secretary for use of funds made available through the grant.

''(e) APPLICATION PROCESS.—To be eligible to receive a grant under this section, a service provider shall submit to the Secretary, for approval, an application at such time, in such manner, and containing such information as the Secretary may require.

''(f) PROMULGATION OF REGULATIONS OR PROGRAM GUIDELINES.—The Secretary shall promulgate regulations or program guidelines to ensure funds made available through a grant made

under this section are used in accordance with the objectives of this subtitle.

''(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $15,000,000 for each of fiscal years 1999 through 2003 for grants to carry out this section.

''SEC. 683. REFERENCES.

''Any reference in any provision of law to the poverty line set forth in section 624 or 625 of the Economic Opportunity Act of 1964 shall be construed to be a reference to the poverty line defined in section 673. Except as otherwise provided, any reference in any provision of law to any community action agency designated under title II of the Economic Opportunity Act of 1964 shall be construed to be a reference to an entity eligible to receive funds under the community services block grant program.''.

SEC. 202. CONFORMING AMENDMENTS.

(a) OLDER AMERICANS ACT OF 1965.—Section 306(a)(6)(E)(ii) of the Older Americans Act of 1965 (42 U.S.C. 3026(a)(6)(E)(ii)) is amended by striking ''section 675(c)(3) of the Community Services Block Grant Act (42 U.S.C. 9904(c)(3))'' and inserting ''section 676B of the Community Services Block Grant Act''.

(b) COMMUNITY ECONOMIC DEVELOPMENT ACT OF 1981.—

(1) SOURCE OF FUNDS.—Section 614 of the Community Economic Development Act of 1981 (42 U.S.C. 9803) is repealed.

(2) ADVISORY COMMUNITY INVESTMENT BOARD.—Section 615(a)(2) of the Community Economic Development Act of 1981 (42 U.S.C. 9804(a)(2)) is amended by striking ''through the Office'' and all that follows and inserting ''through an appropriate office.''.

(c) HUMAN SERVICES REAUTHORIZATION ACT OF 1986.—Section 407 of the Human Services Reauthorization Act of 1986 (42 U.S.C. 9812a) is amended—

(1) in subsection (a)—

(A) by inserting after ''funds available'' the following: ''(before the date of enactment of the Coats Human Services Reauthorization Act of 1998)''; and

(B) by inserting after ''9910(a))'' the following: ''(as in effect before such date)''; and

(2) in subsection (b)(2)—

(A) by inserting after ''funds available'' the following: ''(before the date of enactment of the Coats Human Services Reauthorization Act of 1998)''; and

(B) by inserting after ''9910(a))'' the following: ''(as in effect before such date)''.

(d) ANTI-DRUG ABUSE ACT OF 1988.—Section 3521(c)(2) of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11841(c)(2)) is amended by striking '', such as activities authorized by section 681(a)(2)(F) of the Community Services Block Grant Act (42 U.S.C. section 9910(a)(2)(F)),''.

TITLE III—LOW-INCOME HOME ENERGY ASSISTANCE

SEC. 301. SHORT TITLE.

This title may be cited as the ''Low-Income Home Energy Assistance Amendments of 1998''.

SEC. 302. AUTHORIZATION.

(a) IN GENERAL.—Section 2602(b) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621(b)) is amended by inserting '', such sums as may be necessary for each of fiscal years 2000 and 2001, and $2,000,000,000 for each of fiscal years 2002 through 2004'' after ''1995 through 1999''.

(b) PROGRAM YEAR.—Section 2602(c) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621(c)) is amended to read as follows:

''(c) Amounts appropriated under this section for any fiscal year for programs and activities under this title shall be made available for obligation in the succeeding fiscal year.''.

(c) INCENTIVE PROGRAM FOR LEVERAGING NON-FEDERAL RESOURCES.—Section 2602(d) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621(d)) is amended—

(1) by striking ''(d)'' and inserting ''(d)(1)'';

(2) by striking ''are authorized'' and inserting ''is authorized'';

(3) by striking ''$50,000,000'' and all that follows and inserting the following: ''$30,000,000 for each of fiscal years 1999 through 2004, except as provided in paragraph (2).''; and

(4) by adding at the end the following:

''(2) For any of fiscal years 1999 through 2004 for which the amount appropriated under subsection (b) is not less than $1,400,000,000, there is authorized to be appropriated $50,000,000 to carry out section 2607A.''.

(d) TECHNICAL AMENDMENTS.—Section 2602(e) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621(e)) is amended—

(1) by striking ''are authorized'' and inserting ''is authorized''; and

(2) by striking ''subsection (g)'' and inserting ''subsection (e) of such section''.

SEC. 303. DEFINITIONS.

Section 2603(4) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8622(4)) is amended—

(1) by striking ''the term'' and inserting ''The term''; and

(2) by striking the semicolon and inserting a period.

SEC. 304. NATURAL DISASTERS AND OTHER EMERGENCIES.

(a) DEFINITIONS.—Section 2603 of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8622) is amended—

(1) by redesignating paragraphs (6) through (9) as paragraphs (8) through (11), respectively;

(2) by inserting before paragraph (8) (as redesignated in paragraph (1)) the following:

''(7) The term 'natural disaster' means a weather event (relating to cold or hot weather), flood, earthquake, tornado, hurricane, or ice storm, or an event meeting such other criteria as the Secretary, in the discretion of the Secretary, may determine to be appropriate.'';

(3) by redesignating paragraphs (1) through (5) as paragraphs (2) through (6), respectively; and

(4) by inserting before paragraph (2) (as redesignated in paragraph (3)) the following:

''(1) The term 'emergency' means—

''(A) a natural disaster;

''(B) a significant home energy supply shortage or disruption;

''(C) a significant increase in the cost of home energy, as determined by the Secretary;

''(D) a significant increase in home energy disconnections reported by a utility, a State regulatory agency, or another agency with necessary data;

''(E) a significant increase in participation in a public benefit program such as the food stamp program carried out under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), the national program to provide supplemental security income carried out under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), or the State temporary assistance for needy families program carried out under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), as determined by the head of the appropriate Federal agency;

''(F) a significant increase in unemployment, layoffs, or the number of households with an individual applying for unemployment benefits, as determined by the Secretary of Labor; or

''(G) an event meeting such criteria as the Secretary, in the discretion of the Secretary, may determine to be appropriate.''.

(b) CONSIDERATIONS.—Section 2604(g) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8623(g)) is amended by striking the last two sentences and inserting the following: ''In determining whether to make such an allotment to a State, the Secretary shall take into account the extent to which the State was affected by the natural disaster or other emergency involved, the availability to the State of other resources under the program carried out under this title or any other program, and such other factors as the Secretary may find to be relevant. Not later than 30 days after making the determination, but prior to releasing an allotted amount to a State, the Secretary shall notify Congress of the allotments made pursuant to this subsection.''.

SEC. 305. STATE ALLOTMENTS.

Section 2604 of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8623) is amended—

(1) in subsection (b)(1), by striking ''the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.'' and inserting ''and the Commonwealth of the Northern Mariana Islands.'';

(2) in subsection (c)(3)(B)(ii), by striking ''application'' and inserting ''applications'';

(3) by striking subsection (f);

(4) in the first sentence of subsection (g), by striking ''(a) through (f)'' and inserting ''(a) through (d)''; and

(5) by redesignating subsection (g) as subsection (e).

SEC. 306. ADMINISTRATION.

Section 2605 of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624) is amended—

(1) in subsection (b)—

(A) in paragraph (9)(A), by striking ''and not transferred pursuant to section 2604(f) for use under another block grant'';

(B) in paragraph (14), by striking ''; and'' and inserting a semicolon;

(C) in the matter following paragraph (14), by striking ''The Secretary may not prescribe the manner in which the States will comply with the provisions of this subsection.''; and

(D) in the matter following paragraph (16), by inserting before ''The Secretary shall issue'' the following: ''The Secretary may not prescribe the manner in which the States will comply with the provisions of this subsection.'';

(2) in subsection (c)(1)—

(A) in subparagraph (B), by striking ''States'' and inserting ''State''; and

(B) in subparagraph (G)(i), by striking ''has'' and inserting ''had''; and

(3) in paragraphs (1) and (2)(A) of subsection (k) by inserting '', particularly those low-income households with the lowest incomes that pay a high proportion of household income for home energy'' before the period.

SEC. 307. PAYMENTS TO STATES.

Section 2607(b)(2)(B) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8626(b)(2)(B)) is amended—

(1) in the first sentence, by striking ''and not transferred pursuant to section 2604(f)''; and

(2) in the second sentence, by striking ''but not transferred by the State''.

SEC. 308. RESIDENTIAL ENERGY ASSISTANCE CHALLENGE OPTION.

(a) EVALUATION.—The Comptroller General of the United States shall conduct an evaluation of the Residential Energy Assistance Challenge program described in section 2607B of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8626b).

(b) REPORT.—Not later than 2 years after the date of enactment of this Act, the Comptroller General of the United States shall prepare and submit to Congress a report containing—

(1) the findings resulting from the evaluation described in subsection (a); and

(2) the State evaluations described in paragraphs (1) and (2) of subsection (b) of such section 2607B.

(c) INCENTIVE GRANTS.—Section 2607B(b)(1) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8626b(b)(1)) is amended by striking ''For each of the fiscal years 1996 through 1999'' and inserting ''For each fiscal year''.

(d) TECHNICAL AMENDMENTS.—Section 2607B of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8626b) is amended—

(1) in subsection (e)(2)—

(A) by redesignating subparagraphs (F) through (N) as subparagraphs (E) through (M), respectively; and

(B) in clause (i) of subparagraph (I) (as redesignated in subparagraph (A)), by striking ''on'' and inserting ''of''; and

(2) by redesignating subsection (g) as subsection (f).

SEC. 309. TECHNICAL ASSISTANCE, TRAINING, AND COMPLIANCE REVIEWS.

(a) IN GENERAL.—Section 2609A(a) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8628a(a)) is amended—

(1) in the matter preceding paragraph (1), by striking ''$250,000'' and inserting ''$300,000'';

(2) by striking ''Secretary—'' and all that follows through ''(1) to make'' and inserting the following: ''Secretary—

''(1) to—

''(A) make'';

(3) by striking ''organizations; or'' and all that follows through ''(2) to enter'' and inserting the following: ''organizations; or

''(B) enter'';

(4) by striking the following:

''to provide'' and inserting the following:

''to provide'';

(5) by striking ''title.'' and inserting the following: ''title; or

''(2) to conduct onsite compliance reviews of programs supported under this title.''; and

(6) in paragraph (1)(B) (as redesignated in paragraphs (2) and (3))—

(A) by inserting ''or interagency agreements'' after ''cooperative arrangements''; and

(B) by inserting ''(including Federal agencies)'' after ''public agencies''.

(b) CONFORMING AMENDMENT.—The section heading of section 2609A of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8628a) is amended to read as follows:

''TECHNICAL ASSISTANCE, TRAINING, AND COMPLIANCE REVIEWS''.

TITLE IV—ASSETS FOR INDEPENDENCE

SEC. 401. SHORT TITLE.

This title may be cited as the ''Assets for Independence Act''.

SEC. 402. FINDINGS.

Congress makes the following findings:

(1) Economic well-being does not come solely from income, spending, and consumption, but also requires savings, investment, and accumulation of assets because assets can improve economic independence and stability, connect individuals with a viable and hopeful future, stimulate development of human and other capital, and enhance the welfare of offspring.

(2) Fully ½ of all Americans have either no, negligible, or negative assets available for investment, just as the price of entry to the economic mainstream, the cost of a house, an adequate education, and starting a business, is increasing. Further, the household savings rate of the United States lags far behind other industrial nations, presenting a barrier to economic growth.

(3) In the current tight fiscal environment, the United States should invest existing resources in high-yield initiatives. There is reason to believe that the financial returns, including increased income, tax revenue, and decreased welfare cash assistance, resulting from individual development accounts will far exceed the cost of investment in those accounts.

(4) Traditional public assistance programs concentrating on income and consumption have rarely been successful in promoting and supporting the transition to increased economic self-sufficiency. Income-based domestic policy should be complemented with asset-based policy because, while income-based policies ensure that consumption needs (including food, child care, rent, clothing, and health care) are met, asset-based policies provide the means to achieve greater independence and economic well-being.

SEC. 403. PURPOSES.

The purposes of this title are to provide for the establishment of demonstration projects designed to determine—

(1) the social, civic, psychological, and economic effects of providing to individuals and families with limited means an incentive to accumulate assets by saving a portion of their earned income;

(2) the extent to which an asset-based policy that promotes saving for postsecondary education, homeownership, and microenterprise development may be used to enable individuals and families with limited means to increase their economic self-sufficiency; and

(3) the extent to which an asset-based policy stabilizes and improves families and the community in which the families live.

SEC. 404. DEFINITIONS.

In this title:

(1) APPLICABLE PERIOD.—The term ''applicable period'' means, with respect to amounts to be paid from a grant made for a project year, the calendar year immediately preceding the calendar year in which the grant is made.

(2) ELIGIBLE INDIVIDUAL.—The term ''eligible individual'' means an individual who is selected to participate in a demonstration project by a qualified entity under section 409.

(3) EMERGENCY WITHDRAWAL.—The term ''emergency withdrawal'' means a withdrawal by an eligible individual that—

(A) is a withdrawal of only those funds, or a portion of those funds, deposited by the individual in the individual development account of the individual;

(B) is permitted by a qualified entity on a case-by-case basis; and

(C) is made for—

(i) expenses for medical care or necessary to obtain medical care, for the individual or a spouse or dependent of the individual described in paragraph (8)(D);

(ii) payments necessary to prevent the eviction of the individual from the residence of the individual, or foreclosure on the mortgage for the principal residence of the individual, as defined in paragraph (8)(B); or

(iii) payments necessary to enable the individual to meet necessary living expenses following loss of employment.

(4) HOUSEHOLD.—The term ''household'' means all individuals who share use of a dwelling unit as primary quarters for living and eating separate from other individuals.

(5) INDIVIDUAL DEVELOPMENT ACCOUNT.—

(A) IN GENERAL.—The term ''individual development account'' means a trust created or organized in the United States exclusively for the purpose of paying the qualified expenses of an eligible individual, or enabling the eligible individual to make an emergency withdrawal, but only if the written governing instrument creating the trust contains the following requirements:

(i) No contribution will be accepted unless the contribution is in cash or by check.

(ii) The trustee is a federally insured financial institution, or a State insured financial institution if no federally insured financial institution is available.

(iii) The assets of the trust will be invested in accordance with the direction of the eligible individual after consultation with the qualified entity providing deposits for the individual under section 410.

(iv) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

(v) Except as provided in clause (vi), any amount in the trust that is attributable to a deposit provided under section 410 may be paid or distributed out of the trust only for the purpose of paying the qualified expenses of the eligible individual, or enabling the eligible individual to make an emergency withdrawal.

(vi) Any balance in the trust on the day after the date on which the individual for whose benefit the trust is established dies shall be distributed within 30 days of that date as directed by that individual to another individual development account established for the benefit of an eligible individual.

(B) CUSTODIAL ACCOUNTS.—For purposes of subparagraph (A), a custodial account shall be treated as a trust if the assets of the custodial account are held by a bank (as defined in section 408(n) of the Internal Revenue Code of 1986) or another person who demonstrates, to the satisfaction of the Secretary, that the manner in which such person will administer the custodial account will be consistent with the requirements of this title, and if the custodial account would, except for the fact that it is not a trust, constitute an individual development account described in subparagraph (A). For purposes of this title, in the case of a custodial account treated as a trust by reason of the preceding sentence, the custodian of that custodial account shall be treated as the trustee of the account.

(6) PROJECT YEAR.—The term ''project year'' means, with respect to a demonstration project, any of the 5 consecutive 12-month periods beginning on the date the project is originally authorized to be conducted.

(7) QUALIFIED ENTITY.—

(A) IN GENERAL.—The term ''qualified entity'' means—

(i) one or more not-for-profit organizations described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code; or

(ii) a State or local government agency, or a tribal government, submitting an application under section 405 jointly with an organization described in clause (i).

(B) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed as preventing an organization described in subparagraph (A)(i) from collaborating with a financial institution or for-profit community development corporation to carry out the purposes of this title.

(8) QUALIFIED EXPENSES.—The term ''qualified expenses'' means one or more of the following, as provided by a qualified entity:

(A) POSTSECONDARY EDUCATIONAL EXPENSES.—Postsecondary educational expenses paid from an individual development account directly to an eligible educational institution. In this subparagraph:

(i) POSTSECONDARY EDUCATIONAL EXPENSES.—The term ''postsecondary educational expenses'' means the following:

(I) TUITION AND FEES.—Tuition and fees required for the enrollment or attendance of a student at an eligible educational institution.

(II) FEES, BOOKS, SUPPLIES, AND EQUIPMENT.—Fees, books, supplies, and equipment required for courses of instruction at an eligible educational institution.

(ii) ELIGIBLE EDUCATIONAL INSTITUTION.—The term ''eligible educational institution'' means the following:

(I) INSTITUTION OF HIGHER EDUCATION.—An institution described in section 101 or 102 of the Higher Education Act of 1965.

(II) POSTSECONDARY VOCATIONAL EDUCATION SCHOOL.—An area vocational education school (as defined in subparagraph (C) or (D) of section 521(4) of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2471(4))) which is in any State (as defined in section 521(33) of such Act), as such sections are in effect on the date of enactment of this title.

(B) FIRST-HOME PURCHASE.—Qualified acquisition costs with respect to a principal residence for a qualified first-time homebuyer, if paid from an individual development account directly to the persons to whom the amounts are due. In this subparagraph:

(i) PRINCIPAL RESIDENCE.—The term ''principal residence'' means a main residence, the qualified acquisition costs of which do not exceed 100 percent of the average area purchase price applicable to such residence.

(ii) QUALIFIED ACQUISITION COSTS.—The term ''qualified acquisition costs'' means the costs of

acquiring, constructing, or reconstructing a residence. The term includes any usual or reasonable settlement, financing, or other closing costs.

(iii) QUALIFIED FIRST-TIME HOMEBUYER.—

(I) IN GENERAL.—The term ''qualified first-time homebuyer'' means an individual participating in the project involved (and, if married, the individual's spouse) who has no present ownership interest in a principal residence during the 3-year period ending on the date of acquisition of the principal residence to which this subparagraph applies.

(II) DATE OF ACQUISITION.—The term ''date of acquisition'' means the date on which a binding contract to acquire, construct, or reconstruct the principal residence to which this subparagraph applies is entered into.

(C) BUSINESS CAPITALIZATION.—Amounts paid from an individual development account directly to a business capitalization account that is established in a federally insured financial institution (or in a State insured financial institution if no federally insured financial institution is available) and is restricted to use solely for qualified business capitalization expenses. In this subparagraph:

(i) QUALIFIED BUSINESS CAPITALIZATION EXPENSES.—The term ''qualified business capitalization expenses'' means qualified expenditures for the capitalization of a qualified business pursuant to a qualified plan.

(ii) QUALIFIED EXPENDITURES.—The term ''qualified expenditures'' means expenditures included in a qualified plan, including capital, plant, equipment, working capital, and inventory expenses.

(iii) QUALIFIED BUSINESS.—The term ''qualified business'' means any business that does not contravene any law or public policy (as determined by the Secretary).

(iv) QUALIFIED PLAN.—The term ''qualified plan'' means a business plan, or a plan to use a business asset purchased, which—

(I) is approved by a financial institution, a microenterprise development organization, or a nonprofit loan fund having demonstrated fiduciary integrity;

(II) includes a description of services or goods to be sold, a marketing plan, and projected financial statements; and

(III) may require the eligible individual to obtain the assistance of an experienced entrepreneurial adviser.

(D) TRANSFERS TO IDAS OF FAMILY MEMBERS.—Amounts paid from an individual development account directly into another such account established for the benefit of an eligible individual who is—

(i) the individual's spouse; or

(ii) any dependent of the individual with respect to whom the individual is allowed a deduction under section 151 of the Internal Revenue Code of 1986.

(9) QUALIFIED SAVINGS OF THE INDIVIDUAL FOR THE PERIOD.—The term ''qualified savings of the individual for the period'' means the aggregate of the amounts contributed by an individual to the individual development account of the individual during the period.

(10) SECRETARY.—The term ''Secretary'' means the Secretary of Health and Human Services, acting through the Director of Community Services.

(11) TRIBAL GOVERNMENT.—The term ''tribal government'' means a tribal organization, as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b) or a Native Hawaiian organization, as defined in section 9212 of the Native Hawaiian Education Act (20 U.S.C. 7912).

SEC. 405. APPLICATIONS.

(a) ANNOUNCEMENT OF DEMONSTRATION PROJECTS.—Not later than 3 months after the date of enactment of this title, the Secretary shall publicly announce the availability of funding under this title for demonstration projects and shall ensure that applications to conduct the demonstration projects are widely available to qualified entities.

(b) SUBMISSION.—Not later than 6 months after the date of enactment of this title, a qualified entity may submit to the Secretary an application to conduct a demonstration project under this title.

(c) CRITERIA.—In considering whether to approve an application to conduct a demonstration project under this title, the Secretary shall assess the following:

(1) SUFFICIENCY OF PROJECT.—The degree to which the project described in the application appears likely to aid project participants in achieving economic self-sufficiency through activities requiring one or more qualified expenses.

(2) ADMINISTRATIVE ABILITY.—The experience and ability of the applicant to responsibly administer the project.

(3) ABILITY TO ASSIST PARTICIPANTS.—The experience and ability of the applicant in recruiting, educating, and assisting project participants to increase their economic independence and general well-being through the development of assets.

(4) COMMITMENT OF NON-FEDERAL FUNDS.—The aggregate amount of direct funds from non-Federal public sector and from private sources that are formally committed to the project as matching contributions.

(5) ADEQUACY OF PLAN FOR PROVIDING INFORMATION FOR EVALUATION.—The adequacy of the plan for providing information relevant to an evaluation of the project.

(6) OTHER FACTORS.—Such other factors relevant to the purposes of this title as the Secretary may specify.

(d) PREFERENCES.—In considering an application to conduct a demonstration project under this title, the Secretary shall give preference to an application that—

(1) demonstrates the willingness and ability to select individuals described in section 408 who are predominantly from households in which a child (or children) is living with the child's biological or adoptive mother or father, or with the child's legal guardian;

(2) provides a commitment of non-Federal funds with a proportionately greater amount of such funds committed from private sector sources; and

(3) targets such individuals residing within one or more relatively well-defined neighborhoods or communities (including rural communities) that experience high rates of poverty or unemployment.

(e) APPROVAL.—Not later than 9 months after the date of enactment of this title, the Secretary shall, on a competitive basis, approve such applications to conduct demonstration projects under this title as the Secretary considers to be appropriate, taking into account the assessments required by subsections (c) and (d). The Secretary shall ensure, to the maximum extent practicable, that the applications that are approved involve a range of communities (both rural and urban) and diverse populations.

(f) CONTRACTS WITH NONPROFIT ENTITIES.—The Secretary may contract with an entity described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code to carry out any responsibility of the Secretary under this section or section 412 if—

(1) such entity demonstrates the ability to carry out such responsibility; and

(2) the Secretary can demonstrate that such responsibility would not be carried out by the Secretary at a lower cost.

(g) GRANDFATHERING OF EXISTING STATEWIDE PROGRAMS.—Any statewide individual asset-building program that is carried out in a manner consistent with the purposes of this title, that is established under State law as of the date of enactment of this Act, and that as of such date is operating with an annual State appropriation of not less than $1,000,000 in non-Federal funds, shall be deemed to meet the eligibility requirements of this subtitle, and the entity carrying out the program shall be deemed to be a qualified entity. The Secretary shall consider funding the statewide program as a demonstration project described in this subtitle. In considering the statewide program for funding, the Secretary shall review an application submitted by the entity carrying out such statewide program under this section, notwithstanding the preference requirements listed in subsection (d). Any program requirements under sections 407 through 411 that are inconsistent with State statutory requirements in effect on the date of enactment of this Act, governing such statewide program, shall not apply to the program.

SEC. 406. DEMONSTRATION AUTHORITY; ANNUAL GRANTS.

(a) DEMONSTRATION AUTHORITY.—If the Secretary approves an application to conduct a demonstration project under this title, the Secretary shall, not later than 10 months after the date of enactment of this title, authorize the applicant to conduct the project for 5 project years in accordance with the approved application and the requirements of this title.

(b) GRANT AUTHORITY.—For each project year of a demonstration project conducted under this title, the Secretary may make a grant to the qualified entity authorized to conduct the project. In making such a grant, the Secretary shall make the grant on the first day of the project year in an amount not to exceed the lesser of—

(1) the aggregate amount of funds committed as matching contributions from non-Federal public or private sector sources; or

(2) $1,000,000.

SEC. 407. RESERVE FUND.

(a) ESTABLISHMENT.—A qualified entity under this title, other than a State or local government agency or a tribal government, shall establish a Reserve Fund that shall be maintained in accordance with this section.

(b) AMOUNTS IN RESERVE FUND.—

(1) IN GENERAL.—As soon after receipt as is practicable, a qualified entity shall deposit in the Reserve Fund established under subsection (a)—

(A) all funds provided to the qualified entity from any public or private source in connection with the demonstration project; and

(B) the proceeds from any investment made under subsection (c)(2).

(2) UNIFORM ACCOUNTING REGULATIONS.—The Secretary shall prescribe regulations with respect to accounting for amounts in the Reserve Fund established under subsection (a).

(c) USE OF AMOUNTS IN THE RESERVE FUND.—

(1) IN GENERAL.—A qualified entity shall use the amounts in the Reserve Fund established under subsection (a) to—

(A) assist participants in the demonstration project in obtaining the skills (including economic literacy, budgeting, credit, and counseling skills) and information necessary to achieve economic self-sufficiency through activities requiring qualified expenses;

(B) provide deposits in accordance with section 410 for individuals selected by the qualified entity to participate in the demonstration project;

(C) administer the demonstration project; and

(D) provide the research organization evaluating the demonstration project under section 414 with such information with respect to the demonstration project as may be required for the evaluation.

(2) AUTHORITY TO INVEST FUNDS.—

(A) GUIDELINES.—The Secretary shall establish guidelines for investing amounts in the Reserve Fund established under subsection (a) in a manner that provides an appropriate balance between return, liquidity, and risk.

(B) INVESTMENT.—A qualified entity shall invest the amounts in its Reserve Fund that are not immediately needed to carry out the provisions of paragraph (1), in accordance with the guidelines established under subparagraph (A).

(3) LIMITATION ON USES.—Not more than 9.5 percent of the amounts provided to a qualified entity under section 406(b) shall be used by the qualified entity for the purposes described in subparagraphs (A), (C), and (D) of paragraph (1), of which not less than 2 percent of the amounts shall be used by the qualified entity for the purposes described in paragraph (1)(D). If two or more qualified entities are jointly administering a project, no qualified entity shall use more than its proportional share for the purposes described in subparagraphs (A), (C), and (D) of paragraph (1).

(d) UNUSED FEDERAL GRANT FUNDS TRANSFERRED TO THE SECRETARY WHEN PROJECT TERMINATES.—Notwithstanding subsection (c), upon the termination of any demonstration project authorized under this section, the qualified entity conducting the project shall transfer to the Secretary an amount equal to—

(1) the amounts in its Reserve Fund at the time of the termination; multiplied by

(2) a percentage equal to—

(A) the aggregate amount of grants made to the qualified entity under section 406(b); divided by

(B) the aggregate amount of all funds provided to the qualified entity from all sources to conduct the project.

SEC. 408. ELIGIBILITY FOR PARTICIPATION.

(a) IN GENERAL.—Any individual who is a member of a household that is eligible for assistance under the State temporary assistance for needy families program established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), or that meets each of the following requirements shall be eligible to participate in a demonstration project conducted under this title:

(1) INCOME TEST.—The adjusted gross income of the household does not exceed the earned income amount described in section 32 of the Internal Revenue Code of 1986 (taking into account the size of the household).

(2) NET WORTH TEST.—

(A) IN GENERAL.—The net worth of the household, as of the end of the calendar year preceding the determination of eligibility, does not exceed $10,000.

(B) DETERMINATION OF NET WORTH.—For purposes of subparagraph (A), the net worth of a household is the amount equal to—

(i) the aggregate market value of all assets that are owned in whole or in part by any member of the household; minus

(ii) the obligations or debts of any member of the household.

(C) EXCLUSIONS.—For purposes of determining the net worth of a household, a household's assets shall not be considered to include the primary dwelling unit and one motor vehicle owned by a member of the household.

(b) INDIVIDUALS UNABLE TO COMPLETE THE PROJECT.—The Secretary shall establish such regulations as are necessary to ensure compliance with this title if an individual participating in the demonstration project moves from the community in which the project is conducted or is otherwise unable to continue participating in that project, including regulations prohibiting future eligibility to participate in any other demonstration project conducted under this title.

SEC. 409. SELECTION OF INDIVIDUALS TO PARTICIPATE.

From among the individuals eligible to participate in a demonstration project conducted under this title, each qualified entity shall select the individuals—

(1) that the qualified entity determines to be best suited to participate; and

(2) to whom the qualified entity will provide deposits in accordance with section 410.

SEC. 410. DEPOSITS BY QUALIFIED ENTITIES.

(a) IN GENERAL.—Not less than once every 3 months during each project year, each qualified entity under this title shall deposit in the individual development account of each individual participating in the project, or into a parallel account maintained by the qualified entity—

(1) from the non-Federal funds described in section 405(c)(4), a matching contribution of not less than $0.50 and not more than $4 for every $1 of earned income (as defined in section 911(d)(2) of the Internal Revenue Code of 1986) deposited in the account by a project participant during that period;

(2) from the grant made under section 406(b), an amount equal to the matching contribution made under paragraph (1); and

(3) any interest that has accrued on amounts deposited under paragraph (1) or (2) on behalf of that individual into the individual development account of the individual or into a parallel account maintained by the qualified entity.

(b) LIMITATION ON DEPOSITS FOR AN INDIVIDUAL.—Not more than $2,000 from a grant made under section 406(b) shall be provided to any one individual over the course of the demonstration project.

(c) LIMITATION ON DEPOSITS FOR A HOUSEHOLD.—Not more than $4,000 from a grant made under section 406(b) shall be provided to any one household over the course of the demonstration project.

(d) WITHDRAWAL OF FUNDS.—The Secretary shall establish such guidelines as may be necessary to ensure that funds held in an individual development account are not withdrawn, except for one or more qualified expenses, or for an emergency withdrawal. Such guidelines shall include a requirement that a responsible official of the qualified entity conducting a project approve a withdrawal from such an account in writing. The guidelines shall provide that no individual may withdraw funds from an individual development account earlier than 6 months after the date on which the individual first deposits funds in the account.

(e) REIMBURSEMENT.—An individual shall reimburse an individual development account for any funds withdrawn from the account for an emergency withdrawal, not later than 12 months after the date of the withdrawal. If the individual fails to make the reimbursement, the qualified entity administering the account shall transfer the funds deposited into the account or a parallel account under this section to the Reserve Fund of the qualified entity, and use the funds to benefit other individuals participating in the demonstration project involved.

SEC. 411. LOCAL CONTROL OVER DEMONSTRATION PROJECTS.

A qualified entity under this title, other than a State or local government agency or a tribal government, shall, subject to the provisions of section 413, have sole authority over the administration of the project. The Secretary may prescribe only such regulations or guidelines with respect to demonstration projects conducted under this title as are necessary to ensure compliance with the approved applications and the requirements of this title.

SEC. 412. ANNUAL PROGRESS REPORTS.

(a) IN GENERAL.—Each qualified entity under this title shall prepare an annual report on the progress of the demonstration project. Each report shall include both program and participant information and shall specify for the period covered by the report the following information:

(1) The number and characteristics of individuals making a deposit into an individual development account.

(2) The amounts in the Reserve Fund established with respect to the project.

(3) The amounts deposited in the individual development accounts.

(4) The amounts withdrawn from the individual development accounts and the purposes for which such amounts were withdrawn.

(5) The balances remaining in the individual development accounts.

(6) The savings account characteristics (such as threshold amounts and match rates) required to stimulate participation in the demonstration project, and how such characteristics vary among different populations or communities.

(7) What service configurations of the qualified entity (such as configurations relating to peer support, structured planning exercises, mentoring, and case management) increased the rate and consistency of participation in the demonstration project and how such configurations varied among different populations or communities.

(8) Such other information as the Secretary may require to evaluate the demonstration project.

(b) SUBMISSION OF REPORTS.—The qualified entity shall submit each report required to be prepared under subsection (a) to—

(1) the Secretary; and

(2) the Treasurer (or equivalent official) of the State in which the project is conducted, if the State or a local government or a tribal government committed funds to the demonstration project.

(c) TIMING.—The first report required by subsection (a) shall be submitted not later than 60 days after the end of the calendar year in which the Secretary authorized the qualified entity to conduct the demonstration project, and subsequent reports shall be submitted every 12 months thereafter, until the conclusion of the project.

SEC. 413. SANCTIONS.

(a) AUTHORITY TO TERMINATE DEMONSTRATION PROJECT.—If the Secretary determines that a qualified entity under this title is not operating a demonstration project in accordance with the entity's approved application under section 405 or the requirements of this title (and has not implemented any corrective recommendations directed by the Secretary), the Secretary shall terminate such entity's authority to conduct the demonstration project.

(b) ACTIONS REQUIRED UPON TERMINATION.—If the Secretary terminates the authority to conduct a demonstration project, the Secretary—

(1) shall suspend the demonstration project;

(2) shall take control of the Reserve Fund established pursuant to section 407;

(3) shall make every effort to identify another qualified entity (or entities) willing and able to conduct the project in accordance with the approved application (or, if modification is necessary to incorporate the recommendations, the application as modified) and the requirements of this title;

(4) shall, if the Secretary identifies an entity (or entities) described in paragraph (3)—

(A) authorize the entity (or entities) to conduct the project in accordance with the approved application (or, if modification is necessary to incorporate the recommendations, the application as modified) and the requirements of this title;

(B) transfer to the entity (or entities) control over the Reserve Fund established pursuant to section 407; and

(C) consider, for purposes of this title—

(i) such other entity (or entities) to be the qualified entity (or entities) originally authorized to conduct the demonstration project; and

(ii) the date of such authorization to be the date of the original authorization; and

(5) if, by the end of the 1-year period beginning on the date of the termination, the Secretary has not found a qualified entity (or entities) described in paragraph (3), shall—

(A) terminate the project; and

(B) from the amount remaining in the Reserve Fund established as part of the project, remit to each source that provided funds under section 405(c)(4) to the entity originally authorized to conduct the project, an amount that bears the same ratio to the amount so remaining as the amount provided from the source under section 405(c)(4) bears to the amount provided from all such sources under that section.

SEC. 414. EVALUATIONS.

(a) IN GENERAL.—Not later than 10 months after the date of enactment of this title, the Secretary shall enter into a contract with an independent research organization to evaluate, the demonstration projects conducted under this title, individually and as a group, including evaluating all qualified entities participating in and sources providing funds for the demonstration projects conducted under this title.

(b) FACTORS TO EVALUATE.—In evaluating any demonstration project conducted under this title, the research organization shall address the following factors:

(1) The effects of incentives and organizational or institutional support on savings behavior in the demonstration project.

(2) The savings rates of individuals in the demonstration project based on demographic characteristics including gender, age, family size, race or ethnic background, and income.

(3) The economic, civic, psychological, and social effects of asset accumulation, and how such effects vary among different populations or communities.

(4) The effects of individual development accounts on savings rates, homeownership, level of postsecondary education attained, and self-employment, and how such effects vary among different populations or communities.

(5) The potential financial returns to the Federal Government and to other public sector and private sector investors in individual development accounts over a 5-year and 10-year period of time.

(6) The lessons to be learned from the demonstration projects conducted under this title and if a permanent program of individual development accounts should be established.

(7) Such other factors as may be prescribed by the Secretary.

(c) METHODOLOGICAL REQUIREMENTS.—In evaluating any demonstration project conducted under this title, the research organization shall—

(1) for at least one site, use control groups to compare participants with nonparticipants;

(2) before, during, and after the project, obtain such quantitative data as are necessary to evaluate the project thoroughly; and

(3) develop a qualitative assessment, derived from sources such as in-depth interviews, of how asset accumulation affects individuals and families.

(d) REPORTS BY THE SECRETARY.—

(1) INTERIM REPORTS.—Not later than 90 days after the end of the calendar year in which the Secretary first authorizes a qualified entity to conduct a demonstration project under this title, and every 12 months thereafter until all demonstration projects conducted under this title are completed, the Secretary shall submit to Congress an interim report setting forth the results of the reports submitted pursuant to section 412(b).

(2) FINAL REPORTS.—Not later than 12 months after the conclusion of all demonstration projects conducted under this title, the Secretary shall submit to Congress a final report setting forth the results and findings of all reports and evaluations conducted pursuant to this title.

(e) EVALUATION EXPENSES.—The Secretary shall expend 2 percent of the amount appropriated under section 416 for a fiscal year, to carry out the objectives of this section.

SEC. 415. TREATMENT OF FUNDS.

Of the funds deposited in individual development accounts for eligible individuals, only the funds deposited by the individuals (including interest accruing on those funds) may be considered to be the income, assets, or resources of the individuals, for purposes of determining eligibility for, or the amount of assistance furnished under, any Federal or federally assisted program based on need.

SEC. 416. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this title, $25,000,000 for each of fiscal years 1999, 2000, 2001, 2002, and 2003, to remain available until expended.

And the House agree to the same.

BILL GOODLING,
MIKE CASTLE,
MARK SOUDER,
BILL CLAY,
MATTHEW G. MARTINEZ,
Managers on the Part of the House.

JIM JEFFORDS,
DAN COATS,
JUDD GREGG,
TED KENNEDY,
CHRIS DODD,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2206) to amend the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, and the Community Services Block Grant Act to reauthorize and make improvements to those Acts, to establish demonstration projects that provide an opportunity for persons with limited means to accumulate assets, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I—HEAD START

AUTHORIZATION LEVELS

The Senate bill authorizes Head Start at such sums as may be necessary for FY 1999 through FY 2003.

The House amendment authorizes Head Start at $4.6 billion in FY 1999 and such sums as may be necessary for FY 2000 through FY 2003.

The Conference Agreement maintains the Senate language.

FREELY ASSOCIATED STATES

The Senate bill continues eligibility for the Freely Associated States (the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau).

The House amendment requires that payments to the Freely Associated States (the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau) be made on a competitive basis based on recommendations by the Pacific Region Educational Laboratory to the Freely Associated States, Guam, American Samoa, and the Northern Mariana Islands and terminates these funds on September 30, 2001.

The Conference Agreement continues eligibility for the Freely Associated States (the Republic of the Marshall Islands, the Federated States of Micronesia and the Republic of Palau) through FY 2001. If the legislation implementing the Compact of Free Association has not been enacted, the conference agreement extends eligibility for the Freely Associated States for an additional year until September 30, 2002. Eligibility for the Freely Associated States terminates on September 30, 2002.

FAMILY LITERACY DEMONSTRATION

The Senate bill does not contain a family literacy demonstration.

The House amendment sets aside $5 million for up to 100 Head Start family literacy demonstration projects across the country. Under the House amendment, 100 Head Start grantees would receive intensive training and technical assistance so that they might become models for replication, in the area of family literacy, for other Head Start programs. The House amendment also requires the Secretary to conduct research and evaluate successful family literacy models.

The Conference Agreement requires the Secretary to use at least $3 million of the technical assistance set-aside to provide technical assistance to Head Start grantees currently providing family literacy services, in order to improve the quality of family literacy services and for those grantees to serve as family literacy resources to other grantees and service providers who wish to implement family literacy programs. The agreement also requires the Secretary to evaluate the effectiveness and impact of family literacy services in Head Start.

QUALITY AND EXPANSION RATIO

The Senate bill maintains current law on the use of new funds, money appropriated over the prior year's appropriation. The Senate bill directs the Secretary to reserve 75% of all new funds to be used for expansion purposes and 25% of all new money to be used for quality purposes (increasing salaries and training).

The House amendment increases the percentage of new funds reserved for quality in the initial years of the authorization and directs the Secretary to reserve 10% of new funds to be used either for quality or expansion purposes. Specifically, the amendment provides 65% for quality, 25% for expansion and 10% for quality or expansion in the first 2 years of the authorization; 45% for quality, 45% for expansion and 10% for quality or expansion in FY 2001 and FY 2002; and 25% for quality, 65% for expansion and 10% for quality or expansion in the final year of the authorization.

The Conference Agreement provides the following quality/expansion ratios: in FY 1999, 60% for quality, 40% for expansion; in FY 2000, 50% for quality, 50% for expansion, in FY 2001, 47.5% for quality, 52.5% for expansion; in FY 2002 35% for quality, 65% for expansion; and in FY 2003, 25% for quality, 75% for expansion. The Conferees believe it is prudent to dedicate additional resources to quality to improve the services to children. Furthermore, the Conferees believe that an initial increase in quality dollars is necessary to assist grantees in meeting the new educational performance standards and professional development requirements.

CONSTRUCTION

The Senate bill permits quality money to be used for minor construction and renovation for the purposes of improving facilities necessary to expand the availability or to enhance the quality of Head Start programs.

The House amendment specifically prohibits quality dollars from being used for construction or renovation, but permits expansion dollars to be used for such purposes.

The Conference Agreement generally follows the House language. The agreement deletes the reference to minor construction and renovation under both quality and expansion. The Conferees believe grantees should use funds provided under the basic grant to fund minor renovations and construction, rather than using quality or expansion dollars for such purposes. The Conferees encourage the grantees to use funds provided under the basic grant for minor renovations and construction and to reserve quality dollars to increase salaries and training. However,the Conferees recognize that there may be very limited circumstances when local grantees may need to use quality funds for minor renovations and construction in order to comply with health and safety standards. In such cases, the Conferees recognize the Secretary has authority to authorize the use of quality funds for such purposes.

TRANSPORTATION

The Senate bill deletes the reference to transportation under the quality section.

The House amendment is identical to the Senate bill.

The Conference Agreement follows both the House and Senate language. The Conferees believe that grantees should use their basic grant funds to cover transportation costs. However, the Conferees recognize that under very limited circumstances local grantees may need to use quality dollars to cover transportation in order to enable children to participate in a Head Start program or to ensure that the transportation provided by the Head Start grantees meet safety standards. In such cases, the Conferees recognize the Secretary has authority to authorize the use of quality funds for such purposes.

FORMULA CHANGE

The Senate bill maintains the current law formula, which has a 1981 hold harmless with any money above the 1981 appropriation allocated to the States based ⅔ on the number of poor children under the age of 6 and ⅓ on the number of children under age 18 from Aid for Families with Dependent Children (AFDC) families.

The House amendment puts in place a 1998 hold harmless. All new money will be allocated to States based on the State's share of children under the age of 5 from families below the poverty line. The Department of Health and Human Services is directed to use the most recent data available on the number of poor children.

The Conference Agreement adopts the House formula.

EARLY HEAD START

The Senate bill authorizes the following set-aside levels for Early head Start: 7.5% in FY 1999, 8% in FY 2000, 9% in FY 2001, 10% in FY 2002, and 10% in FY 2003.

The House amendment authorizes the following set-aside levels for Early Head Start: 7.5% in FY 1999, 8% in FY 2000, 8.5% in FY 2001, and not less than 8.5% but not more than 10% in FY 2002 and FY 2003. The increased authorizations in FY 2002 and FY 2003 are dependent on receipt by the House Committee on Education and the Workforce and the Senate Committee on Labor and Human Resources of a report from the Department of Health and Human Services on the quality and impact of Early Head Start. The House amendment also stipulates that if the Department fails to provide the Committees with a report on Early Head Start, then the authorization levels for FY 2002 and FY 2003 shall remain at 8.5%.

The Conference Agreement authorizes the following set-aside levels for Early Head Start: 7.5% in FY 1999, 8% in FY 2000, 9% in FY 2001, 10% in FY 2002, and 10% in FY 2003. The Conference Agreement stipulates that the Secretary is required to use the portion of FY 2002 Early Head Start funding, in excess of that set-aside in FY 2001, to make necessary quality improvements, if Congress has not received an interim report on the preliminary findings of the Early Head Start impact study in 2001. If the final report contains substantial deficiencies in quality or if the final report is not released in 2002, the Secretary is required to use the portion of FY 2003 Early Head Start funding, in excess of that set-aside in FY 2002, to make necessary quality improvements. The Conference report sets-aside 5–10% of Early Head Start spending to create a training and technical assistance fund to expand and enhance program support at the Federal, regional, and local levels, as delineated in the Senate report.

GOVERNORS CONSULTATION AND DESIGNATION OF AGENCIES

The Senate bill requires the Secretary to consult with Governors in the designation of Head Start agencies.

The House amendment requires the Secretary to consult only with Governors of those States that contribute State dollars to Head Start.

The Conference Agreement maintains the House language.

PERFORMANCE MEASURES

The Senate bill does not contain education performance measures.

The House amendment contains 4 education performance measures to measure local grantee performance. The measures require grantees to ensure that children: (1) know that letters of the alphabet are a special category of visual graphics that can be individually named; (2) recognize a word as a unit of print; (3) identify at least ten letters of the alphabet; and (4) associate sounds with written words. The House amendment also requires the Secretary to develop and implement additional performance measures by January 1, 1999 and permits local grantees to develop their own performance measures.

The Conference Agreement follows the House amendment, but changes the date by which the Secretary must implement additional performance measures from January 1 to July 1, 1999.

CHILD SUPPORT REFERRAL

The Senate bill contains no comparable provision.

The House amendment requires Head Start grantees to inform custodial parents in single-parent families that participate in Head Start about the availability of child support services, and to refer such individuals to State and local government child support offices.

The Conference Agreement includes the House provision on child support referral.

COORDINATION WITH ELEMENTARY SCHOOLS

The Senate bill has no comparable language.

The House amendment requires Head Start programs to coordinate and link its services to the educational services provided by local educational agencies in which Head Start children will enroll.

The Conference Agreement maintains the House language. The Conferees believe that it is important for a Head Start program to link and coordinate its services with those educational services that will be provided to children once they graduate and enter elementary school. The Conferees believe that the positive educational experiences gained by children in Head Start programs can be built upon when such children enter elementary school and such coordination between Head Start and local educational agencies is essential to accomplishing this goal.

DESIGNATION OF HEAD START AGENCIES

The Senate bill permits for-profit entities to be designated as Head Start grantees. The Senate bill also permits the Secretary (only in cases where the for-profit agency and nonprofit agency submit applications of equivalent quality) to give a priority to the nonprofit agency.

The House amendment has no comparable language.

The Conference Agreement follows the Senate bill but also adds the following language: ''In selecting from among qualified applicants for designation as a Head Start agency, the Secretary shall give preference to applicants which have demonstrated capacity in providing comprehensive early childhood services to children and their families.'' The Conferees hope that expanding the universe of organizations eligible to compete to run Head Start programs will result in stronger applications and higher quality services to children and their families.

As a result of the new educational performance standards and measures, the Conferees expect the Secretary will defund poor performing grantees—those grantees that fail to meet the performance standards or measures. Given that the Secretary will have to designate new agencies, in cases where a Head Start grantee has been defunded or in cases where an area is undeserved, the Conferees urge the Secretary, to place the highest priority on those applicants who have experience in providing quality comprehensive early childhood services.

DRUG COUNSELING

The Senate bill has no comparable language.

The House amendment requires Head Start agencies to offer parents of participating children substance abuse counseling (either directly or through referral to local entities) including information on drug-exposed infants and fetal alcohol syndrome.

The Conference Agreement maintains the House language. The Conferees believe that in encouraging Head Start providers to offer parents of participating children substance abuse counseling, including information on drug exposed infants and fetal alcohol syndrome, parents will be empowered to make better lifestyle decisions that improve the health and safety of their children.

INCOME ELIGIBILITY

The Senate bill has no comparable language.

The House amendment permits individual programs to have up to 25% of total enrollment over the poverty level, but stipulates that the income of participating families cannot exceed 140% of the poverty level. Furthermore, the program must document the need for such services from a community needs assessment, and it must show reasonable efforts to recruit children of families with incomes below the poverty level. The House amendment also permits grantees to institute a sliding fee scale, comparable to the sliding fee scale established under the Child Care Development Block Grant, for families above the poverty line.

The Conference Agreement maintains the Senate position.

STAFF QUALIFICATIONS

The Senate bill has no comparable language.

The House amendment requires that the majority of Head Start classroom teachers in each center-based program have an Associate or Bachelor degree in early childhood education by 2003. In addition, the House amendment stipulates that programs will have to develop an assessment to be used in hiring or evaluating classroom teachers.

The Conference Agreement requires that the majority of Head Start classroom teachers nationwide have an Associate or Bachelor degree in either early childhood education or a degree in a field related to early childhood education with experience in teaching preschool children by 2003. The Conference Agreement maintains the House language requiring teacher assessments.

TITLE II—THE COMMUNITY SERVICES BLOCK GRANT

PURPOSES AND GOALS

The Senate bill adds a new statement of purpose in the Community Services Block Grant Act that stresses: the eradication of poverty, the revitalization of high poverty neighborhoods, and the empowerment of low-income families and individuals to become fully self-sufficient.

The House amendment generally follows the Senate bill, but stresses a more active role for private, religious, charitable, and neighborhood-based organizations in the provision of services.

The Conference Agreement merges the provisions of the Senate and House language.

AUTHORIZATION

The Senate bill provides an authorization for the Community Services Block Grant (CSBG) for 5 years through the year 2003. The Senate bill authorizes funding for CSBG at $625 million in FY 1999, and such sums as may be necessary for FY 2000 through FY 2003.

The House amendment provides an authorization for the Community Services Block Grant (CSBG) for 5 years through the year 2003. The House amendment authorizes funding for CSBG at $535 million in FY 1999, and such sums as may be necessary for FY 2000 through FY 2003.

The Conference Agreement provides an authorization for the Community Services Block Grant (CSBG) for 5 years through the year 2003. The Agreement authorizes funding for CSBG at such sums as may be necessary for fiscal years 1999 through 2003.

RESERVATION FOR TRAINING AND TECHNICAL ASSISTANCE

The Senate bill provides not less than ½ of 1% and not more than 1% for training and technical assistance.

The House amendment provides 1½% for training and technical assistance, and for other activities to be carried out by the Secretary of the Department of Health and Human Services such as monitoring, evaluation, and corrective action. The House amendment also requires that ½ of such funds be distributed directly to local eligible entities or to statewide organizations whose membership is composed of eligible entities to carry out technical assistance.

The Conference Agreement follows the House language providing 1½% for training and technical assistance and other activities to be carried out by the Secretary of the Department of Health and Human Services. The Agreement also requires that ½ of such amount be provided directly to local eligible entities or to statewide or local organizations or associations with demonstrated expertise in providing training to individuals and organizations on methods of effectively addressing the needs of low income families and communities, to carry out technical assistance.

RESERVATION FOR DISCRETIONARY PROGRAMS

The Senate bill sets aside 9% of CSBG funds for discretionary programs.

The House amendment sets aside ''up to 9%'' of CSBG funds for discretionary programs.

The Conference Agreement maintains the Senate language, setting aside 9% of CSBG funds for discretionary programs.

FREELY ASSOCIATED STATES

The Senate bill continues eligibility for the Freely Associated States (the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau).

The House amendment requires that payments to the Freely Associated States (the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau) be made on a competitive basis based on recommendations by the Pacific Region Educational Laboratory to the Federated States of Micronesia, Guam, American Samoa, and the Northern Mariana Islands and terminates these funds on September 30, 2001.

The Conference Agreement returns to current law and continues the ineligibility of the Freely Associated States (the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau) for CSBG.

ALLOTMENT OF ADDITIONAL FUNDS

The Senate bill contains no comparable provision.

The House amendment establishes a new formula for the allotment of CSBG funds that are in excess of funds appropriated in FY 1999.

The Conference Agreement maintains the Senate language and does not change the formula for the allotment of funds in the CSBG program.

STATE CHARITY TAX PROVISION

The Senate bill has no comparable provision.

The House amendment allows States to use up to 10% of their State allotment (from their State-held funds) to offset State charity tax credits for the alleviation of poverty.

The Conference Agreement includes the House State charity tax credit, but specifies that administrative or start-up costs of such a tax credit program may only come from the State's administrative account (limited to up to 5% of the State's CSBG allotment), if CSBG funds are used for such purposes. The Agreement also includes language clarifying that CSBG funds may not be used to offset tax credits for legal services or educational vouchers.

ADDITIONAL USES OF FUNDS

The Senate bill has no comparable provisions.

The House amendment contains several new allowable uses of funds as described in the State plan, including: literacy (including family literacy) initiatives; youth development initiatives (which may include after-school child care); community policing initiatives; and fatherhood and other initiatives that encourage parental responsibility.

The Conference Agreement generally follows the House amendment regarding additional uses of funds, and adds effective parenting, public and private grassroots partnerships, and youth intervention initiatives as allowable uses of funds.

DESIGNATION OF NEW ELIGIBLE ENTITIES

The Senate bill provides that if any geographic area in a State is not, or ceases to be served by an eligible entity, the chief executive officer of the State may solicit applications from, and designate as an eligible agency: one or more private non-profit organizations geographically located in the unserved area; or private non-profit organizations (which may include eligible entities) located in an area contiguous to, or within reasonable proximity of, the unserved area that are already providing related services in the unserved area. The State may give priority to existing eligible entities already providing services within the community.

The House amendment provides that for any geographic area in a State that is not, or ceases to be served by an eligible entity, the chief executive officer of the State may solicit applications and designate as the eligible agency for that area: a private nonprofit eligible entity located in an area contiguous to, or within reasonable proximity of, the unserved area that already provides related services in the unserved area; or another private nonprofit organization geographically located in the unserved area that is capable of providing a broad range of services designed to eliminate poverty and foster self-sufficiency. In any such designation, the organization must be of demonstrated effectiveness in meeting the goals and purposes of the Act. The House amendment also provides that States may give priority to existing eligible entities already providing services within the community.

The Conference Agreement provides that States may designate as new eligible entities: a private nonprofit organization (which may include an eligible entity) geographically located in the unserved area that is capable of providing a broad range of services designed to eliminate poverty and foster self-sufficiency; or a private nonprofit eligible entity located in an area contiguous to, or within reasonable proximity of, the unserved area that already provides related services in the unserved area. The Agreement retains language from both bills that in any case the organization must be of demonstrated effectiveness in meeting the goals and purposes of the Act. The agreement also retains language in both bills that allows States to give priority to existing eligible entities already providing services within the community. It is the intent of the Conferees that States shall give consideration to using existing, private nonprofit eligible entities to provide CSBG services in unserved areas. Utilizing existing eligible entities will effectively leverage CSBG resources and expertise and ensure continuity in the program.

TRIPARTITE BOARDS

The Senate bill strengthens the role of local tripartite boards in the design and implementation of all local CSBG programs whether administered by public or private eligible entities. The bill maintains the same representation requirements for membership on tripartite boards, but requires that all members of such boards reside in the community being served.

The House amendment generally follows the Senate bill pertaining to the role of tripartite boards. However, the House amendment only requires that members of such boards who represent low-income individuals and families in the neighborhood served, must reside in neighborhood served.

The Conference Agreement maintains the House language in that the residence requirement pertains only to the individuals on tripartite boards who represent low-income individuals and families in the neighborhoods served. However Conferees strongly encourage that all members of local tripartite boards will reside or have interests (such as the conduct of business) in the neighborhood served or in the broader community.

ACCOUNTABILITY

The Senate bill requires that the Department of Health and Human Services work with States and local eligible entities to establish the development of a performance measurement system to be used by States and local entities to measure their performance in programs funded through CSBG. This builds on a voluntary performance measurement system begun by States and local entities with the help of the Department of Health and Human Services several years ago called the Results-Oriented Management and Accountability System (ROMA). The bill further requires that each State and eligible entity participate in such a performance measurement system by October 1, 2002.

The House amendment generally follows the Senate bill with to major exceptions. First, the House amendment clarifies that the role of the Department of Health and Human Services is to facilitate (not establish) the performance measurement system. Second, the House amendment requires that States and local eligible entities must participate in such a performance measurement system by October 1, 2001.

The Conference Agreement maintains the House language. Conferees see the role of the Department of Health and Human Services as important in facilitating development of the performance measurement system. Conferees expect that such efforts will build on work already begun in development of the Results-Oriented Management and Accountability System (ROMA). Such a performance measurement system is intended to allow States and local communities to determine

their own priorities and establish performance objectives accordingly.

ROLE OF RELIGIOUS ORGANIZATIONS

The Senate bill prescribes the circumstances under which religious organizations may receive grants and contracts under the CSBG program. Specifically, language has been included which provides that faith-based organizations may participate in the CSBG program as long as the program is implemented in a manner consistent with the Establishment Clause of the Constitution. The language further provides that faith-based organizations shall not be required to remove religious art, icons, scripture, or other symbols as a condition of participating in a program funded with CSBG. Faith-based organizations receiving funds under this Act may not use Federal funds for sectarian worship, instruction, or proselytization and must agree to submit to the fiscal accountability requirements of the State, including requirements that CSBG funds be segregated from other funds. Similar language is contained in the House amendment.

The Senate bill includes several additional provisions, compared to the House amendment, that relate to employment discrimination; the role of intermediate organizations; and a general provision on faith-based character and independence. The employment discrimination provision allows religious providers that provide assistance under CSBG, to require that employees adhere to the religious tenets and teachings of such organization. It also allows religious providers to require employees not to use drugs or alcohol (on or off the job). The Senate bill further provides that intermediate organizations would also be required to give equitable treatment to religious providers. The Senate bill also contains a general provision providing that religious organizations that provide assistance under CSBG shall retain their faith-based character.

The House amendment generally follows the Senate bill with the exception of the provisions related to employment; the role of intermediate organizations; and the general provision on faith-based character.

The Conference Agreement generally follows the Senate bill, except for the provision related to employment. The Conference Agreement clarifies that a religious organization's exemption provided under section 702 of the Civil Rights Act of 1964 regarding employment practices shall not be affected by its participation in, or receipt of funds from the Community Services Block Grant.

FUNDING TERMINATION OR REDUCTIONS

The Senate bill gives the Secretary up to 60 days to complete a review when a State decertifies or defunds a local eligible entity. The Senate bill contains no comparable provision to the House amendment which allows the Secretary to provide direct assistance to a local eligible entity that has been decertified in violation of the appeal process established in the law.

The House amendment gives the Secretary up to 120 days to complete a review when a State decertifies or defunds a local eligible entity. The House amendment provides the Secretary with authority to provide direct assistance to a local eligible entity that has been decertified in violation of the appeal process established in the statute.

The Conference Agreement gives the Secretary up to 90 days to complete a review when a State decertifies or defunds a local eligible entity, upon receipt of all necessary materials from the State. The Agreement generally follows the House amendment regarding the Secretary's authority to provide direct assistance to eligible entities when a State violates the appeal process established in the statute.

COMMUNITY FOOD AND NUTRITION PROGRAM

The Senate bill authorizes the Community Food and Nutrition Program at $25 million in FY 1999, and such sums through FY 2003.

The House amendment authorizes the Community Food and Nutrition Program at $5 million in FY 1999, and such sums through FY 2003.

The Conference Agreement authorizes the Community Food and Nutrition Program at such sums in FY 1999 through FY 2003.

DRUG TESTING

The Senate bill has no comparable provision.

The House amendment contains a provision clarifying that States are not prohibited from testing individuals receiving assistance under CSBG for controlled substances, or from sanctioning individuals who test positive for controlled substances.

The Conference Agreement includes the clarification that States are not prohibited from testing individuals receiving assistance under CSBG for controlled substances. However, the Agreement further stipulates that if States do test CSBG program participants for controlled substances, and such individuals test positive, the State must inform such individuals about appropriate treatment or rehabilitation services, and refer such individuals to such services.

CHILD SUPPORT REFERRAL

The Senate bill contains no comparable provision.

The House amendment requires local eligible entities to inform custodial parents in single-parent families that participate in CSBG programs about the availability of child support services, and to refer such individuals to State and local government child support offices.

The Conference Agreement includes the House provision on child support referral.

TITLE III—LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

AUTHORIZATION

The Senate bill authorizes LIHEAP for 5 years at $2 billion a year for fiscal years 2000 through 2004.

The House amendment authorizes LIHEAP for 2 years at $1.1 billion (the FY 1998 appropriated level) in FY 2000 and such sums for FY 2001.

The Conference Agreement authorizes LIHEAP for 5 years. The Agreement provides an authorization of such sums as necessary in FY 2000 and FY 2001, and $2 billion in FY 2002 through FY 2004. Fiscal year 1999 continues to be authorized at the $2 billion level.

LEVERAGING

The Senate bill extends the authorization of the leveraging program for 5 years, but caps funding at $30 million until funds reach $1.4 billion, at which time the cap is increased to $50 million.

The House amendment extends the authorization of the leveraging program for 2 years, at $50 million in both FY 2000 and FY 2001.

The Conference Agreement maintains the Senate language.

NATURAL DISASTERS AND OTHER EMERGENCIES

The Senate bill and House amendment both include language to clarify the criteria by which the President can release LIHEAP funds during a natural disaster or emergency.

The Conference Agreement adheres to language on natural disasters and emergencies contained in the Senate report on S. 2206. In determining whether to recommend a release of emergency funds to States, the Conferees intend that the Secretary will take into consideration requests from Members of Congress in making such releases.

EMPHASIS ON LOW-INCOME HOUSEHOLDS FOR WEATHERIZATION SERVICES

The Senate bill contains no comparable provision.

The House amendment places an emphasis on serving low-income households that pay a high proportion of their household income for home energy costs in the allocation of weatherization services.

The Conference Agreement maintains the House language.

TECHNICAL ASSISTANCE

The Senate bill sets aside an additional $50,000 for the Secretary of Health and Human Services for technical assistance, training, and on-site compliance reviews.

The House amendment contains no comparable provision.

The Conference Agreement maintains the Senate language.

FREELY ASSOCIATED STATES

The Senate bill continues eligibility for the Freely Associated States (the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau).

The House amendment terminates eligibility for the Freely Associated States (the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau).

The Conference Agreement returns to current law and continues the ineligibility of the Freely Associated States (the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau) for LIHEAP.

TITLE IV—INDIVIDUAL DEVELOPMENT ACCOUNTS (IDAs)

DESIGNATION OF IDAS AS A SEPARATE TITLE—DISTINCT FROM CSBG

The Senate bill establishes the IDA demonstration as a separate title, distinct from CSBG.

The House amendment establishes the IDA demonstration as a chapter in CSBG.

The Conference Agreement maintains the Senate language and establishes the IDA demonstration as a separate title. Individual Development Accounts (IDAs) are dedicated, matched savings accounts that can be used for purchasing a first home, meeting the costs of postsecondary education, capitalizing a business, or addressing certain defined hardship cases. Under the IDA program, nonprofit organizations or State and local governments enter into partnerships with low-income individuals who deposit a self-determined amount from their earned income in the account. The sponsoring organizations match the individual's deposit with funds provided through this demonstration authority and other non-federal sources. This legislation supports the work that States and community based organizations are doing in support of IDAs and other asset-based development strategies. The Conferees believe that IDAs hold great promise as a strategy to enable low-income people and communities to move forward economically, participate in the mainstream economy, and realize their dreams of good jobs, opening their own small businesses, going to college, owning a home, and bequeathing a better future for their children.

AUTHORIZATION

The Senate bill authorizes the IDA demonstration for 5 years at $25 million per year.

The House amendment authorizes the IDA demonstration for 4 years at $25 million per year.

The Conference Agreement maintains the Senate language and authorizes the IDA demonstration for 5 years at $25 million per year.

PROJECT YEARS

The Senate bill limits project years for IDA demonstrations to 4 years.

The House amendment limits project years for IDA demonstrations to 5 years.

The Conference Agreement maintains the House language and limits project years for IDA demonstrations to 5 years.

GRANDFATHERING

The Senate bill contains no comparable provision.

The House amendment makes Statewide IDA programs that were established by State statute and funded with State funds in excess of $1 million by the date of enactment of this Act eligible to compete for IDA demonstration grants, and exempts them from certain requirements of this title that are directly in conflict with their previously established programs.

The Conference Agreement maintains the House language.

BILL GOODLING,
MIKE CASTLE,
MARK SOUDER,
BILL CLAY,
MATTHEW G. MARTINEZ,
Managers on the Part of the House.

JIM JEFFORDS,
DAN COATS,
JUDD GREGG,
TED KENNEDY,
CHRIS DODD,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MCCRERY (at the request of Mr. ARMEY) for today after 3:30 p.m. and for October 7 on account of attending a funeral.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCNULTY) to revise and extend their remarks and include extraneous material:)

Mr. SKAGGS, for 5 minutes, today.

Mrs. CLAYTON, for 5 minutes, today.

Ms. FURSE, for 5 minutes, today.

Mr. FALEOMAVAEGA, for 5 minutes, today.

Ms. SANCHEZ, for 60 minutes, today.

Ms. JACKSON-LEE of Texas, for 60 minutes, today.

(The following Members (at the request of Mr. SNOWBARGER) to revise and extend their remarks and include extraneous material:)

Mr. PITTS, for 5 minutes, today.

Mr. CASTLE, for 5 minutes, today.

Mr. FOSSELLA, for 5 minutes today.

Mr. MORAN of Kansas, for 5 minutes, today.

Mr. EHLERS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. MCNULTY) and to include extraneous material):

Mr. KIND.

Mr. TOWNS.

Mr. NEAL of Massachusetts.

Mr. ETHERIDGE.

Mr. BERMAN.

Mr. SKELTON.

Mr. MCHALE.

Mr. KLECZKA.

Mr. FAZIO of California.

Mr. DOYLE.

Mr. BENTSEN.

Mr. SERRANO.

Mr. BROWN of California.

Mr. RANGEL.

(The following Members (at the request of Mr. ADAM SMITH of Washington) and to include extraneous material:)

Mr. BILBRAY.

Mr. FORBES.

Mr. HAYWORTH.

Mr. DIAZ-BALART.

Mr. SOUDER.

Mr. GINGRICH.

Mr. DREIER.

(The following Members (at the request of Mr. OWENS) and to include extraneous material:)

Mr. KANJORSKI.

Mr. PACKARD.

Mr. RAHALL.

Mr. TAYLOR of North Carolina.

Mr. HINOJOSA.

Mr. BONILLA.

Mr. SENSENBRENNER.

Ms. JACKSON-LEE.

Mr. OBERSTAR.

Mr. BARCIA.

Mr. CLAY.

Mr. BENTSEN.

Mr. FRANKS of New Jersey.

Mr. LAZIO of New York.

Mr. MCHALE.

Mr. ACKERMAN.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2505. An act to direct the Secretary of the Interior to convey title to the Tunnison Lab Hagerman Field Station in Gooding County, Idaho, to the University of Idaho; to the Committee on Resources.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 3007. An act to establish the Commission on the Advancement of Women and Minorities in Science, Engineering, and Technology Development Act.

H.R. 4101. An act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes.

H.R. 4103. An act making appropriations for the Department of Defense for the fiscal year ending September 30, 1999, and for other purposes.

H.R. 4068. An act to make certain corrections in laws relating to Native Americans, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 414. An Act to amend the Shipping Act of 1984 to encourage competition in international shipping and growth of United States exports, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 4068. To make certain technical corrections in laws relating to Native Americans, and for other purposes.

H.R. 3007. To establish the Commission on the Advancement of Women and Minorities in Science, Engineering, and Technology Development.

H.R. 3616. To authorize appropriations for fiscal year 1999 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

ADJOURNMENT

Mr. OWENS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 25 minutes p.m.), the House adjourned until tomorrow, Wednesday, October 7, 1998, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

11514. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Egg, Poultry, and Rabbit Grading Increase in Fees and Charges [Docket No. PY–98–002] received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

11515. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Processed Fruits and Vegetables [Docket No. FV–98–327] received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

11516. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Fludioxonil; Pesticide Tolerance [OPP–300738; FRL–6036–8] (RIN: 2070–AB78) received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

11517. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Cyproconazole; Pesticide Tolerance [OPP–300742; FRL–6036–9] (RIN: 2070–AB78) received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

11518. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Imidacloprid;

Extension of Tolerance for Emergency Exemptions [OPP–300743; FRL–6037–2] (RIN: 2070–AB78) received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

11519. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Pyridate; Pesticide Tolerance [OPP–300737; FRL 6036–2] (RIN: 2070–AB78) received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

11520. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Sethoxydim; Pesticide Tolerance [OPP–300739; FRL–6034–1] (RIN: 2070–AB78) received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

11521. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Avermectin; Extension of Tolerance for Emergency Exemptions [OPP–300727; FRL–6033–7] (RIN: 2070–AB78) received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

11522. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Bifenthrin; Extension of Tolerance for Emergency Exemptions [OPP–300731; FRL 6034–9] (RIN: 2070–AB78) received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

11523. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Glyphosate; Pesticide Tolerance [OPP–300736; FRL 6036–1] (RIN: 2070–AB78) received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

11524. A letter from the Chief, Programs and Legislation Division, Department of the Air Force, transmitting notification that the Commander of Air Combat Command is initiating a multi-function cost comparison of the base operating support functions at Offutt Air Force Base (AFB), Nebraska, pursuant to 10 U.S.C. 2304 nt.; to the Committee on National Security.

11525. A letter from the Director, Defense Procurement, Office of the Under Secretary of Defense, transmitting the Office's final rule—Defense Federal Acquisition Regulation Supplement; Contracting by Negotiation; Part 215 Rewrite [DFARS Case 97–D018] received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on National Security.

11526. A letter from the General Counsel, Department of Housing and Urban Development, transmitting the Department's final rule—Multifamily Housing Mortgage and Housing Assistance Restructuring Program (Mark-to-Market) and Renewal of Expiring Section 8 Project-Based Assistance Contracts [Docket No. FR–4298–I–01] (RIN: 2502–AH09) received September 26, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

11527. A letter from the Assistant General Counsel for Regulations, Department of Education, transmitting the Department's final rule—Federal Work-Study Programs (RIN: 1840–AC56) received September 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

11528. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Anthropomorphic Test Dummy; Occupant Crash Protection [Docket No. NHTSA–98–4503] (RIN: 2127–AG39) received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

11529. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans and Designations of Areas for Air Quality Planning Purposes; State of Connecticut; Approval of Maintenance Plan, Carbon Monoxide Redesignation Plan and Emissions Inventory for the New Haven-Meriden-Waterbury area [CT50–7208; A–1–FRL–6167–1] received September 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

11530. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Air Quality Plans for Designated Facilities and Pollutants; Commonwealth of Virginia; Control of Total Reduced Sulfur Emissions from Existing Kraft Pulp Mills [SIPTRAX NO. VA 011–5034a; FRL–6174–7] received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

11531. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Performance Partnership Grants for State and Tribal Environmental Program: Revised Interim Guidance [FRL–6171–7] received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

11532. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Technical Amendments to Hazardous Waste Management System; Identification and Listing of Hazardous Waste; Petroleum Refining Process Wastes; Land Disposal Restrictions for Newly Identified Wastes; And CERCLA Hazardous Substances Designation and Reportable Quantities; Correction of Effective Date Under Congressional Review Act (CRA) [FRL–6172–3] received October 2, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

11533. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's ''Major'' final rule—Hazardous Waste Management System; Identification and Listing of Hazardous Waste; Petroleum Refining Process Wastes; Land Disposal Restrictions for Newly Identified Wastes; And CERCLA Hazardous Substance Designation and Reportable Quantities [SWH-FRL–6122–7] (RIN: 2050–AD88) received October 2, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

11534. A letter from the Chairman, Federal Energy Regulatory Commission, transmitting the Commission's final rule—Revision of Fuel Cost Adjustment Clause Regulation Relating to Fuel Purchases From Company-Owned or Controlled Source [Docket No. RM93–24–000; Order No. 600] received September 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

11535. A letter from the Director, Defense Security Assistance Agency, transmitting a report authorizing the transfer of up to $100M in defense articles and services to the Government of Bosnia-Herzegovina, pursuant to Public Law 104—107, section 540(c) (110 Stat. 736); to the Committee on International Relations.

11536. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Air Force's Proposed Letter(s) of Offer and Acceptance (LOA) to Israel for defense articles and services (Transmittal No. 98–60), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

11537. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Air Force's Proposed Letter(s) of Offer and Acceptance (LOA) to Israel for defense articles and services (Transmittal No. 98–59), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

11538. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Air Force's Proposed Letter(s) of Offer and Acceptance (LOA) to Australia for defense articles and services (Transmittal No. 98–58), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

11539. A letter from the Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to Kuwait for defense articles and services (Transmittal No. 99–05), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

11540. A letter from the Acting Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance (LOA) to Greece for defense articles and services (Transmittal No. 99–01), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

11541. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Mexico [Transmittal No. DTC 133–98], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

11542. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of major defense equipment sold under a contract to Italy [Transmittal No. DTC 128–98], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

11543. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of major defense equipment or defense services sold under a contract to Thailand [Transmittal No. DTC 99–98], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

11544. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of major defense equipment sold under a contract to Australia [Transmittal No. DTC 140–98], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

11545. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification that a reward has been paid pursuant to 22 U.S.C. 2708(b); to the Committee on International Relations.

11546. A letter from the Chair, District of Columbia Financial Responsibility and Management Assistance Authority, transmitting the Fiscal Year 1999 Performance Accountablity Plan for the District of Columbia; to the Committee on Government Reform and Oversight.

11547. A letter from the Assistant Secretary, Land and Minerals Management, Department of the Interior, transmitting the Department's final rule—Special Areas: State Irrigation Districts [WO–340–1220–00–24 1A] (RIN: 1004–AC53) received October 1, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

11548. A letter from the Assistant Secretary, Land and Minerals Management, Department of the Interior, transmitting the Department's final rule—Grazing Administration; Alaska; Livestock [WO–130–1820–00–241A] (RIN: 1004–AC70) received October 1, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

11549. A letter from the Director, Office of Surface Mining Reclamation and Enforcement, Department of the Interior, transmitting the Department's final rule—Surface Coal Mining and Reclamation Operations On Federal Lands; State-Federal Cooperative Agreements; Kentucky [KY–214–FOR] received September 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

11550. A letter from the Director, Fish and Wildlife Service, Department of the Interior, transmitting the Department's final rule—Endangered and Threatened Wildlife and Plants; Determination of Endangered or Threatened Status for Five Desert Milk-vetch Taxa from California (RIN: 1018–AB75) received October 1, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

11551. A letter from the Deputy Assistant Secretary, Land and Minerals Management, Department of the Interior, transmitting the Department's final rule—Oil and Gas Leasing; Onshore Oil and Gas Geophysical Exploration; Onshore Oil and Gas Operations; Onshore Oil and Gas Unit Agreements: Unproven Areas; Geothermal Resources Leasing: General; Geothermal Resources Operations; Leasing of Solid Minerals Other than Coal and Oil Shale; Phosphate; Sodium; Potassium; Sulphur; ''Gilsonite' (Including All Vein-Type Solid Hydrocarbons); Special Leasing Areas; Solid Minerals (Other Than Coal) Exploration and Mining Operations; Mineral Materials Disposal: General; Mining Claims Under the General Mining Laws; Public Availability of Mineral Resources Information [WO–890–1270–02–24 1A] to the Committee on Resources.

11552. A letter from the Acting Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting the Department's final rule—Endangered and Threatened Wildlife and Plants: Establishment of a Nonessential Experimental Population of Black-footed Ferrets in Northwestern Colorado and Northeastern Utah (RIN: 1018–AD99) received October 1, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

11553. A letter from the Director, Office of Sustainable Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Economic Exclusive Zone Off Alaska; Groundfish Fisheries by Vessels using Hook-and-Line Gear in the Gulf of Alaska [Docket No. 971208297–8054–02; I.D. 081498D] received October 1, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

11554. A letter from the Director, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Endangered and Threatened Species; Threatened Status for the Oregon Coast Evolutionarily Significant Unit of Coho Salmon [Docket No. 950407093–8201–04; I.D. 063098A] received September 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

11555. A letter from the Director, Office of Sustainable Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Coastal Migratory Pelagic Resources of the Gulf of Mexico and South Atlantic; Closure [Docket No. 970930235–8028–02; I.D. 081898B] received October 1, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

11556. A letter from the Policy, Management and Information Officer, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Announcement of Graduate Research Fellowships in the National Estuarine Research Reserve System for Fiscal Year 1999 [Docket Number 980716179–8179–01] (RIN: 0648–ZA45) received September 26, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

11557. A letter from the Senior Attorney, Federal Register Certifying Officer, Department of the Treasury, transmitting the Department's final rule—Management of Federal Agency Disbursements (RIN: 1510–AA56) received September 26, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

11558. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Reports of Motor Carriers; Redesignation of Regulations Pursuant to the ICC Termination Act of 1995 (RIN: 2139–AA06) received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

11559. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Colusa, CA [Airspace Docket No. 98–AWP–1] received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

11560. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Licensing and Training of Pilots, Flight Instructors, and Ground Instructors Outside the United States [Docket No. FAA–1998–4518; Amdt. No. 61–105, 67–18, 141–11 & 142–3] (RIN: 2120–AG66) received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

11561. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Cambridge, NE; Correction [Airspace Docket No. 98–ACE–11] received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

11562. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Scottsbluff, NE [Airspace Docket No. 98–ACE–18] received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

11563. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Newton, IA [Airspace Docket No. 98–ACE–24] received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

11564. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Fort Drum, NY [Airspace Docket No. 98–AEA–15] received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

11565. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Berkeley Springs, WV [Airspace Docket No. 98–AEA–16] received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

11566. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747–100, -200, and -300 Series Airplanes [Docket No. 97–NM–85–AD; Amendment 39–10804; AD 98–20–37] (RIN: 2120–AA64) received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

11567. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Aviat Aircraft, Inc. Models S–1S, S–1T, S–2, S–2A, S–2S, and S–2B Airplanes [Docket No. 96–CE–23–AD; Amendment 39–10805; AD 96–12–03 R2] (RIN: 2120–AA64) received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

11568. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Mitsubishi Heavy Industries, Ltd. MU–2B Series Airplanes [Docket No. 98–CE–39–AD; Amendment 39–10807; AD 98–20–39] (RIN: 2120–AA64) received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

11569. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A300 B2 and B4 Series Airplanes [Docket No. 95–NM–109–AD; Amendment 39–10803; AD 98–20–36] (RIN: 2120–AA64) received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

11570. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Realignment of Federal Airways and Jet Routes; TX [Airspace Docket No. 97–ASW–18] (RIN: 2120–AA66) received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

11571. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Baltimore, MD [Airspace Docket No. 98–AEA–17] received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

11572. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Ellenville, NY [Airspace Docket No. 98–AEA–20] received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

11573. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Saab Model SAAB 2000 Series Airplanes [Docket No. 98–NM–287–AD; Amendment 39–10816; AD 98–21–08] (RIN: 2120–AA64) received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

11574. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Rolls-Royce, plc RB211 Trent 800 Series Turbofan Engines; Correction [Docket No. 98–ANE–33–AD; Amendment 39–10762; AD 98–19–21] (RIN: 2120–AA64) received October 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

11575. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Internal Revenue Service Announces New Procedures For Handling Matters In Bankruptcy [Announcement 98–89] received October 1, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

11576. A letter from the Assistant Commissioner, Internal Revenue Service, transmitting the Service's final rule—Coordinated Issue Motor Vehicle Industry Excess Parts Inventory—received October 1, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

11577. A letter from the Assistant Commissioner, Internal Revenue Service, transmitting the Service's final rule—Coordinated Issue Utilities Industry Capitalization of Costs-Unclassified Labor Costs—received October 1, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

11578. A letter from the Acting Chief, Regulations Branch, U.S. Customs Service, transmitting the Service's final rule—Anticounterfeiting Consumer Protection Act: Disposition of Merchandise Bearing Counterfeit American Trademarks; Civil Penalties [T.D.98–75] (RIN: 1515–AC10) received September 26, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

11579. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification that the President proposes to exercise his authority under section 614(a)(1) of the Foreign Assistance Act of 1961, as amended (the ''Act''), to authorize the use of $15 million in appropriations to the Korean Peninsula Energy Development Organization, pursuant to 22 U.S.C. 2364(a)(1); jointly to the Committees on International Relations and Appropriations.

11580. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of intent to obligate funds for additional program proposals for purposes of Nonproliferation and Disarmament Fund (NDF) activities, pursuant to Public Law 105–118; jointly to the Committees on International Relations and Appropriations.

11581. A letter from the Acting Comptroller General, General Accounting Office, transmitting a report on the financial statements of the Capitol Preservation Fund for the fiscal years ended September 30, 1997 and 1996; jointly to the Committees on House Oversight and Government Reform and Oversight.

11582. A letter from the The Board, Railroad Retirement Board, transmitting the Board's budget request for fiscal year 2000, pursuant to 45 U.S.C. 231f; jointly to the Committees on Appropriations, Transportation and Infrastructure, and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Alaska: Committee on Resources. H.R. 1842. A bill to terminate further development and implementation of the American Heritage Rivers Initiative (Rept. 105–781). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3087. A bill to require the Secretary of Agriculture to grant an easement to Chugach Alaska Corporation; with an amendment (Rept. 105–782). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 2756. A bill to authorize an exchange of property between the Kake Tribal Corporation and the Sealaska Corporation and the United States; with an amendment (Rept. 105–783). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3088. A bill to amend the Alaska Native Claims Settlement Act, regarding Huna Totem Corporation public interest land exchange, and for other purposes (Rept. 105–784). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 4389. A bill to provide for the conveyance of various reclamation project facilities to local water authorities, and for other purposes; with an amendment (Rept. 105–785). Referred to the Committee of the Whole House on the State of the Union.

Mr. GOODLING: Committee on Conference. Conference report on H.R. 3874. A bill to amend the Child Nutrition Act of 1966 to make improvements to the special supplemental nutrition program for women, infants, and children and to extend the authority of that program through fiscal year 2003 (Rept. 105–786). Ordered to be printed.

Mr. GOODLING: Committee on Conference. Conference report on S. 2206. An act to amend the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, and the Community Services Block Grant Act to reauthorize and make improvements to those Acts, to establish demonstration projects that provide an opportunity for persons with limited means to accumulate assets, and for other purposes (Rept. 105–788). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of Rule X and clause 4 of Rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. STUMP (for himself and Mr. EVANS) (both by request):

H.R. 4705. A bill to provide a temporary authority for the use of voluntary separation incentives by the Department of Veterans Affairs to reduce employment levels, and for other purposes; to the Committee on Veterans' Affairs, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. MORELLA:

H.R. 4706. A bill to ensure that the United States is prepared to meet the Year 2000 computer problem; to the Committee on Science, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GORDON:

H.R. 4707. A bill to prohibit Federal agencies from planning the sale of the Southeastern Power Administration; to the Committee on Resources.

By Mr. SANDERS (for himself, Mr. GREEN, Mr. KLECZKA, Mr. TURNER, Mr. KENNEDY of Rhode Island, Mr. ROMERO-BARCELO, Mr. ENGLISH of Pennsylvania, Ms. NORTON, Mr. UNDERWOOD, Mr. NEY, Mr. FORBES, and Mr. MANTON):

H.R. 4708. A bill to amend title 38, United States Code, to increase the allowance for burial and funeral expenses of certain veterans; to the Committee on Veterans' Affairs.

By Mrs. THURMAN (for herself, Mr. STARK, Mr. KUCINICH, and Mr. DAVIS of Florida):

H.R. 4709. A bill to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to require a health insurance issuer to notify all participants and beneficiaries if a group health plan fails to pay premiums necessary to maintain coverage, and provide a conversion option for such participants and beneficiaries if the plan is terminated; to the Committee on Commerce, and in addition to the Committees on Ways and Means, and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LAZIO of New York (for himself, Mr. SOLOMON, and Mrs. LOWEY):

H.R. 4710. A bill to amend title XVIII of the Social Security Act to permit the replacement of health insurance policies for certain disabled Medicare beneficiaries notwithstanding that the replacement policies may duplicate Medicare benefits; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TAUZIN:

H.R. 4711. A bill to authorize the sale of excess Department of Defense aircraft for the purpose of dispersing oil spills; to the Committee on Government Reform and Oversight, and in addition to the Committees on National Security, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 107: Mrs. WILSON.

H.R. 350: Mr. GOODLATTE, Mr. WATT of North Carolina, Mrs. CLAYTON, Mr. HAMILTON, Mr. MENENDEZ, Ms. SANCHEZ, and Mr. KILDEE.

H.R. 457: Mr. COBURN.

H.R. 619: Ms. MCCARTHY of Missouri.

H.R. 959: Mrs. CAPPS and Ms. KILPATRICK.

H.R. 1049: Ms. RIVERS.

H.R. 1206: Ms. RIVERS.

H.R. 1375: Mr. HILL and Ms. MCCARTHY of Missouri.

H.R. 2560: Ms. DANNER, Mr. DOYLE, Mr. GORDON, Mr. HOLDEN, Mr. MOLLOHAN, Mr. STUPAK, Mr. DINGELL, Mr. GONZALEZ, Mr. HALL of Ohio, Mr. KLECZKA, Mr. PETERSON of Minnesota, Mr. VISCLOSKY, Mr. WISE, Ms. PRYCE of Ohio, Mr. BALLENGER, Mr. DREIER, Mr. CRAPO, Mr. TALENT, Mr. KOLBE, Mr. EWING, Mr. BILBRAY, Mr. BRYANT, Mr. STEARNS, Mr. GOODLATTE, Mr. WELDON of Florida, Mr. ROGAN, Mrs. BONO, and Mr. DEAL of Georgia.

H.R. 2847: Mr. FROST and Mr. SESSIONS.

H.R. 2948: Mr. PALLONE.

H.R. 3228: Mr. PETRI.

H.R. 3514: Mr. WISE and Mr. GREEN.

H.R. 3547: Ms. WOOLSEY.

H.R. 3572: Mr. JOHNSON of Wisconsin, Mr. BOB SCHAFFER, and Mr. DOYLE.

H.R. 3758: Mr. LUTHER.

H.R. 3779: Mr. MARKEY.

H.R. 3879: Mr. CUNNINGHAM, Mr. WOLF, Mr. PETERSON of Pennsylvania, and Mr. NEY.

H.R. 3900: Ms. MCCARTHY of Missouri.

H.R. 3949: Mr. NUSSLE.

H.R. 3954: Mrs. EMERSON.

H.R. 3991: Mr. BARRETT of Nebraska.

H.R. 4007: Mr. UNDERWOOD.

H.R. 4092: Mr. REYES, Mr. BROWN of Ohio, and Mr. ACKERMAN.
H.R. 4181: Mr. ANDREWS.
H.R. 4281: Mr. SUNUNU.
H.R. 4362: Mr. GEJDENSON and Mr. KENNEDY of Rhode Island.
H.R. 4415: Mr. YOUNG of Florida.
H.R. 4461: Mr. NORWOOD.
H.R. 4478: Mr. VENTO.
H.R. 4479: Mr. VENTO.
H.R. 4498: Mr. UNDERWOOD, Mr. LIPINSKI, Mr. HINCHEY, Mr. WAXMAN, FILNER, Mr. MARTINEZ, and Ms. SLAUGHTER.
H.R. 4567: Ms. DELAURO.
H.R. 4590: Ms. HOOLEY of Oregon and Mr. DAVIS of Florida.
H.R. 4594: Mr. CHRISTENSEN, Mr. KOLBE, and Mr. HILL.
H.R. 4621: Mr. HILLIARD.
H.R. 4623: Mr. PAXON and Mr. LAZIO of New York.
H.R. 4628: Mr. HILLIARD.
H.R. 4653: Ms. DELAURO, Mr. BALDACCI, and Mr. MALONEY of Connecticut.
H.R. 4683: Mr. SHIMKUS.
H.R. 4692: Mr. STARK.
H. Con. Res. 52: Mr. BRYANT.
H. Con. Res. 229: Mr. GREEN, Mr. HOUGHTON, Mr. JENKINS, Mr. MCKEON, Mr. SCARBOROUGH, and Mr. TURNER.
H. Con. Res. 274: Ms. DUNN of Washington, Mr. UNDERWOOD, and Ms. BROWN of Florida.
H. Con. Res. 307: Mr. OWENS.
H. Con. Res. 328: Mr. KILDEE, Mr. HOSTETTLER, Mr. MALONEY of Connecticut, and Mr. CUMMINGS.
H. Res. 565: Mr. HILLIARD, Mr. CASTLE, Ms. BROWN of Florida, and Mr. COYNE.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 836: Mr. BARRETT of Wisconsin.
H. Res. 483: Mr. HASTINGS of Washington.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the clerk's desk and referred as follows:

80. The SPEAKER presented a petition of Mr. Gregory D. Watson of Austin, Texas, relative to a petition to the United States Congress requesting that the House of Representatives not lend its support to any legislation that would result in the complete discontinuation by the Federal Government of the printing of paper One Dollar United States currency in favor of a One Dollar Coin; to the Committee on Banking and Financial Services.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 4274

OFFERED BY: MR. TORRES

AMENDMENT NO. 33: Page 61, line 11, after the dollar amount, insert the following: ''(increased by $12,000,000)''.

Page 62, line 20, after the dollar amount, insert the following: ''(decreased by $12,000,000)''.

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Congressional Record

PROCEEDINGS AND DEBATES OF THE 105th CONGRESS, SECOND SESSION

Vol. 144 WASHINGTON, TUESDAY, OCTOBER 6, 1998 No. 138

Senate

(Legislative day of Friday, October 2, 1998)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

The PRESIDENT pro tempore. Today's prayer will be offered by our guest Chaplain, Rev. Robert Kem, Saint Andrew's Episcopal Church, Omaha, NE. He is a guest of Senator CHUCK HAGEL. Pleased to have you with us.

PRAYER

The guest Chaplain, Rev. Robert Kem, Saint Andrew's Episcopal Church, Omaha, NE, offered the following prayer:

Let us pray:

O Lord our Governor, whose glory is in all the world: We commend this Nation to Your merciful care, that being guided by Your providence, we may recognize You as our sovereign God and dwell in Your purpose and peace.

Grant to the President of the United States and especially the Members of the United States Senate and the House of Representatives and to all in authority the wisdom and strength to know You and to do Your will.

Fill them with the love of truth and righteousness. Make them ever mindful of their utmost calling to serve You as the chosen representatives of the people of this land. And in all that they do, may they serve You faithfully in this generation to the honor of Your holy name. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader is recognized.

Mr. DEWINE. I yield at this point to my colleague from Nebraska.

Mr. HAGEL. Mr. President, I thank my friend and distinguished colleague from Ohio, Senator DEWINE.

THE SENATE'S GUEST CHAPLAIN

Mr. HAGEL. Mr. President, I want to very briefly reflect for a moment on the prayer just offered by the Rev. Robert Kem of Saint Andrew's Episcopal Church in Omaha. It happens, Mr. President, that is the church where my family and I often are seen—more over the few years previous to the last 2 years, because of our recent change to our residency here in Washington.

Father Kem's guidance, and what that has meant to us as he continues to give spiritual guidance to so many, has been unique. He is known far outside the boundaries of just the Midwest. I think that is quite evident by the elegance of his prayer and his eloquent statement, reflecting on who we are as a Nation: All creatures, children of God. For Father Kem coming before this body today to offer guidance and prayer and hope, I am grateful. We are all better for Father Kem. To all the parishioners, those a part of the Saint Andrew's Episcopal family in Omaha, we know you are proud, as are we in the U.S. Senate.

I yield the floor.

The PRESIDENT pro tempore. The distinguished Senator from Ohio is recognized.

SCHEDULE

Mr. DEWINE. Mr. President, I have several announcements on behalf of the majority leader.

This morning there will be a period of morning business until 10 a.m. Following morning business, the Senate may consider any cleared executive nominations or legislation regarding judicial antinepotism. At 11:30 a.m., under a previous order, the Senate will resume consideration of the agricultural appropriations conference report, with a vote occurring on adoption of that report at 3:15 p.m. Following that vote, the Senate will resume consideration of S. 442, the Internet tax bill. Amendments are expected to be offered and debated in relation to Internet tax and, therefore, Members should expect rollcall votes into the evening during today's session.

Members are reminded that at 10 a.m. on Wednesday the Senate will vote on adoption of the motion to proceed to H.R. 10, the financial services reform bill, to be followed by a cloture vote on the Internet tax bill. By unanimous consent, Senators have until the cloture vote occurs to file second-degree amendments to the Internet bill.

I thank my colleagues for their attention.

MORNING BUSINESS

The PRESIDING OFFICER (Mr. HAGEL). Under the previous order, there will now be a period for morning business not to extend beyond the hour of 10 a.m. with Senators permitted to speak therein for not to exceed 5 minutes, provided the Senator from Ohio, Mr. DEWINE, shall be entitled to speak for 10 minutes.

The Senator from Ohio.

Mr. DEWINE. Mr. President, I ask unanimous consent to proceed for the next 15 minutes in morning business.

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

VIOLENCE IN KOSOVO

Mr. DEWINE. Mr. President, in a 1985 speech attended by President Ronald Reagan, the acclaimed writer and lecturer Elie Wiesel, a witness and survivor of the Holocaust, recounted the lessons he learned over the years since this dark chapter in our history. He said:

I learned that in extreme situations when human lives and dignity are at stake, neutrality is a sin. It helps the killers, not the

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

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victims. I learned the meaning of solitude, Mr. President. We were alone, desperately alone.

Mr. President, years from now, we may hear similar words from some of the survivors of the recent atrocities committed in the former Yugoslavia. This past week, Americans and people from all over the world have been witness to some horrific images coming from the tiny province of Kosovo in the Republic of Serbia. These images, of murdered ethnic Albanian civilians, from the very young to the very old, are the latest in a series of systematic attacks over the last 7 months by Serbian military and security forces against Albanian Kosovars—both rebel insurgents and unarmed civilians.

The victims of this latest massacre included old men, women, and children. The death toll since last February is estimated to be as low as 500 and as many as 1,000 although, frankly, no one knows how many victims there have been. Homes have been firebombed. Entire villages have been bulldozed to the ground. Hundreds of thousands of Albanian Kosovars literally have run for their lives and are seeking refuge in the forests and mountains of Kosovo, or in the neighboring states of Albania, Montenegro, Macedonia, and Bosnia.

Mr. President, what perhaps makes last weekend's attack more difficult to bear is that it causes us to pause and wonder if these lives could have been saved if NATO had stepped in sooner. I think we all know the answer to that.

Congress has struggled with the issue of brutal violence in the Balkans for the better part of this decade. The images broadcast this week are a somber reminder of very similar pictures that came from places not far from Kosovo—places like Mostar or Tuzla in Bosnia. I can recall, as I am sure can many of my colleagues, during our many discussions on Bosnia in 1995, several of our colleagues, including our former Majority Leader, Bob Dole, warning us that tensions in Kosovo could lead to the level of outright violence and ethnic cruelty that crippled Bosnia.

I am certain that this is one instance in which Senator Dole today wishes he had been wrong.

It has long been thought that Kosovo was an area where America's national resolve was clear. In 1992, President George Bush warned President Milosevic that violent acts against Albanian Kosovars would lead to military intervention.

President Bush's warning was prompted by President Milosevic's single-handed efforts to strip Kosovo of its autonomy in 1989, and abolish Kosovo's parliament and government 1 year later.

At that time, the Albanian Kosovars, which represent 90 percent of the total population of Kosovo, chose to exercise a form of nonviolent protest against the Serbian government. A shadow government, parliament, and society emerged. Besides electing their own President and legislature, Kosovars established their own education and medical systems.

Although there were scattered reports of human rights violations against Albanian Kosovars during this period, they were not connected with the reports of an extensive ethnic cleansing campaign underway in Bosnia. Many factors were involved, but perhaps most important was the threat of a larger regional war that could be sparked if the carnage in Bosnia spread to Kosovo. Besides the United States, the countries of Albania, Macedonia, Turkey, and Greece at one time or another warned that violence in Kosovo could force any one of these countries, if not all of them, to intervene. Certainly, with his resources engaged in the conflict in Bosnia, Serbian President Milosevic could not risk taking action in Kosovo.

Now, with instability in Albania and Macedonia, and the growth of the pro-independence faction of Kosovars known as the Kosovo Liberation Army, or KLA, President Milosevic has engaged his security and military forces in Kosova under the guise of putting down the KLA.

Mr. President, from the evidence that we have, Mr. Milosevic has gone beyond a simple police action. This has been a seven month campaign of intimidation and conquest.

Our government, as well as European governments, vowed not to allow in Kosovo a repeat of the vicious war crimes we found in Bosnia. Yet, some who have recently visited the region, believe these crimes have already happened. The extent of these crimes cannot be confirmed. Relief workers and humanitarian organizations are being barred from reaching victims and refugees.

Should this be a surprise to any of us? Certainly not. Slobodan Milosevic is a cold, calculating tyrant. He is a war criminal. He was not moved by diplomatic threats in Bosnia—what drove him to the Dayton peace talks was the military success of the Bosniak-Croat alliance in reclaiming land once held by the Serbs.

Kosovo is no different. Milosevic and his subordinates often have pledged to end the carnage in Kosova. Yet, no pledge has been followed by a clear cessation of hostilities. Mr. Milosevic has demonstrated that he will not withdraw his forces until he feels he has achieved the most from the use of violence. And he will not engage in peace talks unless he believes that no other course of action will preserve his position or advance his goals.

So it should not be a surprise to any of us that now, as NATO prepares for a military response, the Serbian government has declared victory and now is making plans to reduce its military and police presence in the region.

We have been witness to a brutal military and police action against unarmed civilians that was done with the expectation, if not certainty, that both Europe and the United States would not respond, or indeed would not even know how to respond.

There is little to ponder about what must occur.

The threat or actual use of military action by NATO, such as air strikes, is needed if some form of Serbian withdrawal or cease fire in the Kosovo province is going to occur.

I believe we cannot escape the fact that, in the short term, some form of NATO or United Nations presence on the ground will be needed to police any cease fire or withdrawal, or to ensure the transport of needed food, medical and other supplies to the refugees. In addition, war crime investigators will need to be able to determine the actual atrocities committed and who is responsible.

It is uncertain if ground forces will be called for by NATO. In fact, we know very little of what NATO plans to do beyond air strikes. That is of concern to me because a number of uncertainties remain—uncertainties that if left unresolved will not deal with the root cause of the conflict between the Serbs and Albanian Kosovars. The administration needs to articulate a clear strategy or plan to address the current humanitarian crisis, and the even larger questions about the political future of the Kosovars over the long term.

For example, what fate lies ahead for the estimated 300,000 Kosovars who were uprooted from their homes and villages and forced to seek refuge as far away as Albania, Macedonia, or Bosnia? And of those refugees, what lies ahead for the 50,000 or more who are in hiding in the hills within the province—without shelter, food, or medicine—with winter just around the corner?

Clearly, our first and foremost goal is to achieve a cease-fire. I am hopeful NATO air strikes can ensure a cease-fire. Second, we must ensure humanitarian organizations can safely reach out to these refugee populations without fear of obstruction or even destruction by hostile Serbian forces.

And once they get cared for, when can the displaced Kosovars return home? And what kind of home do they expect to see when they return? It is estimated that approximately 200 villages in the province have been completely destroyed or heavily damaged. When can they expect to see some restoration of the kind of livelihood that affords them the chance to live in peace?

These are the harder questions, but right now, it seems that NATO has yet to consider how they are to be answered. These issues must be addressed and answered if this conflict is going to be contained over the long term.

I'm sure we all agree that these issues must be addressed and answered not at either end of a rifle, but at a conference table. Yet, how can NATO get both sides—the Kosovars and the Serbs—to the conference table? That remains unclear.

And should some kind of long-term agreement be reached, how will that be enforced? What role, if any, can we expect NATO to play to ensure long-term peace in Kosovo? That too remains unclear.

What is clear is that the actions we take in the next few weeks have implications for long-term peace not just in the province but throughout the Balkans. That's why it's in NATO's interest to act, and act with resolve. Unfortunately, the only resolve we see is to strike at the Serbs by air, but nothing more beyond that.

NATO needs to begin to look at these larger questions and soon if our resolve for peace will achieve results and be real over the long-term. It's in our interests to do so. We still risk the threat of a larger conflict in the region, involving Albania, Macedonia, Turkey, and Greece. We also put in jeopardy the progress we have made thus far to maintain peace in Bosnia.

Mr. President, we cannot and should not dictate the terms of any agreement between the Serbs and Kosovars, but NATO can insist—through force if necessary—that peace be achieved through cooperation, not conquest.

This, Mr. President, ought to be the U.S. policy. I thank the chair and yield the floor.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for up to 5 minutes.

Mr. DODD. Mr. President, first of all let me commend our colleague from Ohio. At some point today or tomorrow I also want to address this issue of Kosovo.

I will tell you that the expressions given by our colleague from Ohio are certainly appreciated by all. I think for most of our colleagues it is our sincere hope that we will not once again play this game with Mr. Milosevic as he has played it so effectively over the last few years with Bosnia, and now Kosovo, where the threat of retaliation causes some warm statements to be made, and once again we back off, and once again more people suffer terribly as a result of it.

MEDICARE HMO BENEFICIARY EMERGENCY RELIEF ACT OF 1998

Mr. DODD. Mr. President, last week, close to 400,000 older Americans and individuals with disabilities, representing some 300 counties and 18 States across this Nation, were notified by their Medicare health maintenance organizations that as of January 1, 1999, their insurers would be terminating their health coverage.

In my State of Connecticut, we were notified on Friday around 6 o'clock that 6,000 seniors would see their HMO, Oxford Health Plan, leave their communities. When added to earlier withdrawals from the market by other HMOs in Connecticut, this announcement means that more than 12,000 Connecticut Medicare beneficiaries will lose their present HMO providers.

One can only imagine the anxiety of seniors reading of the announcement in their newspapers or hearing on television that their HMO would not be there for them on January 1 and having no one to turn to, no one to ask questions of, with offices closed for the weekend. Even the Health Care Financing Administration, which regulates these HMOs, had not yet received the news.

Only three weeks earlier, two other HMOs in Connecticut notified their customers that they would be backing out of New London, Windham, and Tolland Counties, jeopardizing affordable Medicare coverage for about 6,000 seniors.

The precipitous withdrawal of managed care organizations from Medicare is a growing problem. Unless action is taken, on January 1, 1999 thousands of seniors will find themselves at forced to leave established relationships with their doctors and without affordable health care coverage.

I am fearful that with Congress adjourning later this week or early next week, and being out of session for the bulk of October, November, December, it may not be until January that we will again have the opportunity to do something about this.

I am going to be calling on the leadership today to enact an emergency piece of legislation, which I will be introducing today, to put a moratorium on HMOs leaving the Medicare market while we are not in session. This legislation will give us some time to see if we can't sort out this mess and prevent thousands more seniors from finding themselves without HMO coverage on January 1, 1999, a matter of weeks.

My hope is that the leadership will find some time to consider this and adopt it before we leave, hopefully on a bipartisan basis, to stop this serious problem we are seeing in my State and 17 other States around the country.

Mr. President, last Friday I also introduced legislation that deals with the broader issues underlying the recent withdrawals of Medicare HMOs from certain communities. Because it takes a comprehensive approach, I do not expect that this bill would be adopted before we leave. However, I would hope that for now we can at least agree on a narrowly defined moratorium which would at least give us time to find solutions to the larger problem.

Mr. President, I would like to briefly outline for my colleagues the provisions of the legislation I introduced last week. Specifically, the legislation would not allow a flat termination of coverage if there are other less drastic options available. In the case of the withdrawals of two HMOs in eastern Connecticut, after causing considerable distress to seniors with an announcement that they were leaving, the companies re-evaluated their positions in the face of strong pressure from the community, and said ''Well, maybe there are some other options we hadn't considered.'' This legislation will require they consider those other options first—before creating anxiety among our seniors.

Secondly, the legislation will stipulate that if a company maintains there are no other options but ending coverage, they must demonstrate that. In addition, the HMO would then be responsible for notifying consumers of what alternative coverage is available.

The legislation also requires that HMOs commit to serving seniors for more than just a year. Right now, HMOs are only required to contract on an annual basis. We would require them to make a 3-year commitment. It is important to keep in mind that we are talking about companies that have made the careful determination that it is in their financial interest to enter the Medicare market. These are companies that have extensively recruited seniors and convinced them to leave long-standing relationships with their health care providers to join their HMO and then, with very precipitous announcements, as we have seen in the last several weeks, they have left those communities.

Mr. President, this is a serious, serious problem that is going to get worse, in my view, if we don't take some steps. We passed similar legislation a number of years ago dealing with plant closings. We finally decided that having a company announce precipitously it is leaving, disrupting communities, disrupting the lives of their employees, is unwise and that we ought to adopt legislation that requires at least some advance notice so that communities and people can try to rearrange their lives.

I am suggesting parallel legislation to deal with Medicare HMOs. Here it is so important, particularly for our older Americans or disabled Americans, many of them living alone, who don't have the financial resources to hire lawyers and read through all of the morass of paperwork when it comes to finding a new HMO, that they be given adequate notice and provided with clear information about their options.

We are hopeful we can build some support for the idea of considering all options, having more advanced notice, and extending the contract term. If you are going to go out and try to entice people to sign up, it seems to me you have an obligation to stick with them for a while. Certainly just to make a decision that you are going to pull out of the area, with minimal notice, I think is wrong.

TRIBUTE TO FRED KRAL

Mr. DODD. Mr. President, I want to take a minute to talk about an individual in my State whom I only met for about 10 minutes, but who had a profound impact on my view of this situation. He is a man by the name of Fred Kral. He is a person who led, in many ways, I suppose, an ordinary life, but I think became sort of an extraordinary

figure. He recently died at the age of 72.

Mr. Kral lived in Niantic, CT, for the last 48 years. He served in World War II. After the war, he attended the Rhode Island School of Design. He later went to the University of Connecticut. He earned a degree in agricultural engineering.

He worked at Electric Boat Company, a builder of submarines, for 38 years and retired in 1989 as manager of materials for the Kessel Ring site in Ballston Spa, NY.

He was a member of the Masons. He was also a member of the East Lyme Water and Sewer Commission. An avid golfer and a track letterman back in college, he was a founding and life member of the Niantic Sportsman's Club where he served in various offices.

Most important, Mr. Kral was a loving husband and parent, survived by his wife, his son Frederick, his three daughters Joyce, Freda, and Heidi, his sister Betty Lavelle, and his 11 grandchildren.

Fred Kral was a fine man. A lot of people would say Fred Kral was an average guy, an average American. In many respects he was, but this average man also was a very passionate man, a man who always fought for what he believed.

Earlier this month, Fred Kral and an estimated 6,000 other seniors in eastern Connecticut were notified through the mail that two Medicare HMOs were discontinuing service in their communities, effectively canceling these seniors' health care plans as of January 1, 1999.

Three Saturdays ago, Mr. President, I organized a forum at the Rose City Senior Center in Norwich where more than 400 people gathered to discussed these insurance companies' actions and what steps might be taken to preserve their health care.

At that meeting, Fred Kral spoke eloquently—eloquently—not only on behalf of himself and his wife who, 2 weeks earlier, had a stroke, but on behalf of all the seniors in eastern Connecticut who were worried about their health care and what was going to happen to them when these HMOs left.

Fred Kral expressed anger and disappointment with his HMO's decision. He specifically voiced his concern for his wife, who recently suffered a stroke, and his fears he might be rejected when he tried to join another plan. He wondered how he could be dropped from the same health care plan that he and his wife were enticed to join only 2 years ago.

He also said he would be willing to pay higher premiums to keep his health care if that was the only choice. But at the time he wasn't given that option. He and thousands of others were simply told they were being dropped by the same plan that had actively recruited them just 2 years earlier. He summed up the debate best when he said, ''It's a moral issue.''

As he returned to his seat from speaking, Fred Kral suffered cardiac arrest. After efforts to revive him at the scene, he was rushed back to his hospital in Norwich and died shortly before noon on that day.

This is a tragic incident and an unfortunate way for this honorable man to die. But it is no accident that Fred Kral was at that meeting delivering his speech from the front row of that audience that day. As I said earlier, he was a passionate man about everything he did. He was particularly passionate about this issue. His daughter told me that he was up at 2:30 in the morning the day of the meeting preparing questions.

Of the hundreds of people attending the forum, Fred Kral had approached me before the event and struck up a conversation. He told me he came to that forum to have his opinions heard. I told him I would recognize him when the forum began.

I want my colleagues to know about Fred Kral. I want them to know that this debate is not about nameless, faceless beneficiaries. It is about individuals like Fred Kral. He was not a member of some consumer advocacy group, he was just a normal citizen who cared very deeply about health care and HMOs because no other issue had a more direct impact on his life and his family.

There are a lot of people out in this country who feel the same way about this issue as Fred Kral did. Just look at my own State. In a small community in this small State, there were 400 people who cared enough about this issue to spend their Saturday morning at a health care forum. I guarantee each and every one of my colleagues that there are persons in their home States who have similar worries about their health care, and they want Congress to do something about it.

Before any of my colleagues say that the health care system in this country doesn't need changing, I urge them, again, to think about Fred Kral of Niantic, CT. Here is a man who lived nearly half a century in the same small town. He served our Nation in World War II. He spent 38 years working to strengthen our national infrastructure, our defense infrastructure. He supported and raised a family, and in his retirement he enjoyed a good round of golf every now and then—in many ways he was your average, solid citizen that we so often talk about. But despite playing by the rules his whole life, he got a letter in the mail from his HMO telling him that they no longer wished to take care of him, just weeks after his wife had suffered a stroke.

I say to you, my colleagues here, any health care system that allows something like this to happen to someone such as Fred Kral, and 12,000 other Connecticut citizens, is in need of serious examination and review. Therefore, Mr. President, in the small amount of time we have left in this legislative session, I would hope that we in this Congress would do what is right and have a full and open debate on the issues of Medicare HMOs. Four hundred thousand people in the last 2 or 3 weeks who have been dumped by their HMOs deserve better than just silence on this issue.

I know the hours are waning. I know there is other business to do. But I cannot think of anything that could be more important than helping thousands and thousands of older Americans who, while we are out of session, may find themselves losing affordable health care coverage because their HMO has decided some communities aren t quite as profitable as they thought they d be.

We must act in the next few days. To be out of session for October and November and December and January while we know there are thousands of people who are worried about whether or not they are going to have HMO coverage, I think is terribly, terribly wrong.

In closing, Mr. President, Fred Kral's death is certainly a tragedy. It is a tragedy for his family and for the people who knew him and loved him, but it did not come in vain. In southeastern Connecticut, the insurance companies are reconsidering their decision. They announced the Monday following the forum that they will try to come up with some solutions. I hope they do. I am not confident they are going to be terribly comprehensive, but obviously they were mortified, as they should have been, about what occurred.

So my hope is, Mr. President, that we might be able to at least pass an emergency piece of legislation that would place for the next 6 months a moratorium on HMOs leaving these areas to give us time to work with the Health Care Financing Administration to try and renegotiate some of the contracts and prevent these companies from just packing up and leaving. So in the midst of dealing with all these other lofty bills we have before us, a simple moratorium. I wish that we would get into a full-blown debate of HMOs, but I do fear it is not going to happen. I hoped we would be able to adopt a Patient Protection Act this Congress to allow patients and doctors to decide what medical procedures are necessary and to allow patients to choose their doctors. But for now, I am asking that we consider a simple moratorium on Medicare HMOs leaving the market to give us all time to consider more comprehensive solutions. This is the very least, I think, we can do.

So, Mr. President, later today I will introduce the moratorium bill and make it retroactive to protect the seniors who have been so adversely affected. I urge our colleagues and the leadership to consider this bill and to adopt it before this 105th Congress adjourns sine die.

Mr. President, I see no other colleague here on the floor, so I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ROBERTS). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

EXTENSION OF MORNING BUSINESS

Mr. DODD. Mr. President, I ask unanimous consent that morning business be extended until 11:30 a.m., with Senators permitted to speak for up to 5 minutes each. That is on behalf of the majority leader.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

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

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

SENATE AGENDA

Mr. BURNS. Mr. President, as we move into the final week of the 105th Congress, I am reminded by everything that is going on around us of the importance of our work here. Most Senators would agree that this will be a closing unlike what the majority of Senators have ever seen. It will test each and every one of us and will remind Members just why we are here.

It will test our patience and stamina regarding each and every piece of legislation that we have toiled on throughout the 105th Congress in the last 2 years. We have worked on legislation that has been in the pipeline, and now we are coming down to the small end of the funnel. Just as air, when compressed, picks up velocity, legislation picks up movement in the last week of a session.

The agenda of this Congress has been and should be simple. I gather it has been a simple one. We responded to emergencies all across the land and, yes, beyond the shores of our great land. We responded to the needs of people within our borders, attended to the needs that were a part of circumstances beyond anybody's choosing or control. Basically, that is what we do best.

There is a quality of statesmanship that is a part of each and every one of us who serve here. It will be tested as reality sets in. Some highly important issues to us all will need to be laid aside for another day. Believe me, there will be another day. There will be another battleground.

The decisions that are now before the Senate, should government be placed above all else in the average lives of all Americans? My answer is, hardly. I think it is during these times that we must reassess the role of the Federal Government and the role each of us must fill. Competition is keen among all who serve the American people at each level of government. Can we forget that we are not a true democracy and remember that we are a Republic? Each State of this great Union plays their important role in the day-to-day business of public service.

The agenda for this week is appropriations, funding the important part of our Government, which could include national security, our relations with the world community, and the economic well-being of our citizens. In other words, ensuring each and every American is not denied the American dream.

As we close the Senate and the 105th Congress, it may be asking something out of the ordinary, but it is not impossible that we lay aside the issues that cloud and delay and wait for another day. This Nation has survived for the past 200 years and will survive another 200 years. Yesterday, we heard announcements coming from both sides of the aisle and many other sources that the other side would risk shutting down the Government should we not fulfill the agenda of appropriations. If the Government is shut down because of a lack of funding, it will be the fault of the other person or party. That was the message this weekend and all day yesterday.

It is time that we reassess what has happened to get us where we are. We have been using delaying tactics either to block or slow progress of the appropriations process—nothing but delaying tactics, pure and simple. Now that we are at this point, someone must be to blame. Do we blame somebody else, or do we blame ourselves? Is there a mindset that the responsibility or the lack of responsibility does not fall on each and every one of us, whether we serve in the legislative arm of this Government or the administrative arm? Are we really saying we don't have the courage to accept the responsibility and suffer the consequences of our own actions? How can we ask our younger Americans to develop a sense of responsibility if we do not do it? Are we a nation of laws or a nation of self-satisfaction and the impulses or emotions of the day?

What we do here matters. It matters more than any one of us can imagine. Now is not the time for posturing. It is time to let the statesmanship that lives in each and every one of us come out and complete the Nation's business. I think the folks who sent us here will appreciate that, the Nation would be better off for it, and so will you as an individual. Then you will have earned and deserve the title of U.S. Senator, serving the people of the greatest nation ever established on this planet.

Mr. President, that is just a reminder, as we move into the closing days, of some problems that we have to deal with before we all go home.

I yield the floor, and 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. JEFFORDS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

READING EXCELLENCE ACT

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 404, H.R. 2614.

The PRESIDING OFFICER. The clerk will report the bill.

The legislative clerk read as follows:

A bill (H.R. 2614) to improve the reading and literacy skills of children and families by improving in-service instructional practices for teachers who teach reading, to stimulate the development of more high-quality family literacy programs, to support extended learning-time opportunities for children, to ensure that children can read well and independently not later than third grade, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Human Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

TITLE I—PROFESSIONAL DEVELOPMENT IN READING AND LITERACY

SEC. 101. PROFESSIONAL DEVELOPMENT IN READING AND LITERACY.

(a) IN GENERAL.—Title II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6601 et seq.) is amended—

(1) by redesignating parts C and D as parts D and E, respectively; and

(2) by inserting after part B the following:

"PART C—PROFESSIONAL DEVELOPMENT IN READING AND LITERACY

"SEC. 2251. PROGRAM AUTHORIZED.

''The Secretary is authorized to award grants to State educational agencies for the improvement of teaching and learning through sustained and intensive high quality professional development activities in reading and literacy at the State and local levels.

"SEC. 2252. ALLOTMENT OF FUNDS.

''(a) RESERVATIONS.—From the amount available to carry out this part for any fiscal year, the Secretary shall reserve—

''(1) ½ of 1 percent for the outlying areas, to be distributed among the outlying areas on the basis of their relative need for assistance under this part, as determined by the Secretary; and

''(2) ½ of 1 percent for the Secretary of the Interior for programs under this part for professional development activities for teachers, other staff, and administrators in schools operated or funded by the Bureau of Indian Affairs.

''(b) STATE ALLOTMENTS.—The Secretary shall allot the amount available to carry out this part and not reserved under subsection (a) for a fiscal year to each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico as follows, except that no State shall receive less than ½ of 1 percent of such amount:

''(1) 50 percent shall be allotted among such jurisdictions on the basis of their relative populations of individuals aged 5 through 17, as determined by the Secretary on the basis of the most recent satisfactory data.

''(2) 50 percent shall be allotted among such jurisdictions in accordance with the relative amounts such jurisdictions received under part A of title I for the preceding fiscal year.

''(c) REALLOTMENT.—If any jurisdiction does not apply for an allotment under subsection (b) for any fiscal year, the Secretary shall reallot the amount of the allotment to the remaining jurisdictions in accordance with such subsection.

''SEC. 2253. WITHIN-STATE ALLOCATIONS.

''(a) RESERVATION.—From the amount made available to a State under this part for any fiscal year, not more than 5 percent may be reserved for the administrative costs of the State educational agency and to carry out State-level activities described in section 2256(a).

''(b) LOCAL EDUCATIONAL AGENCY ELIGIBILITY.—A State educational agency shall award grants under this part for a fiscal year to a local educational agency only if the number of children, that are served by the local educational agency and counted under section 1124(c) for the fiscal year, is equal to or exceeds the lesser of—

''(1) 30 percent of the total number of children aged 5 through 17 served by the local educational agency for the fiscal year; or

''(2) the total number of children aged 5 through 17 served by the local educational agency for the fiscal year multiplied by the result obtained from multiplying 1.5 by a fraction, the numerator of which is the total number of children in the State counted under section 1124(c) for the fiscal year, and the denominator of which is the total number of children aged 5 through 17 in the State for the fiscal year.

''(c) ALLOCATION.—A State educational agency shall allocate funds made available under this part and not reserved under subsection (a) for a fiscal year among local educational agencies in the State that are described in subsection (b), according to the local educational agencies respective need for assistance under this part, as determined by the State educational agency, taking into account factors such as—

''(1) the number of children served by the local educational agency who are from low-income families; and

''(2) the number of elementary school and secondary school students who are served by the local educational agency and whose reading achievement is unsatisfactory.

''SEC. 2254. CONSORTIA REQUIREMENTS.

''(a) CONSORTIA.—A local educational agency receiving a grant under this part of less than $10,000 shall form a consortium with another local educational agency or an educational service agency serving another local educational agency in order to be eligible to participate in programs assisted under this part.

''(b) WAIVER.—The State educational agency may waive the application of subsection (a) in the case of any local educational agency that demonstrates that the amount of the agency's grant under this part is sufficient to provide a program of sufficient size, scope, and quality to be effective. In granting waivers under the preceding sentence, the State educational agency shall—

''(1) give special consideration to local educational agencies serving rural areas if distances or traveling time between schools make formation of the consortium more costly or less effective; and

''(2) consider cash or in-kind contributions provided from State or local sources that may be combined with the local educational agency's grant for the purpose of providing services under this part.

''(c) SPECIAL RULE.—Each consortium shall rely, as much as possible, on technology or other arrangements to provide professional development programs tailored to the needs of each school or school district participating in a consortium described in subsection (a).

''SEC. 2255. STATE APPLICATIONS.

''(a) APPLICATIONS REQUIRED.—Each State educational agency desiring an allotment under this part for any fiscal year shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may require.

''(b) STATE PLAN TO IMPROVE TEACHING AND LEARNING OF READING AND LITERACY PROGRAMS.—

''(1) IN GENERAL.—Each application under this section shall include a State plan that is coordinated with the State's plan for other Federal education programs that pertain to reading and literacy activities.

''(2) CONTENTS.—Each State plan shall—

''(A) be developed—

''(i) in conjunction with the Governor of the State (in those States where the Governor does not appoint the Chief State School Officer), the State agency for higher education, community-based and other nonprofit organizations of demonstrated effectiveness in reading readiness, reading instruction for both adults and children, and early childhood literacy, institutions of higher education or schools of education, and State directors of appropriate Federal or State programs with a strong reading or literacy component; and

''(ii) with the extensive participation of teachers who teach reading, and of parents;

''(B) include an assessment of State and local needs for reading and literacy professional development for pre-school, elementary school, and secondary school teachers, and teachers who teach in adult and family literacy programs;

''(C) include a description of how the plan has assessed the needs of local educational agencies serving rural and urban areas, and a description of the actions planned to meet such needs;

''(D) include a description of how the activities assisted under this part will address the needs of teachers in schools receiving assistance under title I and will effectively teach all students to read independently;

''(E) include a description of—

''(i) how professional development activities assisted under this part will be based on the best available research on reading development and reading disorders; and

''(ii) the extent to which the activities prepare teachers in all the major components of reading instruction (including phoneme awareness, phonics, fluency, and reading comprehension);

''(F) describe how the State will use technology to enhance reading and literacy professional development activities for teachers;

''(G) describe how parents can participate in literacy-related activities assisted under this part to enhance children's reading fluency;

''(H) describe how reading tutors can participate in literacy-related activities assisted under this part, including professional development opportunities, to enhance children's reading fluency;

''(I) describe how the State educational agency will facilitate the provision of technical assistance to the local educational agencies that receive grants under this part in order to assist in establishing the local educational agencies' local professional development activities;

''(J) describe how the State educational agency—

''(i) will build on, and promote coordination among, literacy programs in the State, in order to increase the effectiveness of the programs and to avoid duplication of the efforts of the programs; and

''(ii) will promote programs that provide access to diverse and age-appropriate reading material;

''(K) describe how the State educational agency will assess and evaluate, on a regular basis, local educational agency activities assisted under this part;

''(L) describe the methods the State educational agency will use to assess and evaluate the progress of local educational agencies in the State that receive grants under this part; and

''(M) include an assurance that each local educational agency to which the State educational agency awards a grant—

''(i) will carry out family literacy programs, such as the Even Start family literacy program authorized under part B of title I, to enable parents to be their child's first and most important teacher; and

''(ii) will carry out programs to assist those pre-kindergarten and kindergarten students who are not ready for the transition to 1st grade, particularly students experiencing difficulty with reading skills.

''(c) PLAN APPROVAL.—

''(1) IN GENERAL.—The Secretary shall approve an application of a State educational agency under this section if such application meets the requirements of this section.

''(2) DISAPPROVAL.—The Secretary shall not finally disapprove a State plan, except after giving the State educational agency notice and an opportunity for a hearing.

''(3) PEER REVIEW.—The Secretary shall establish a peer review process, in consultation with the National Research Council of the National Academy of Sciences and the National Institute of Child Health and Human Development, to make recommendations regarding approval of State plans.

''(d) ASSURANCES.—A State plan shall contain assurances that the State will comply with the requirements of this section, and provide for such fiscal control and fund accounting procedures that may be necessary to ensure the proper disbursement of, and accounting for, funds paid to the State under this section.

''(e) MULTI-STATE PARTNERSHIP ARRANGEMENTS.—For the purposes of carrying out this section, a State educational agency may join with other State educational agencies to develop a single application that satisfies the requirements of this section and identifies which State educational agency, from among the States joining, shall act as the fiscal agent for the multi-State arrangement.

''(f) REPORTING.—A State educational agency that receives an allotment under this part shall submit an annual performance report to the Secretary. Such report shall include a description of—

''(1) the assessment and evaluation methods described in section 2255(b)(2)(L); and

''(2) the local educational agencies receiving grants under this part.

''SEC. 2256. STATE USE OF FUNDS.

''(a) STATE LEVEL ACTIVITIES.—Each State educational agency shall use funds made available under section 2253(a)—

''(1) to provide technical assistance to schools and local educational agencies, and entities administering adult and family literacy programs, for the purpose of providing effective professional development reading and literacy activities;

''(2) to conduct an assessment of State needs for reading and literacy professional development, including the needs in both rural and urban areas;

''(3) to provide for coordination of reading and literacy programs within the State in order to avoid duplication and increase the effectiveness of reading and literacy activities; and

''(4) to conduct evaluations of local educational agency activities assisted under this part.

''(b) GRANTS.—

''(1) IN GENERAL.—Each State educational agency receiving an allotment under this part shall use the funds made available under section 2253(c) to award grants in accordance with such section to local educational agencies within the State.

''(2) GRANT PERIOD.—A grant awarded under this subsection shall be awarded for a period of 3 years.

''SEC. 2257. LOCAL PLAN FOR IMPROVING TEACHING AND LEARNING OF READING AND LITERACY PROGRAMS.

''(a) IN GENERAL.—Each local educational agency desiring a grant under this part shall

submit an application to the State educational agency at such time, in such manner, and accompanied by such information as the State educational agency may require. Such application shall include an assessment of local needs for professional development activities in reading and literacy—

''(1) at the elementary school and secondary school levels; and

''(2) in adult and family literacy programs.

''(b) SPECIAL RULE.—A local educational agency that applies for a grant under this part shall form a partnership, with 1 or more community-based organizations of demonstrated effectiveness in reading readiness, reading instruction and achievement for both adults and children, and early childhood literacy, such as a Head Start program, public library, or an agency that oversees adult education programs, to carry out the local activities described in section 2258.

''(c) CONTENTS.—Each local plan shall—

''(1) include an assessment of local needs for reading and literacy professional development;

''(2) include a description of how the activities described in section 2258 will address the needs of teachers—

''(A) in schools receiving assistance under title I; and

''(B) in adult and family literacy programs;

''(3) describe how parents can participate in literacy-related activities assisted under this part to enhance children's reading fluency;

''(4) describe how reading tutors can participate in literacy-related activities assisted under this part, including professional development opportunities, to enhance children's reading fluency;

''(5) describe how the local educational agency will build on, and promote coordination among, literacy programs at the local level in order to increase the effectiveness of the programs and to avoid duplication of effort;

''(6) describe how the local educational agency—

''(A) will carry out family literacy programs, such as the Even Start family literacy program authorized under part B of title I, to enable parents to be their child's first and most important teacher;

''(B) will carry out programs to assist those pre-kindergarten and kindergarten students who are not ready for the transition to 1st grade, particularly students experiencing difficulty with reading skills; and

''(C) will promote programs that provide access to diverse and age-appropriate reading material;

''(7) describe how the local plan will be carried out in coordination with other Federal education programs that pertain to reading and literacy activities; and

''(8) describe the amount and nature of funds from other public or private sources that will be combined with funds received under this section.

''(d) LOCAL PLAN APPROVAL.—The State educational agency shall approve an application of a local educational agency under this section if such application meets the requirements of this section.

"SEC. 2258. LOCAL ACTIVITIES.

''(a) IN GENERAL.—Each local educational agency shall use the funds made available under section 2256(b)—

''(1) to support partnerships among preschools, elementary schools, secondary schools, consortia of such schools, local educational agencies, community-based organizations (such as a Head Start program), adult education programs, institutions of higher education, or (where appropriate) public libraries, of demonstrated effectiveness in reading readiness, and in reading instruction and achievement, for adults and children;

''(2) to provide intensive, ongoing professional development activities to train teachers to meet the diverse reading needs of all students, which activities shall—

''(A) be based on the best available research on reading development and reading disorders; and

''(B) prepare teachers in all the major components of reading instruction (including phoneme awareness, phonics, fluency, and reading comprehension);

''(3) to develop professional development programs and strategies to effectively involve parents in helping their children with reading;

''(4) to provide parents with literacy-related activities that will enhance children's reading fluency;

''(5) to provide reading tutors with literacy-related activities, including professional development opportunities, to enhance children's reading fluency;

''(6) to promote programs that provide access to diverse and age-appropriate reading material;

''(7) to provide coordination of reading and literacy programs within the local educational agency to avoid duplication and increase the effectiveness of reading and literacy activities;

''(8) to coordinate family literacy programs, such as the Even Start family literacy program authorized under part B of title I, to enable parents to be their child's first and most important teacher, and to make payments for the receipt of technical assistance for the development of such programs; and

''(9) to establish programs to assist those pre-kindergarten and kindergarten students enrolled in schools served by the local educational agency who are not ready for the transition to 1st grade, particularly students experiencing difficulty with reading skills.

''(b) SPECIAL RULES.—A local educational agency receiving a grant under this part shall use the funds for activities described in subsection (a) that—

''(1) provide professional development activities in reading instruction to teachers in elementary schools and secondary schools having the greatest need for such services, as evidenced by poor student performance on reading assessments, a high percentage of students from low-income families, or a combination of such performance and percentage; and

''(2) are provided to teachers at public and private nonprofit elementary schools and secondary schools.

"SEC. 2259. LOCAL DISTRIBUTION OF FUNDS.

''Each local educational agency that receives funds under this part for any fiscal year—

''(1) shall use not less than 80 percent of such funds for the professional development of teachers and, where appropriate, administrators, pupil services personnel, parents, tutors, and other staff of individual schools, and for other literacy-related activities, in a manner that—

''(A) to the extent practicable, takes place at an individual school site; and

''(B) is consistent with the local educational agency's plan under section 2257, any school plan under part A of title I, and any other plan for professional development carried out with Federal, State, or local funds that emphasizes sustained, ongoing activities related to professional development for teachers; and

''(2) may use not more than 20 percent of such funds for school district-level professional development activities, including, where appropriate, the participation of administrators, policymakers, tutors, and parents, if such activities directly support instructional personnel, and for other literacy-related activities.

"SEC. 2260. INFORMATION DISSEMINATION.

''(a) IN GENERAL.—From funds reserved under section 2261(b), the National Institute for Literacy shall disseminate information with respect to reading and literacy. At a minimum, the institute shall disseminate such information to all recipients of Federal financial assistance under this title, titles I and VII, the Head Start Act, the Individuals with Disabilities Education Act, and the Adult Education Act.

''(b) COORDINATION.—In carrying out this section, the National Institute for Literacy shall use, to the extent practicable, information networks developed and maintained through other public and private persons, including the Secretary, the National Center for Family Literacy, and the Readline Program.

"SEC. 2261. AUTHORIZATION OF APPROPRIATIONS.

''(a) IN GENERAL.—If the amount appropriated to carry out the Individuals with Disabilities Education Act for fiscal year 1998, 1999, or 2000 exceeds by $500,000,000 the amount so appropriated for fiscal year 1997, 1998, or 1999, respectively, there are authorized to be appropriated to carry out this part and section 1202(c) $210,000,000 for the fiscal year 1998, 1999, or 2000, as the case may be, of which $10,000,000 shall be available to carry out section 1202(c).

''(b) RESERVATION.—From amounts appropriated under subsection (a) for a fiscal year, the Secretary shall reserve $5,000,000 to carry out section 2260.

''(c) SUNSET.—Notwithstanding section 422(a) of the General Education Provisions Act, this title is repealed, effective September 30, 2000, and is not subject to extension under such section.''.

(b) CONFORMING AMENDMENT.—Section 2003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6603) is amended—

(1) in subsection (a), by inserting ''(other than part C)'' after ''title''; and

(2) in subsection (b)(3), by striking ''part C'' and inserting ''part D''.

TITLE II—AMENDMENTS TO EVEN START FAMILY LITERACY PROGRAMS

SEC. 201. RESERVATION FOR GRANTS.

Section 1202(c) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6362(c)) is amended to read as follows:

''(c) RESERVATION FOR GRANTS.—

''(1) GRANTS AUTHORIZED.—From funds reserved under section 2261(a) to carry out this section for a fiscal year, the Secretary shall award grants, on a competitive basis, to States to enable such States to plan and implement statewide family literacy initiatives to coordinate and integrate existing Federal, State, and local literacy resources consistent with the purposes of this part. Such coordination and integration shall include coordination and integration of funds available under the Adult Education Act, the Head Start Act, this part, part A of this title, and part A of title IV of the Social Security Act.

''(2) CONSORTIA.—

''(A) ESTABLISHMENT.—To receive a grant under this subsection, a State shall establish a consortium of State-level programs under the following provisions of law:

''(i) This title.

''(ii) The Head Start Act.

''(iii) The Adult Education Act.

''(iv) All other State-funded preschool programs and programs providing literacy services to adults.

''(B) PLAN.—To receive a grant under this subsection, the consortium established by a State shall create a plan to use a portion of the State's resources, derived from the programs referred to in subparagraph (A), to strengthen and expand family literacy services in such State.

''(C) COORDINATION WITH PART C OF TITLE II.—The consortium shall coordinate its activities with the activities assisted under part C of title II, if the State receives a grant under such part.

''(3) TECHNICAL ASSISTANCE.—The Secretary shall provide, directly or through a grant or contract with an organization with experience in the development and operation of successful family literacy services, technical assistance to States receiving a grant under this subsection.

''(4) MATCHING REQUIREMENT.—The Secretary shall not make a grant to a State under this subsection unless the State agrees that, with respect to the costs to be incurred by the eligible

consortium in carrying out the activities for which the grant was awarded, the State will make available non-Federal contributions in an amount equal to not less than the Federal funds provided under the grant.''.

SEC. 202. DEFINITIONS.

Section 1202(e) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6362(e)) is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(2) by inserting after paragraph (2) the following:

''(3) the term 'family literacy services' means services provided to participants on a voluntary basis that are of sufficient intensity in terms of hours, and of sufficient duration, to make sustainable changes in a family (such as eliminating or reducing welfare dependency) and that integrate all of the following activities:

''(A) Interactive literacy activities between parents and their children.

''(B) Equipping parents to partner with their children in learning.

''(C) Parent literacy training, including training that contributes to economic self-sufficiency.

''(D) Appropriate instruction for children of parents receiving parent literacy services.''.

SEC. 203. EVALUATION.

Section 1209 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6369) is amended—

(1) in paragraph (1), by striking ''and'' after the semicolon;

(2) in paragraph (2), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(3) to provide States and eligible entities receiving a subgrant under this part, directly or through a grant or contract with an organization with experience in the development and operation of successful family literacy services, technical assistance to ensure local evaluations undertaken under section 1205(10) provide accurate information on the effectiveness of programs assisted under this part.''.

SEC. 204. INDICATORS OF PROGRAM QUALITY.

(a) IN GENERAL.—The Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) is amended—

(1) by redesignating section 1210 as section 1212; and

(2) by inserting after section 1209 the following:

''SEC. 1210. INDICATORS OF PROGRAM QUALITY.

''Each State receiving funds under this part shall develop, based on the best available research and evaluation data, indicators of program quality for programs assisted under this part. The indicators shall be used to monitor, evaluate, and improve such programs within the State. The indicators shall include the following:

''(1) With respect to eligible participants in a program who are adults—

''(A) achievement in the areas of reading, writing, English language acquisition, problem solving, and numeracy;

''(B) receipt of a secondary school diploma or its recognized equivalent;

''(C) entry into a postsecondary school, a job retraining program, or employment or career advancement, including the military; and

''(D) such other indicators as the State may develop.

''(2) With respect to eligible participants in a program who are children—

''(A) improvement in ability to read on grade level or reading readiness;

''(B) school attendance;

''(C) grade retention and promotion; and

''(D) such other indicators as the State may develop.''.

(b) STATE LEVEL ACTIVITIES.—Section 1203(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6363(a)) is amended—

(1) in paragraph (1), by striking ''and'' after the semicolon;

(2) in paragraph (2), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(3) carrying out section 1210.''.

(c) AWARD OF SUBGRANTS.—Paragraphs (3) and (4) of section 1208(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6368) are amended to read as follows:

''(3) CONTINUING ELIGIBILITY.—In awarding subgrant funds to continue a program under this part for the second, third, or fourth year, the State educational agency shall evaluate the program based on the indicators of program quality developed by the State under section 1210. Such evaluation shall take place after the conclusion of the startup period, if any.

''(4) INSUFFICIENT PROGRESS.—The State educational agency may refuse to award subgrant funds if such agency finds that the eligible entity has not sufficiently improved the performance of the program, as evaluated based on the indicators of program quality developed by the State under section 1210, after—

''(A) providing technical assistance to the eligible entity; and

''(B) affording the eligible entity notice and an opportunity for a hearing.''.

SEC. 205. RESEARCH.

The Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.), as amended by section 204 of this Act, is further amended by inserting after section 1210 the following:

''SEC. 1211. RESEARCH.

''(a) IN GENERAL.—The Secretary shall carry out, through grant or contract, research into the components of successful family literacy services. The purpose of the research shall be—

''(1) to improve the quality of existing programs assisted under this part or other family literacy programs carried out under this Act or the Adult Education Act; and

''(2) to develop models for new programs to be carried out under this Act or the Adult Education Act.

''(b) DISSEMINATION.—The National Institute for Literacy shall disseminate, pursuant to section 2260, the results of the research described in subsection (a) to States and recipients of subgrants under this part.''.

AMENDMENT NO. 3740

(Purpose: To provide for a complete substitute)

Mr. JEFFORDS. 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 Vermont [Mr. JEFFORDS], proposes an amendment numbered 3740.

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

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

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. JEFFORDS. Mr. President, this is an important bill. It is a bill that is designed to address what is probably the most serious problem we have in the United States in our educational system, and that is the inability of our school system to provide young people who graduate from high school with the skills necessary, in just the very basics of reading. To enable our nation to proceed into the next century as we should and to maximize the potential of these young people, we must assure that our high school graduates have these essential skills.

Back in 1983, the Reagan administration, through Education Secretary Terrel Bell, delivered a report to the Nation called ''A Nation At Risk.'' That report outlined the serious problems we have in our educational system and observed that the output of our primary and secondary educational schools was not anywhere near what it needed to be in order to meet the challenges posed by our Asian and European competitors. Many problems were delineated in that report. One on which we have focused a great deal of attention is performance in mathematics.

The United States, among all the industrialized nations, was at the bottom in tests given to our young people to determine their abilities in mathematics. We were dead last among our competitor nations. So, in a number of ways, we have tried to improve the results of our educational system with respect to mathematics. The studies have also shown that our industries have found that problems are not limited just to mathematics. Rather, they found that the basic problem was that their workers could not read the problems in order to determine the mathematics necessary to solve them. Mastering the very basics of reading was essential before they could understand how to answer the problems in mathematics.

We have been trying to make improvements since 1983. In 1988, the Governors met with the President and established national goals—sometimes referred to as Goals 2000—to try to emphasize that changes must be made in our educational system in order to make this Nation what it ought to be as we go into the next century.

As a result of that initiative, in 1994, we established a goals panel in order to determine whether or not we were making any improvement in these essential areas. I sit on that goals panel. I have been a member now for some 4 years, and I am sorry to report—and this has already been reported—that, in those 4 years, there has not been any indication that we have made any progress toward these goals, even in the area of reading. And the same is true with respect to mathematics. In fact, just recently, the last IMS study—International Mathematics Study —showed that our students graduating from high school were again at the bottom of all industrialized nations, as far as their capacity to solve mathematical problems.

That same study indicated that our fourth graders were the best in the world, and our eighth graders were average. But, by the time they graduated from high school, they were well behind. Part of that problem stems from problems with reading and the ability to understand problems.

I point out another situation with respect to reading that is very instructive in this regard.

Motorola, back in the early 1980s, was in a real fight with Japan on cellular phones. The CEO of Motorola said

he had to develop a new factory employing individuals with the skills necessary to produce cellular phones that would be equal to or better than those of the Japanese. So a study group was established. The study group indicated that they had a problem with respect to trying to get the skilled workforce necessary in order to compete with the Japanese. They also took a look at Malaysia and other areas. They reported back to the CEO that our workers were not capable of the productivity necessary. So they opted to locate the plant in Malaysia. The CEO, being a strong American, said ''No. We are not going to locate a plant in Malaysia. I want to find out why we are unable to find and to train the workers necessary to get the best productivity.''

A study was conducted, which found out that the reason for the problem was the inability to answer math problems. That was one thing. But, then, they found that the reason workers were not able to solve the math problems was that they couldn't read the math problems. The company created the necessary remedial training first to train the workers how to read and then to allow them to do the math problems. Believe it or not, they were able to do that with the remedial training.

So the CEO said, ''We are going to locate that plant in the United States.'' They did. It proved to be the most productive plant in all of the Motorola operations, with higher productivity than the Japanese. It is a long story about Motorola. But, finally, they were able to outdo the Japanese and to outsell them. In fact, they were even able to break into the markets in Japan and to outsell the Japanese. It goes back to the basics. The workers couldn't read.

Another study which is instructional was done in, I believe, 1993. It was a national literacy study that showed that 51 percent of the high school graduates who were examined were found to be functionally illiterate. That is incredible. You wonder why our business people say they don't even bother to look at a diploma of a kid out of high school because it doesn't mean anything. That is another area that we are trying to improve and, at a minimum, to make sure that everyone who gets a high school diploma knows how to read.

We looked into this and found what had happened. The reason this dismal result was appearing was that, back in the 1960s, studies were done at Cornell University. At that time, we had this big awakening about the problems of neurosis and young people and things that stimulated mental problems. Researchers concluded that the worst thing one could do was to fail a kid in school because that would create a neurosis and the child would have problems the rest of his or her life.

That led to the development of so-called ''social promotion.'' In other words, the attitude was, ''Well, if they can't read, pack them on.'' That might have been fine from the second to the third grade and maybe even from the third or fourth grades if somebody would have picked them up and taught them how to read. But nobody ever picked them up. The teachers were busy teaching the ones who knew how to read. They did not have time for those who didn't know how to read. Social promotion is a reality in probably all of our schools.

You wonder why our CEO's say, ''We don't even look at diplomas to determine whether the kids should come to us to work.''

Getting to today, this problem with reading was emphasized, and we determined that we had to do something. Working with the Administration, we prepared the reading bill before us today. This legislation provides for ample funding and lays out everything that we believe we need to do in order to take not only corrective action before students get out of the third and fourth grades to make sure that they read, but also to make sure we have remedial training for all of those in the higher grades who didn t master reading in their early school years.

In the budget account, we attached $250 million for this bill to assist in trying to find a remedial program which will be successful in getting our young people to read.

A number of people have worked very hard on this bill. Senator KENNEDY, I expect, will be here before too long. Senator COVERDELL and Senator COATS and Senators GREGG and HUTCHINSON all really worked hard to bring about this bill and to make sure that it received favorable consideration.

On the House side Representatives CLAY, HILLEARY and RIGGS, and especially my good friend BILL GOODLING. Chairman GOODLING has championed literacy throughout his tenure, and he has done a wonderful job in making sure that the reading bill got to us. I am now working very closely with him as we go towards the reauthorization of the Elementary and Secondary Education Act.

In my view, the bill provides the necessary remedial help to get our schools on a path where we can assist substantially in getting young people to read and to graduate from high school in a manner which will be productive for them and for our society.

I mentioned Senator KENNEDY. He is here. The work that he has done in championing this cause is very notable.

Mr. KENNEDY. Mr. President, I commend Chairman JEFFORDS for his leadership in making child literacy a priority and developing this strong legislation. I also commend Senator COVERDELL for helping to make this bill a priority in the Senate, and Senator MURRAY and Senator DODD for their leadership in issues involving young children.

I also want to thank Congressman GOODLING and Congressman CLAY for working effectively to ensure that the Senate and House could reach agreement on this important measure.

I commend and thank all the staff members of the working group for their skillful assistance in making this process successful: Sherry Kaiman of Senator JEFFORDS' staff; Townsend Lange of Senator COATS staff; Suzanne Day of Senator DODD's staff; Elyse Wasch of Senator REED's staff; Greg Williamson of Senator MURRAY's staff; Bev Schroeder of Senator HARKIN's staff; and Danica Petroshius of my own staff. I also commend the hard work of the House staff on the working group, including Vic Klatt, Sally Lovejoy, D'Arcy Philps, Lynn Selmser, and Bob Sweet of the House Committee majority staff; Alex Nock, Marci Phillips, Mark Zuckerman, and June Harris of the House Committee minority staff; and Charlie Barone of Represenative GEORGE MILLER's staff.

Learning to read well is the cornerstone of every child's education. We know that reading skills are fundamental to effective learning in all subjects. The ability to read effectively is the gateway to opportunity and success throughout life.

Many successful programs are helping children learn to read well. But too often, the best programs are not available to all children. As a result, large numbers of children are denied the opportunity to learn to read well. 40 percent of 4th grade students do not achieve the basic reading level, and 70 percent of 4th graders are not proficient in reading.

Children who fail to acquire basic reading skills early in life are at a disadvantage throughout their education and later careers. They are more likely to drop out of school, and to be unemployed. We need to do more to ensure that all children learn to read well—and learn to read well early—so that they have a greater chance for successful lives and careers.

In October 1996, President Clinton and the First Lady initiated a new effort to call national attention to child literacy by proposing their ''America Reads Challenge.'' Many of us in Congress strongly supported their call for increased aid for reading tutors and other steps to improve child literacy. Today, over 1,000 colleges and universities are committed to the President's ''America Reads Work Study Program,'' and 59 of these institutions are in Massachusetts.

Many of the reading difficulties experienced by teenagers and adults today could have been prevented by better attention during early childhood. By working to ensure that all children learn to read well in the early grades, we can reduce the need for costly special education instruction in later grades. We must make every effort to give our public schools the resources necessary to ensure that all children obtain the reading skills they need—at an early age.

This bill is a major step toward meeting that goal. It provides children, parents, schools, and communities with the resources and opportunities they need to improve child and family literacy—and the help can't come a minute too soon.

This bill also recognizes that teachers must have adequate resources and proper training in order to be prepared to teach reading well. Teachers must often provide special assistance to children who are having difficulty learning to read. Too often, teachers lack the time, the skills, and the resources to provide children with that assistance. Building on the successful Eisenhower Professional Development Program, which trains teachers in math and science, this bill creates new opportunities for teachers to obtain the training they need to teach reading effectively.

Communities across the country are initiating innovative projects on reading. At Boston College, a fundamental part of teacher education is training teachers in the best research and practice on ways to teach reading, including helping children develop skills in phonics, sound-and-symbol relationships, and reading comprehension.

This bill encourages local school districts to build partnerships and work in cooperation with community organizations and state agencies. It ensures that local, state, and national efforts to improve literacy are coordinated, and that the most effective resources and practices are used to meet the needs of children. It also provides communities with support to provide children with trained tutors to give them the opportunity to practice reading with adults.

In Massachusetts, 59 colleges and universities are providing trained tutors to school children through the Federal Work Study Program. At Boston University, 150 reading tutors are helping 400 needy children learn to read. Students at Worcester Polytechnic Institute serve as reading tutors at the Belmont Community School. The Reading Excellence Act builds upon these successful programs to help communities find and train tutors who can make a difference.

In addition, children need to have useful reading materials outside of school to help them develop a love of reading early in life. To meet this goal, the bill encourages strong links to a variety of programs for early childhood literacy, and encourages cooperation between community, state, and national organizations to ensure that every child has access to good reading materials.

Physicians are also part of the effort. Successful pediatric programs, such as Reach Out and Read, can benefit even more children as a result of this bill. This program was created by a team of pediatricians and early childhood educators at Boston City Hospital in 1989. Pediatricians are encouraged to prescribe reading activities as part of childhood medical check-ups, and to see that children leave the doctor's office with a good book in hand. Now, 4,500 health care providers in 46 states have been trained to help nearly one million children and their families. Parents who participate in Reach Out and Read are 8 times more likely to read to their children than parents who do not participate in this pediatric program.

Children whose parents are involved in their education, who read to them, and who work with them on language skills are more likely to become successful readers. They achieve higher test scores. They have better school attendance records. They graduate at higher rates. And they are more likely to go to college. But children whose parents lack a strong educational foundation are less likely to do so.

Many parents want to help, but too often they are unable to do so because the parents themselves lack basic reading skills. We can do more to help parents acquire the skills and resources needed to help their children learn to read. This bill will expand local family literacy initiatives, and help states to increase parent involvement.

Family literacy efforts, such as the Home Instruction Program for Preschool Youngsters in Worcester, Massachusetts, concentrate on providing parents with the education and skills they need to be their children's first reading teachers. These programs teach parents how to read aloud and work with their children at home, and give parents the opportunity to attend literacy and other classes.

Funds will also be available to the National Institute for Literacy to gather and disseminate information about the best practices for improving child literacy, so that every school and community can take advantage of them.

This bill targets funds for literacy programs on schools where the needs are greatest. Children in poor schools are more likely to live in homes with parents who have not completed high school and are unemployed. Children from such homes are 5 to 6 times more likely to drop out of school than other children. We should help ensure that they get the opportunities they need to learn to read well.

Recent successes in Boston prove that targeted efforts to improve schools and student performance can produce real results. After three years of reforms in Boston emphasizing early literacy, high academic standards, and the best teaching practices, students in almost every grade showed significant improvements in math and reading scores on city-wide achievement tests.

The Samuel W. Mason School in Boston, where 91 percent of the children come from poor families, has gone from one of the lowest-performing schools in the city to scoring in the top quarter of all public schools in the city in reading achievement. They have implemented a school reform approach that focuses on literacy. Teachers were trained in the best reading practices. In addition, they adapted teaching styles to fit children's learning styles, tested the children every six weeks to measure improvement, and focused on improving family literacy in the community.

The bill will help provide children with the readiness skills and support they need to learn to read once they enter school. It will help teach every child to read in these early years—from preschool though the 3rd grade. And, it will improve the instructional practices of teachers and other staff in elementary schools with the greatest need for extra help.

The bill provides competitive grants to states to improve child literacy. Each state will create a plan to address the needs of its teachers and communities for improving student achievement in reading. Eligible school districts will be able to apply to the state for funds to support teacher training in how to teach reading well in elementary schools with the greatest need for help, and to support partnerships among eligible school districts and community organizations that support early learning, tutoring, adult literacy, and that provide children and families with access to books.

The lowest-achieving and poorest schools will benefit. Local school districts that are eligible for subgrants fall into three categories: (1) districts that have at least one low-performing school in school improvement under Title I; (2) districts that have schools with the highest and second highest number of poor children in the state; and (3) districts that have schools with the highest and second highest poverty rates in the states.

The bill amends Title II of the Elementary and Secondary Education Act, and authorizes $260 million each year for fiscal years 1999 and 2000.

By building on successful programs such as the Eisenhower Professional Development Program, the College Work Study Program, and the Even Start Program, this bill provides state and local education agencies with the support they need to bring successful programs to their teachers, students, and communities.

Children do not learn to read on their own. Children need well-trained teachers who can give them the assistance they deserve. Children need trained tutors who can work with them outside the classroom. They need involved parents who know how to read and know how to work effectively with their children at home. Children need access to effective reading materials at home. And, children need the opportunity to acquire reading readiness skills early, so that they come to school ready to learn to read.

The Reading Excellence Act ensures that the best methods and resources are more widely available to schools, families, and children across the country. I urge the Senate to pass this important legislation.

Mr. DODD. Mr. President, it is with great pleasure that I rise in support of the Reading Excellence Act. I am very pleased that, working with the House committee and Secretary Riley, we have been able to work out a final bill that will improve reading skills. This

effort once again demonstrates that when we focus on what really matters to America's families and work together, we can accomplish a great deal of good. And today, we are taking a substantial step in improving the teaching of reading in our schools.

There are few skills that are more important than literacy. It is what makes us good workers, good parents, and good citizens. Imagine not being able to read. Bus schedules, children's homework assignments, and local newspapers—all beyond your grasp. From start to finish, each day would be nearly impossible.

Yet, too many of our children leave school lacking this basic skill which is essential to their livelihood and their quality of life. But, for the child who cannot read, the problem begins much earlier than graduation. Research has shown that children who fall behind as early as the second and third grade do not catch up or become fluent readers unless expensive, intensive help is available to them. If such help is not available, these children become increasingly frustrated and are at substantial risk of dropping out of school altogether.

Our goal must be to help all children to read well, to read independently, and, importantly, to enjoy reading. We have a tremendous advantage today in reaching this goal in that we know so much more about the physiological process of learning to read. We also know what works and what does not. This bill makes sure that this new base of knowledge gets out beyond academia and its scholarly journals and into classrooms across the country where it can make a real difference in the lives of our children.

Beyond the classroom, this legislation will also help empower the first and most important teacher of all children—their parents. Children's literacy levels are directly related to the literacy ability and interest of their parents, especially their mothers. The values, attitudes and expectations held by parents and other care givers with respect to literacy will have a lasting effect on a child's attitude about learning to read. This bill will encourage parents to read to their children at an early age and foster the budding literacy skills of their children.

I am particularly pleased the bill also reaches out to Head Start and other local pre-school programs to bring them into these efforts to ensure that young children have the necessary foundation for literacy. In addition, the bill does not overlook the important contribution trained volunteers and mentors can have in improving a child's reading fluency and comprehension. This bill encourages local communities to tap into these efforts and coordinate volunteers to bring their talents and time into the schools to read with children one on one.

Finally, Mr. President, this bill does not overlook the most basic tool in any literacy effort—Books. Good, engaging, age-appropriate books are critical to any successful effort to improve literacy. In too many homes, books are a rarity. And yet any parent will tell you how books capture the imagination and attention of toddlers and, even babies, better than any television show.

I think we need to do much more when it comes to books. Our tax laws have set up very perverse incentives that make it more profitable to destroy unsold books rather than donate them to schools or literacy organizations. I am hopeful that, when the Senate next revisits tax law, we can take a look at this issue and reverse these incentives to get more books into the hands of children. In the meantime, this legislation is a good first step in ensuring that children will have increased exposure and involvement with high-quality books.

Mr. President, this is a good thoughtful bill and I am very pleased that we will complete action on it this year and begin this important effort to improve our children's literacy skills.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Amendment be agreed to, the committee amendment, as amended, be agreed to, the bill be considered as read the third time and passed, as amended, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed in the appropriate place in the RECORD.

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

The amendment (No. 3740) was agreed to.

The committee amendment, as amended, was agreed to.

The bill (H.R. 2614), as amended, was considered read the third time, and passed.

Mr. COVERDELL. Mr. President, today the Senate passed H.R. 2614, the Reading Excellence Act, and I rise in celebration for the many Americans this important legislation will help. Reading is critical to every aspect of life, especially as we move into the high-tech world of the 21st century. With the passage of this bill, more Americans will secure the basic reading skills necessary to enjoy the benefits of citizenship. It will enable many to do some of the things we take for granted—being able to read a phone book, a dinner menu, directions on a medicine bottle, or a job application.

Right now, only 4 out of 10 of our Nation's third graders can read at grade level or above. This clearly can not stand. Our goal is to ensure that every child is able to read by the third grade. This bill is a down payment toward that goal. The Reading Excellence Act focuses on scientifically based methods for teaching reading, it provides for tutorial assistance for at-risk children, and addresses adult illiteracy so that parents can be their children's first and most important teacher. This bill stresses the basics, a return to proven teaching methods, and most importantly a return to methods that work. It is unacceptable that only 10 percent of our teachers have received formal instruction on how to teach reading. Reading Excellence will give our educators the resources needed to prepare our children to read before they advance to the next grade.

With the leadership of Chairman WILLIAM F. GOODLING, H.R. 2614 passed the House last year. Earlier this year Reading Excellence was included in our Senate Republican blueprint for education reform. I also offered Reading Excellence, S. 1596, as a freestanding bill in the Senate on February 2, 1998. Again, in an effort to pass this legislation, I offered it as an amendment to my education savings accounts bill and it was agreed to unanimously. Unfortunately, the President killed that comprehensive education reform bill, vetoing the literacy language along with it. The administration has endorsed this language as a freestanding bill.

Helping kids read should not be a partisan issue. Both Chambers have now passed Reading Excellence unanimously, and I urge the President to sign H.R. 2614 into law. I praise Chairman GOODLING for his perseverance and dedication to helping over 3 million children at risk of falling behind. Senator COATS has also been a leader in getting this legislation to its final passage and we all thank him for his dedication to education. Today we take a first step, and as the poet Robert Frost says, ''we have miles to go before we sleep.''

PRIVILEGE OF THE FLOOR

Mr. DORGAN. Mr. President, I ask unanimous consent James Fenwood, a fellow on my staff, be granted the privilege of the floor this morning.

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

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from Washington is recognized.

Mr. GORTON. Mr. President, I ask unanimous consent I may proceed for up to 10 minutes in morning business.

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

THE SOCIAL SECURITY SURPLUS MUST BE PROTECTED

Mr. GORTON. Mr. President, this year began in a way unprecedented during my years as a U.S. Senator. Just months after passing the balanced budget agreement of 1997, budget forecasters released projections that included the possibility of a budget surplus as early as 1999. By March, the Congressional Budget Office estimated an $8 billion surplus by the end of fiscal year 1998.

I'll skip ahead a few months, because we all know that the surplus projections continued to grow. Last week, fiscal year 1998 came to an end with the President and Congress announcing a $70 billion budget surplus.

In less than a year, the deficit-busting efforts started early in the 1980s and culminating in last year's balanced budget agreement reached the climax we have been waiting for since 1969—the first budget surplus in 30 years.

All of this is very good news, everyone on Capitol Hill wants to take credit for it. Despite the euphoric attitude that has overcome the congressional budgeteers and appropriators, however, I want to sound a note of caution.

This weekend, the Seattle Times published an editorial that sums up my hesitation to jump on the pig pile scrambling to spend the projected surplus on tax cuts, as advocated by a number of my colleagues, or new government programs, as suggested by the President and Democratic leadership.

The editorial, aptly titled ''Surplus? What Surplus?'', reminds us all of a reality few are willing to face.

In July, the Congressional Budget Office predicted the Federal Government will run a $63 billion surplus in 1998 if the Social Security trust fund is included in the budget calculations. We still are running a $41 billion deficit, however, if the surplus in the Social Security trust fund is excluded.

The Federal Government will not run a surplus without the inclusion of the Social Security trust fund until 2002, when CBO expects a $1 billion surplus. By 2008, the surplus will rise to $64 billion, without including the Social Security trust fund.

We are close, but we are not out of the woods yet.

I remain deeply concerned about the future viability of Social Security.

Social Security is a sacred contract between the Federal Government and seniors. We cannot and must not use the current surplus in the Social Security trust fund to offset deficit spending in other Government programs. Unfortunately, the President, among others in Government, has proposed to do precisely that.

As Congress speeds toward the end of the 105th Congress, we must keep the future of the Social Security trust fund paramount in our deliberations. Some Members of Congress want to pass a tax cut package before the election, which will be funded by the projected surplus.

The President—who urged us to ''Save Social Security First'' during his State of the Union Address in January—opposes tax cuts for the American people but has been pushing for $20 billion in so called emergency spending since September. He does not propose to offset this spending with cuts in other Government programs. In fact, by categorizing his spending requests as ''emergencies,'' he plans to spend a large part of the surplus he himself designated for saving Social Security in January.

Frankly, I question the legitimacy of the ''emergencies'' identified by the President—the year 2000 computer problem, military responsibilities in Bosnia, and the decennial census. These so-called emergencies have been on the radar screen for years. Unfortunately, the President failed to place a priority on these challenges when he gave Congress his budget in February.

Now we have several ''emergencies'' for which the President is willing to dip into the surplus he deemed sacred in January—a surplus that does not exist unless we tap into the Social Security trust fund.

Allow me to discuss the trust fund for just a moment. Today the Social Security trust fund is running a surplus. But that is by design. When the baby boom generation begins retiring in just a few years, that surplus will be needed to ensure that Social Security can meet its obligations.

I believe that all Government surpluses must be used to guarantee the stability of the Social Security system so that everyone relying on Social Security today, and everyone working and paying into the system today, will be able to count on Social Security without any cuts or increased taxes tomorrow.

The President has said that he wants to save Social Security, but in fact his budget proposed to spend billions of dollars over and above the balanced budget agreement he signed a year ago. Now he wants more money for the so-called emergencies I described earlier. Every one of those dollars will inevitably come out of the surplus I am convinced we need to preserve for Social Security. That is wrong.

We must use all of the Social Security and other future budget surpluses to make entirely certain that the current generation, and at least the next generation, have Social Security in its present form.

I believe so strongly in this position, that in a July strategy meeting to discuss tax and budget issues my advice to Senate Majority Leader TRENT LOTT was to ''save Social Security first.'' I believe now that that is exactly what we will do.

We cannot play smoke and mirrors with the Social Security trust fund.

At the beginning of September, I sent this chart, which you can see, Mr. President, to more than 300,000 seniors in Washington State. I have received thousands of responses over the last 3 weeks.

This is a difference between a true deficit in our normal accounts and a surplus that is created simply by counting the Social Security surplus, with the 0 point, as I said earlier, not reached until in the year 2002.

Margaret Collins of Kent wrote: ''Keep Social Security money for Social Security only.''

Alice Crawley of Seattle wrote: ''I am 82 years old and I say they should use any available surplus, Social Security and otherwise to preserve and protect Social Security.''

Mr. and Mrs. Bill Pennock of Redmond wrote: ''The American people pay into Social Security believing the money will be there when they retire. Our generation depends on Social Security and we feel future generations will also need it. Please do not spend the fund on other government programs.''

Wallace Wickland of Bothell wrote: ''You people in Washington have got to keep your hands off Social Security. This is all some people have. Voting for Social Security will save your jobs!''

Anna Green of Tacoma wrote: ''We always voted for you, and I hope you think of our children and grandchildren to preserve and protect the Social Security for them.''

Barbara Murphy of Tumwater wrote: ''I'm in favor of using all the surplus to shore-up Social Security. I know House Republicans propose a tax refund for citizens, but let's wait on that.''

My constituents support using all of the Social Security surplus and future budget surpluses to make entirely certain that the current generation and future generations are protected. Once Congress and the President agree to a plan that shores up Social Security for our children and grandchildren who will retire during the next century, I gladly will join my colleagues in providing tax relief for hard-working Americans.

I want to make that point crystal clear. I am not opposed to tax relief. In fact, I'm all for across-the-board tax cuts that provide relief for middle class taxpayers. In fact, I have cosponsored two bills that reduce or eliminate tax penalties on married couples—a major component of the House-passed tax relief package. The taxpayers have contributed more than their fair share to the balanced budget for which we so desperately want to claim credit in Washington, D.C.

Unfortunately, we have to eat the spinach on our plate before we eat dessert. We have one more challenge to face—one more hurdle to jump—before we can claim victory on balancing the budget and start returning their hard-earned dollars to taxpayers. Let's secure and protect the Social Security trust fund for current retirees and future generations first.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. DORGAN. I ask unanimous consent to speak as if in morning business for 10 minutes.

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

Mr. DORGAN. Thank you, Mr. President.

PRIORITIES OF THE 105TH CONGRESS

Mr. DORGAN. Mr. President, one of the items up for consideration as we

finish this 105th Congress is H.R. 10, the so-called financial modernization bill. In fact, we have gone through a cloture vote on the motion to proceed to that bill. H.R. 10 is a piece of legislation that apparently has fairly wide support, I am told, in this Congress. I do not happen to support it, but I assume we will go through a period this week of debating and voting on a series of procedural motions dealing with H.R. 10.

It is a 600-page bill, and it will make the most sweeping changes to the financial sector and particularly the banking and other financial industries since the 1930s. This piece of legislation repeals the Glass-Steagall Act, which restricts the ability of banks and security underwriters to affiliate with one another.

The bill creates a new category of financial holding companies. The structure will allow for a broader range of financial services now to be done in one affiliated area—commercial banking, insurance underwriting, merchant banking.

I do not know whether most people have forgotten the lessons of the 1930s, but in the 1930s it was thought that perhaps we ought not to merge or marry in any way inherently speculative activities with banking because banking requires the perception—even just the perception—of safety and soundness to survive and do well. Safety and soundness is critical.

When you bring into the realm of banking activity that is inherently speculative, such as underwriting securities, insurance underwriting, merchant banking, and a whole range of other activities, it seems to me we have just forgotten the lessons of the 1930s. And we are told that we must do this is the name of financial modernization. In order to be ''modern,'' we must decide to step forward and change the structure of these financial institutions.

This country learned tough lessons the very hard way decades ago about marrying banking activities with other activities that are inherently speculative. I know they say, gee, we have created these affiliates with firewalls, all that sort of thing. I have heard that all before. I heard that with the Saving and Loans. The taxpayer got stuck for $500 billion bailing out the S&L mess.

I think this bill represents a huge step backwards for this country. For that reason, I do not support the legislation. I will speak more about it at some point later.

But the thing I find interesting is this rush to complete H.R. 10 right now. The big shots want financial modernization and the halls are filled with people who are working to get H.R. 10 done because the big economic interests in this country want financial modernization.

But what about school modernization? I have been on the floor of this Senate talking about school construction, I guess maybe 10 times in this Congress. I have told about a young second grader at the Cannon Ball elementary school. Let me just talk about this issue again, because school modernization does not seem to be a priority. Apparently, second graders are not big shots. They do not have the same clout with this Congress.

The school in Cannon Ball, just on the periphery of an Indian reservation, is a public school. It is open today. Those little kids, mostly Native Americans, are in their crowded classrooms. There are 160 students and staff in that school with only one water fountain and two bathrooms. Part of the school that is now being used had previously been condemned. It is an old, old, old building in desperate disrepair.

One of the rooms they use for music is in the downstairs area. They more than occasionally cannot use it because the stench of sewer gas comes up and fills that area, and they have to evacuate that area. And a little second grader came up to me when I toured that school, and asked, ''Mr. Senator, will you build us a new school?'' Well, the answer is, modernization of a school building does not apparently have the same priority to this Congress as modernization of our financial system.

Instead of financial modernization, how about modernization of the Cannon Ball school so that little girl, Rosie, age 7, can walk into a second grade classroom that we can be proud of, where you can hook a computer to the Internet, a classroom that is not going to have to be evacuated because of seeping sewer gas, a classroom that has a bathroom outside or a water fountain close by. What about her needs? What about the needs of all those kids?

Or maybe we can talk about the Ojibwa school. The kids there go to school in trailers that are overcrowded and unsafe and classrooms that have been condemned—and this Congress knows it. There is going to be a desperate accident there some day. There is going to be a fire spread across those trailers with their wooden fire escapes. My deep concern that somebody is going to die unless somebody takes action first.

Study after study after study shows that school to be unsafe, but there is no money to modernize that school. Those little children on the Turtle Mountain Indian Reservation go to the Ojibwa school in conditions that, in my judgment, should not give any of us pride that we send our children through its doorway.

We can do something about it. We can modernize those schools. We have had proposals on the floor of the Senate for school construction, but guess what? The funds to modernize those schools is not nearly as important as modernizing our financial system because H.R. 10, the financial modernization bill, has all kinds of folks in dark suits standing out here lobbying for it.

They have a lot of clout, a lot of resources. When they say, ''Jump,'' we have people saying, ''How high?'' But what about the second graders? What about the Cannon Ball school? What about the Ojibwa school? I could go on talking about the school construction needs in our country and in my State, and especially on Indian reservations, about which we ought to do something.

I know the Senator from Massachusetts wanted to make this point with respect to the Patients' Bill of Rights. Talk about modernization, what about modernization with respect to the delivery of health care? Is it modern to have a health care system in which people do not get the medical care they need?

The Senator from Massachusetts has been talking about the Patients' Bill of Rights. We cannot even get a vote on it. It is very simple. It says that, when you are sick, you ought to be able to have a doctor or a health care plan that tells you all of your treatment options, not just the cheapest. And yet today all across this country people find HMOs saying, ''We will only tell you what the cheapest option is, not all of your options, as a patient.''

Mr. KENNEDY. Would the Senator yield for a question?

Mr. DORGAN. I would be happy to yield.

Mr. KENNEDY. I have before me—and I will include in the RECORD—an excellent letter written by representatives of 30 different organizations representing women. I would like to ask if the Senator would agree with me that this issue involving the Patients' Bill of Rights has special importance to women. It does—as I will mention in just a moment—to those who have been afflicted with breast cancer. And, of course, the nurses in this country are all in support.

But would the Senator agree with this letter, which is sponsored by the 30 organizations? I will include it in its entirety.

Few issues resonate as profoundly and pervasively as the need for quality health care, and women have a particular stake in the changes in our health care delivery system. Women are the primary consumers of health care services in this country, and we have unique health care needs. Women also take care of the health care needs of our families, from children to elderly relatives. Because of the great impact any patient protection bill will ultimately have on women, we ask that you support real reform that will truly improve women's health.

The Patients' Bill of Rights Act (S. 1890) takes the needs of all consumers seriously, and it pays particular attention to the needs of women. The genuine and often unique concerns of women are woven into the fabric of this bill. S. 1890 recognizes that women's health can only be improved by comprehensive reform.

I am just wondering if the Senator would agree, first of all, as a strong supporter of the legislation, that he believes that the Republican leadership is derelict in its duty by failing to bring up legislation that can have that kind of importance to the mothers and to the wives, to the sisters, to the daughters, of families in this country?

This is supported by 30 organizations that represent women, children, and families.

Does the Senator not agree with me that the Republican leadership has been derelict in failing to give us an opportunity to address these issues which are central to the concern of women in our society and their health care needs?

Mr. DORGAN. I agree that there has been a concerted attempt to prevent legislation of this type from coming to the floor of the Senate under regular order.

It is apparently not a priority. In fact, not only is this apparently not a priority but they have also deliberately attempted to prevent us from having the opportunity to enact HMO reform, the Patients' Bill of Rights, school modernization, and so on, because it is not something they want to do.

I think this is a misplaced set of priorities.

Mr. KENNEDY. Will the Senator agree that is one of the most important issues before families in this country? We believe, as supporters of the Patients' Bill of Rights, Senator DASCHLE's bill, that doctors ought to be making decisions with regard to the health of women in our society. That is the key underlying difference between the Patients' Bill of Rights and other substitutes, but this is a matter of urgency, a matter of importance.

The PRESIDING OFFICER. The time of the Senator from North Dakota has expired.

Mr. DORGAN. Mr. President, I ask unanimous consent for 2 additional minutes.

Mr. CRAIG. May I inquire how much time remains in morning business under the order?

The PRESIDING OFFICER. The remaining time is about 18 minutes, until 11:30.

Mr. CRAIG. The Senator from West Virginia and I would also like some of that time if at all possible prior to 11:30. If you would take that under consideration, I would not object.

The PRESIDING OFFICER. The Senator has 2 more minutes.

Mr. CRAIG. I require no more than 10 minutes.

Mr. DORGAN. Mr. President, I appreciate the indulgence of the Senator from Idaho.

Let me make one final point, and if the Senator from Massachusetts wishes to make a final point in the form of a question, I will yield.

The point is that health care decisions ought to be made in a doctor's office or in a hospital room, not by some insurance company accountant 500 or 1,000 miles away. That is the point the Senator from Massachusetts is making. That is the point that is made in the underlying legislation dealing with a Patients' Bill of Rights. It is a critically important point.

We ought to have been able to debate fully under regular order the piece of legislation called the Patients' Bill of Rights. I regret we have not been able to debate that.

I yield to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, to conclude, I ask unanimous consent to have printed in the RECORD the correspondence from various women's groups, including the No. 1 consumer group in terms of protection of women, the Breast Cancer Coalition, 450 organizations that support this legislation, and the American Nurses Association, who strongly support the legislation.

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

JULY 29, 1998.

Dear Senator: The undersigned organizations work on a range of issues that are important to women, including women's health, and together we speak for millions of women around this country. As women's organizations, we understand the needs and concerns of women. We urge you to support the Patients' Bill of Rights Act (S. 1890) because it is the only bill that provides comprehensive and genuine patient protections for the millions of Americans enrolled in managed care plans.

Few issues resonate as profoundly and pervasively as the need for quality health care, and women have a particular stake in the changes in our health care delivery system. Women are the primary consumers of health care services in this country, and we have unique health care needs. Women also take care of the health care needs of our families, from children to elderly relatives. Because of the great impact any patient protection bill will ultimately have on women, we ask that you support real reform that will truly improve women's health.

The Patients' Bill of Rights Act (S. 1890) takes the needs of all consumers seriously, and it pays particular attention to the needs of women, The genuine and often unique concerns of women are woven into the fabric of this bill. S 1890 recognizes that women's health can only be improved by comprehensive reform. Some of the provisions in S. 1890 that will improve women's health include: letting a patient's own trusted health care professional make important treatment decisions like how long a patient stays in the hospital; ensuring and streamlining access to specialty care, including access to non-network specialists (at no additional cost) when the plan can't meet the patient's needs; giving women the option of having direct access to ob-gyn services or choosing an obstetrician/gynecologist as a primary care provider; ensuring access to clinical trials that may save women's lives; ensuring that pregnant women can continue to see the same health care provider throughout pregnancy if either their provider leaves the plan or their employer changes plans; allowing health care professionals to prescribe drugs that are not on the plan's predetermined list when such drugs are medically indicated; providing a fast, fair, consumer-friendly independent appeal whenever a plan's decision to deny or limit care jeopardizes life or health; having an internal quality improvement system that measures performance on health care issues that affect women; collecting data (and providing a summary of it to enrollees) that allows plans to evaluate how they are meeting the health needs of women; incorporating gender-specific medicine when developing the plan's written clinical review criteria; and ensuring that providers and patients are not discriminated against on the basis of sex or other characteristics.

The other health reform bill that the Senate may soon consider, the Senate leadership's bill (S. 2330), does not include the patient protections listed above. It attempts to address a few of these issues (ob-gyn services, continuity of care, appeal procedures), but in each case the provisions fall considerably short of S. 1890. As a result, the bill does almost nothing to correct the problems that insured women encounter every day with their health plans—the very point of enacting patient protection legislation.

The bill's sponsors tout Title V of the bill (entitled ''Women's Health Research and Prevention'') as responding to the needs of women. But this title consists mostly of routine reauthorizations of research and public health programs that Congress must attend to as part of the usual course of business. Initiatives such as these have bipartisan support, but have stalled in committee for 18 months. Now that these proposals have the backing of the leadership, we hope they can be passed swiftly. But let's not be fooled—these provisions, regardless of their obvious merits, do not turn S. 2330 into a patient protection bill that meets the needs of women.

Only S. 1890 offers the range of commonsense patient protections that women need. We need to invest in women's health research, but not as a substitute for comprehensive patient protections. We urge you to support S. 1890 and not S. 2330 when these bills come to the floor for a vote.

Sincerely,

National Partnership for Women & Families; American Association of University Women; American Nurses Association; Association of Women's Health, Obstetric and Neonatal Nurses; Catholics for a Free Choice; Church Women United; Coalition of Labor Union Women (CLUW); Feminist Majority; MANA, A National Latina Organization; National Abortion Federation.

National Abortion and Reproductive Rights Action League; National Association of Commissions for Women (NACW); National Association for Female Executives; National Association of Nurse Practitioners in Reproductive Health; National Black Women's Health Project; National Committee for Responsive Philanthropy; National Family Planning and Reproductive Health Association; National Organization for Women; National Women's Conference; National Women's Law Center.

NETWORK, A National Catholic Social Justice Lobby; Older Women's League; Religious Coalition for Reproductive Choice; RESOLVE, The National Infertility Association; United Methodist Church, General Board of Church and Society; Wider Opportunities for Women; The Woman Activist Fund; Women Employed; Women's Institute for Freedom of the Press; Working Women's Department, AFL–CIO; YWCA of the U.S.A.

STATEMENT OF BEVERLY L. MALONE, PRESIDENT, AMERICAN NURSES ASSOCIATION

PRESS CONFERENCE ON MANAGED CARE AND WOMEN'S HEALTH

Good afternoon. I am Beverly Malone, President of the American Nurses Association.

ANA is proud to be one of the signatories of this letter urging members of the Senate to support S. 1890, the Patients' Bill of Rights Act. It is the only bill that provides comprehensive and genuine patient protections for the millions of Americans enrolled in managed care plans, protections that are of particular importance to women.

Nurses have long been in the forefront of efforts to recognize and provide for the distinct health care needs of women. As patient

advocates, most of whom are themselves women, and as health care providers who focus on the health of the whole person, nurses have a special concern for the well-being of women in our society.

ANA strongly supports the patient protections recommended by the President's Commission on Consumer Protection and Quality in the Health Care Industry and embodied in Patients' Bill of Rights of 1998. As a member of the Commission, as a nurse, as a woman, and as a representative of the millions of registered nurses in the United States, I say without reservation that the nursing profession's commitment to our patients demands our commitment to legislation that will provide true protection from the abusive practices of the managed care industry.

Nurses who are at the bedside when women undergo the trauma of breast cancer and mastectomy are acutely aware of a broad range of unsafe and insensitive practices that threaten the health and safety of their patients. Certainly, requirements by health plans that women undergo mastectomies as outpatient procedures are unconscionable. But that practice is symptomatic of more pervasive dysfunctions in the health care system that impact women disproportionately and must be addressed as well. It is not enough to address only one instance of inappropriate interference in treatment decisions. In fact, offering a token rather than a genuine reform is shameful when there is such suffering in so many other areas.

My colleagues from the women's community who are here today know that aging women suffer the effects of prescription drug limitations that do not allow for their complex health requirements, that the scourge of breast cancer requires not only humane treatment but access to clinical trials so that true progress can be made for future generations, and that women who make health care decisions for themselves and for their families must have full information on which to base those decisions.

The Americans Nurses Association believes that every individual should have access to health care services along the full continuum of care and be an empowered partner in making health care decisions. We also believe that accountability for quality, cost-effective health care must be shared among health plans, health systems, providers, and consumers. There is only one bill before the Senate which will provide that kind of access and empowerment and accountability for the women of our nation and their families.

Nurses at the bedside have learned what happens when frail, older women receive inappropriate medications, or when mammograms come too late, or when misinformation or misunderstanding lead to dangerous delays in care. For the nurses at the bedside, the need for patient protection and patient advocacy is played out every day, and we urge every Senator to support S. 1890, the Patients' Bill of Rights Act of 1998.

STATEMENT OF FRANCES M. VISCO, PRESIDENT, NATIONAL BREAST CANCER COALITION

PATIENTS' BILL OF RIGHTS ACT OF 1998

Once again, on behalf of the 450 organizations and tens of thousands of individuals who are members of the National Breast Cancer Coalition (NBCC), I would like to reconfirm our support for the ''Patients' Bill of Rights Act of 1998'' (S. 1890). I applaud Sens. Daschle and Kennedy for introducing a bill which offers real patient protections benefitting women and the potential to help ensure effective, quality health care.

The NBCC is dedicated to the eradication of breast cancer through action and advocacy: it seeks to increase the influence of breast cancer survivors and other activities over research, clinical trials, and public policy and to ensure access to quality health care for all women. NBCC recognizes that the evolving health care system affords us the opportunity to define and focus on true quality of care for women and their families. We cannot afford to let this opportunity pass.

The NBCC believes that breast cancer patients have fundamental rights, including: the right to receive accurate information about their health plans; access to the right providers; involvement in treatment decisions that are based on good science; confidentiality of their health information; and coverage for routine health care costs associated with participation in clinical trials. S. 1890 guarantees patients these rights and offers women a legitimate ''Patients' Bill of Rights.''

Other bills being considered by the Senate that are being marketed as women's health bills do not in fact give women the substantive protections that they need. Instead, the bills offer routine reauthorizations of research and public health programs that Congress must attend to as part of the usual course of business. While these provisions and efforts to move them forward quickly are extremely important, they do not transform proposed health reform legislation into a women's health care bill. To ensure true quality health care for women and their families, we need legislation, such as S. 1890, which offers comprehensive patient protections against the problems that insured women encounter every day with their health plans.

One of the NBCC's most pressing concerns is that health insurance and managed care plans are erecting barriers to good science by increasingly refusing reimbursement for routine patient costs when breast cancer patients participate in approved clinical trials. This practice is preventing us from finding desperately needed scientific answers about breast cancer and severely affects the treatment breast cancer patients receive. Only three percent of adult cancer patients are enrolled in clinical trials—insurance reimbursement is often a major obstacle to clinical trial participation. In fact, one of our NBCC members who participated in an NCI clinical trial five years ago, only recently resolved her legal battles with her insurance company over coverage of the costs associated with the NCI trial. The Patients' Bill of Rights Act is an important first step in ensuring third party coverage for the routine patient costs incurred within a clinical trial.

The NBCC is prepared to work with the Congress, and will mobilize our nation-wide network of advocates to ensure that meaningful legislation like the Patients' Bill of Rights Act is enacted into law. We offer thanks to all of the leaders gathered here today for their work to ensure that breast cancer patients and all American women and families receive quality health care.

SCHEDULE OF THE PRESIDENT

Mr. CRAIG. Mr. President, I come to the floor today with a revelation that I suspect will come as a bit of a surprise to some of my colleagues and to a few Americans. Mr. President, fellow Senators and fellow Americans, President Bill Clinton, is in town. That is right. The President is actually in the White House today.

For any who have followed the President's extensive travel throughout his term in office, you would notice that I say his ''time in Washington'' because that has been far less than his term in office. The fact that the President has actually planned to stay in town for a week is, in my opinion, a bit newsworthy.

The President is supposed to be the head of our country. Instead, I suspect that Bill Clinton has been our country's feet. This President is already the most foreign-traveled President in U.S. history, with 32 trips abroad in less than 6 years in office. In just the last 2 years, he has spent 79 days overseas. Those 79 days abroad in 2 years are almost as many days as President Bush spent during his 4 years in office.

If and when he has come home to the United States does not mean that he came home to the White House. President Clinton spent almost half of last year, 149 days, and over half of this year, now 155 days, out of the White House. What has he been doing while logging those frequent flier miles on Air Force One? Well, a lot has been fundraising; 65 days over just the last 2 years have included out-of-town fundraising trips, and 14 more are planned for this month alone.

Now the President is back in town for one of his rare weeks in Washington. What did he do on his first day at work yesterday? He sought, once again, to divert attention from his own problems—this time, by threatening to shut down the Government. It is hard to tell if this President has come back to town to simply repack his bags or to take, or attempt to take, Congress hostage.

President Clinton appears intent on making the sequel to the movie ''Wag the Dog.'' The President hasn't participated in the process of government at all this year, and now he returns, seemingly, to attempt to shut the process down. I have to say I think this is a bit of diversion. I don't believe it is leadership.

Is it unfair to criticize? Is it partisan to be harsh? I asked myself that question before I came to the floor this morning. I don't think so. Here is why I don't think so. Consider just two issues that we all believe are important issues, that even the President has acknowledged are important.

In just a few moments we are going to resume debate on a most important piece of legislation, the agricultural appropriations. It is on that that I want to speak for just a few moments, an issue that President Clinton once ignored. He ignored solutions to help farmers and ranchers. He didn't speak about them in his first term of office and has spoken little about them in his second term. Now we have legislation that we think will help farmers and ranchers, and on his first week back in town he says ''I'll veto it.''

''Agriculture'' is a word that this President hasn't found a place for in his vocabulary. Why? Because American farmers make up less than 3 percent of the American public. They don't have as much political clout as they once had. So this President hasn't

addressed this issue. But just now, when American agriculture is in crisis and this Congress, in a bipartisan way, is attempting to find solutions to that crisis, our President comes to town, finds his footing, and says, ''I'll veto the effort.''

Mr. President, that is fair if you had been part of the process, if you had been in here working with us, if there had been legitimate give-and-take and finally a breakdown. That is not the case at all.

The President was absent—traveling, fundraising—away from what is most important. So he seeks now to make up for his absence by having not just one position on agriculture but three positions. First of all, he asked for about $2.3 billion in assistance on September 22. That was just 2 weeks ago. Congress then roughly doubled that amount. Yet now, to hide the fact that he had not been paying attention to American agriculture, President Clinton is demanding more, much more—nearly $7 billion. And now he threatens to veto legislation that Congress will send to him—legislation that will give twice the money that he asked for less than a month ago.

For 2 years, he has failed to use the tools that could have addressed the agriculture problems in substantial ways. He has ignored the tools—tools that I have requested the President not let rust away in some storage shed down at USDA, tools of trade, tools of trade intervention, humanitarian aid. All of those kinds of things that would have moved our products into the market were not used and have gathered rust and sat idle. Why, then, is the President coming back almost in an effort to demand a scorched-Earth policy? Is it politics, or is it the wag factor that is now at work? I am not sure. But, Mr. President, I think you have little credibility in this area.

Let me discuss just one other area briefly. I know the Senator from West Virginia is waiting.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. CRAIG. There is the issue of Social Security. So important was it that the President declared it in his State of the Union Address as an effort to save Social Security. Yet, the President has not bothered to make one step in that direction. The Congress waited a year, but no plan came from the White House. Just as with the farm crisis, he has only managed to use it—not address it, much less solve it. Like the farm crisis, he sought to use it to turn attention from himself. Instead of buckling down, this President has traveled around; over half of the days of this year the President has been out of town. He has found time to travel, he has found time to go overseas, he has found time to fundraise; but he has not found time to send any one plan to save Social Security to the Congress of the United States, or any one plan to alleviate a farm crisis that is now emerging.

Well, I suspect that if the solution to Social Security had been in Beijing, or Chile, or Ghana, or Uganda, or Rwanda, or South America, he might have found it there because that is where the President was. Why now, the last week that Congress plans to be in session, with a schedule that was established at the first of the year, did the President find his way back to the White House to sit and only threaten—threaten to veto here, threaten to veto there?

Mr. President, are you planning to shut down the Government? Is it a plan for diversion? Is it a plan to hide? Well, we have some problems and we are going to work to solve them. Those solutions should come in a bipartisan way. Mr. President, I hope you will be a part of the solution. The American people deserve nothing less than that.

I don't like coming to the floor to give these kinds of speeches, but sometimes I feel they are important. Sometimes I feel it is important for the American people to recognize, as we do, that there are times when we work together and not times when we simply find our footing to threaten or to change the subject or to divert attention.

Is the Presidency in crisis today? Yes, it is. We all know why it is. That is a constitutional tragedy. That will work its will. The House is underway in that process. Let us be allowed to work our will to solve the problem of financing our Government for the coming year.

I yield the floor.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I have some remarks, which may require 10 or 11 or 12 minutes.

I ask unanimous consent that I may be recognized for such time as I may consume, and that the previous order to proceed with the Agriculture conference report be delayed until I complete my statement.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

SAFE SCHOOLS: A MUST FOR THE NATION

Mr. BYRD. Mr. President, with the new school year now in full swing, our youngsters are brimming with the excitement of making new friends, radiating enthusiasm for new studies, and preparing for the challenges that lie ahead of them. Students are tackling new reading assignments and committing algebraic formulas to memory. During recess hour, they are frolicking in the school playground with new classmates and old friends, enjoying the waning days of shirt-sleeve weather. They feel safe and secure—free from threatening situations and out of harm's way.

But as our children leave home each morning for the school day, we as parents, grandparents, educators, and legislators, must regretfully remember that, just a few months ago, some of our nation's schools looked more like virtual war zones with bloodshed and the tragic loss of life. From Paducah, KY, to Springfield, OR, the notion of schools as a safe haven was shattered by the sound of gunfire, and we must now begin to face the formidable challenge of rebuilding that serene and tranquil school environment that each and every student deserves.

Today, responding to my concerns about this trend, I am unveiling a new branch of my web site which contains the most up-to-date and accurate information available from authoritative sources on school safety. I have designed this web site to be an electronic resource book, complete with descriptions of school safety initiatives underway in West Virginia, updates on federal funding available for violence prevention efforts, and the latest information on legislation moving through the Congress. I hope that this addition to my web site will serve as an important tool for parents, students, educators, and lawmakers in addressing the issue of school safety in West Virginia and in other States.

In concert with the release of my school safety resources web site, I am also introducing companion legislation in the Senate today to Representative BOB WISE's recently introduced legislation, H.R. 4515, to provide for the establishment of school violence prevention hotlines. Often, a potentially harmful student confides in his closest friend about his intentions to launch a violent attack on school premises. Or perhaps, teachers notice a change in a student's demeanor or an action completely uncharacteristic of a happy, well-balanced child. Occasionally, the parents of an otherwise cheerful, amicable son or daughter detect hostility in their child's voice when talking about a particular group of students. All of these scenarios may be just a bad day on the surface or semantics misinterpreted, but they also may be the first signs of a potentially threatening student.

My legislation would provide funds to local education agencies and schools that have established or proposed to establish school violence prevention hotlines. It is essential that parents, students, and teachers have an outlet where they can report threatening situations to authorities who will watch over the student's behavior and alert school officials. School violence hotlines can prevent a disturbed student in need of help from taking that next, sometimes fatal, step.

I have long been concerned about the increasing incidence of violence in the classroom and have supported numerous efforts to combat this kind of outrageous behavior and strengthen discipline for all students. After receiving a disturbing report in 1990 from the Centers for Disease Control and Prevention which stated that nearly twenty-four percent of West Virginia's students between grades nine and twelve

carried a gun, knife, or other weapon to school at least once during that year for self-protection or use in a fight, I began looking for ways to better address the problem of school violence. In 1994, when Congress passed the Improving America's Schools Act in an effort to reauthorize and improve the existing Elementary and Secondary Education Act, I offered two amendments aimed at reducing the level of school violence.

First, the Congress adopted my proposal directing local school districts to refer to the criminal justice system any student who brings a weapon to school. Possession of a weapon on school property is a crime, and when a crime occurs, the police should be notified. While school discipline is an appropriate and essential first step in reprimanding a student for such a violation, it is simply not enough. Possession of a firearm on school grounds is an outrage and a true impediment to the environment that teachers are striving to foster.

The second amendment that I authored in 1994, which was approved by Congress, required the U.S. Secretary of Education to conduct the first major study of violence in schools since 1978. In July of this year, the National Center for Education Statistics, in concert with the Department of Education, released the results of this study, which was conducted with a nationally representative sample of 1,234 regular public, elementary, middle, and secondary schools in all 50 States and the District of Columbia.

In a snapshot of the 1996–1997 school year, the study revealed that, with more than half of U.S. public schools reporting at least one crime incident, and one in ten schools reporting at least one serious violent crime during that school year, violence continues to beset schools across this country, all too often resulting in fatal situations.

Back in my day, no student would have considered such lawless and unruly behavior. We knew right from wrong, as it was instilled in us from our parents, sometimes with the aid of a switch that we were made to fetch ourselves. We were told that the classroom was a sacred precinct. I was told that if I got a whipping at school I would get a thrashing at home.

The classroom was a place where quiet prevailed and where students cherished the opportunity they had to learn, and that was the attitude we adopted. Unfortunately, today, students, many of them it seems, must be threatened by an impending obligation before the criminal justice system to make them behave and, often, even that has proven inadequate in keeping guns out of the hands of children and off school properties. Mr. President, what is it going to take to keep our students safe—metal detectors in every elementary and secondary school in the nation? Is that the direction in which our country is headed?

In the wake of reports of violence and tragedy at schools across the country, Congress is, once again, honing in on the issue of school safety. In more recent efforts, as part of the Fiscal Year 1999 Commerce/Justice/State Appropriations Bill, the Senate approved $210 million for a new national safe schools initiative to assist community-level efforts. Of that funding, $175 million is to increase community policing in and around schools.

Just a few weeks ago, as part of the Fiscal Year 1999 Labor/Health and Human Services,/Education and Related Agencies Appropriations Bill, the Senate Appropriations Committee reported out legislation which contains more than $150 million for a comprehensive school safety initiative to support activities that promote safe learning environments for students. Such activities may include targeted assistance, training for teachers and school security officers, and enhancing the capacity of schools to provide mental health services to troubled youth.

Since the release of the 1990 report from the Centers for Disease Control and Prevention, my home state of West Virginia has made great strides in addressing school violence, and is setting a true precedent for communities around the country in helping to establish safe schools which support learning for all children and the professionals who teach them. According to the West Virginia Department of Education, incidents involving a weapon have decreased by sixty-nine percent during the years 1994 through 1997, perhaps, in large part, due to short- and long-term initiatives underway in the State of West Virginia.

Mr. President, our nation has been grappling with the issue of improved school safety for years, and I am frankly alarmed that American school children continue to face increasing crime and violence. It is time to stop wringing our hands over this issue and take action.

We have a school system today run in many instances by hoodlums who are converting sacred temples for learning into terror camps with innocent children becoming casualties in scholastic ''free fire'' zones. We have teachers working in fear, too anxious even to teach their students properly. We must get guns out of the schools and put an end to this sense of panic which is pervading our nation's elementary and secondary education system. I am hopeful that these initiatives we have promulgated in the Senate this year will begin the mission of setting our nation back on track.

One of the most important things that we can provide to our children is the opportunity for a good education. I was afforded the opportunity to obtain a good, solid education back when I was a student attending class in a two-room schoolhouse. Today, we have mammoth schools, with all kinds of high-tech equipment, computers, and amenities that I never had or had never even heard of, or couldn't even imagine in those years. Yet our students are not learning. We owe our young people today the chance to learn and excel in an environment free from guns, knives, and other weapons.

One of the National Education Goals, as included in the Goals 2000 legislation enacted in 1994, states ''all schools in America will be free of drugs and violence and the unauthorized presence of firearms and alcohol, and offer a disciplined environment that is conducive to learning by the year 2000.'' To accomplish that goal—it is almost going to be impossible—we must send a message loud and clear that we will not tolerate weapons in our schools.

Protecting our children is not simply a matter of public policy. It is a matter of basic values, of teaching children right from wrong and punishing those who insist on doing wrong, of instilling them with respect for the law and providing them with limitations. Students must know that they will be punished for doing the wrong thing, or for choosing the bad route.

Mr. President, in the blink of an eye, we have lost the lives of precious young children to school violence—children who may have grown to be teachers, doctors, businessmen and women, and perhaps even future Senators. We in Congress have a responsibility to stop this deadly trend from striking other innocent families. The time has long since come and gone for decency and sanity to re-enter the schoolhouse door—let's get moving.

Mr. President, I yield the floor.

AGRICULTURAL, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999—CONFERENCE REPORT

The PRESIDING OFFICER. The Senate will now proceed to the conference report on H.R. 4101 until 1:30 with the time equally divided.

The Senate resumed consideration of the conference report.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Who yields time?

Mr. FEINGOLD. Mr. President, I ask unanimous consent the full hour be accorded that was intended for the agriculture appropriations bill.

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

Mr. FEINGOLD. Mr. President, I yield myself such time as I require.

The PRESIDING OFFICER. Senator from Wisconsin is recognized.

Mr. FEINGOLD. Mr. President, I intend to vote against the Conference Report on Fiscal Year 1999 Agriculture Appropriations bill for a number of reasons. In the final version, the congressional majority has added a $3.6 billion unfunded emergency spending provision, while simultaneously stripping out consumer and farmer protections.

However, today I will focus on the worst provision in the conference report. I am extremely disappointed that

the final version contains language from the House bill extending USDA's rulemaking period on Federal Milk Marketing Order Reform. Once again, on the issue of milk orders, bad politics prevailed over good policy.

This extension will require the new milk pricing system to be in place in October of 1999, instead of the original date of April, 1999 set in the Farm Bill. Mr. President, officials at USDA have assured me that they did not request this extension nor do they need it.

House Appropriators argued that the extension was necessary to give Congress ample time to review, comment and act on the final rule. They claim that if the rule were to be announced in late November, they would not have time to act on it. Mr. President, let's examine this argument because it does not hold water. My House and Senate colleagues who support this provision on these grounds surely remember passage of the Small Business Regulatory Enforcement Fairness Act of 1996. This law empowers Congress and the courts to overturn regulations with Presidential approval. This law gives Congress 60 days to act, once a rule has been published in the Federal Register. So, whether the rule is published in late November, early December, or mid-February of 1999, Congress has 60 days of session to act. So this really tells us what is going on here.

Mr. President, this dairy provision was included solely to intimidate and bully USDA and Secretary Glickman into an anti-Wisconsin dairy pricing reform. Instead of allowing USDA to do its job, some Members of Congress want to do it for them, and do it to benefit their own producers at the expense of dairy farmers in the Upper Midwest.

Let's just take a look at the current system which is shown on this chart, which some have called the Eau Claire system. I like to call it the anti-Eau Claire system because it is an unfair system for Eau Claire, WI, and our entire state—in fact, the entire upper Midwest.

This chart shows that the Class I differential received by dairy farmers in Eau Claire, Wisconsin is $1.20 per hundredweight. Believe it or not, Mr. President, Federal pricing policy dictates that the farther you travel from Eau Claire, WI, the higher your Class I differential. You will notice that the price in Chicago is $1.40, in Kansas City, Missouri it's $1.92 and in Charlotte, NC it's $3.08 per hundredweight. Our friends in Florida make $3.58 in Tallahassee, $3.88 in Tampa, and $4.18 in Miami. Dairy farmers in Miami make nearly $3.00 more per hundredweight than farmers in the Upper Midwest. Does that make any sense? Absolutely not.

Let me illustrate this with another chart.

To illustrate just how senseless this whole system is, I have borrowed this graphic from my colleague from Minnesota, Senator ROD GRAMS. As you can see, pricing milk based on its distance from Eau Claire, WI, is as arbitrary and ridiculous as pricing oranges from their distance from Florida, computers from their distance from Seattle, or—even more shocking to some of us—country music from its distance from Nashville. But wait, now that I think about it, maybe Congress should pass legislation to price maple syrup based on its distance from Burlington, VT, and white wine on its distance from California. While we are at it, lets pass a law to pay Members of Congress according to the distance of their hometown from Washington, DC. Sound ridiculous? It is, just as the current milk pricing system is ridiculous. It would almost be funny if it weren't so destructively unfair to Wisconsin's dairy farmers, undermining the livelihoods of their families.

Mr. President, the current system desperately needs reform, a reform the Secretary of Agriculture has indicated he is willing to make—but that some members of Congress are very anxious to prevent. This poster is an illustration of today's Federal milk pricing system—how milk is produced and priced in America. You can see that the price of milk begins not with the cow, but with the Congress. Its interesting to note that the market and the farmer don't enter into the equation until two-thirds down the page. I could walk you through all the confusing steps shown here, but I understand we are scheduled to recess sometime in October, and frankly, I would need until mid-November to describe fully the inequity of this system.

This system has outlived its usefulness, its patently unfair and its bad policy.

The extension of USDA's rulemaking had another intent as well. Extending the rulemaking period automatically extends the life of the Northeast Interstate Dairy Compact. The 1996 Farm Bill requires a sunset of the Compact when the new federal pricing system is implemented. At the rate Congress is going, tacking this issue onto appropriations bills, there is no telling when implementation will now occur.

The effects of the Compact on consumers within the region and producers outside of it is indisputable. Dairy compacts are harmful, unnecessary and a burden to this country's taxpayers.

The worst part of this entire 65 year dairy fiasco is its effect on the producers in the Upper Midwest. The 6 month extension puts an additional 900 Wisconsin producers at risk. Wisconsin loses approximately 3 dairy farmers a day. Producers cannot stand 6 more days of the current program, let along 6 more months.

I am truly troubled by this turn of events and would like to read into the record a few excerpts from letters I have received from struggling dairy farmers in my home state of Wisconsin.

From Pulaski, Wisconsin a constituent writes:

> I would love to encourage my son or daughter to take over this farm someday. But without a fair pricing system, they cannot earn a decent living, and I cannot and will not encourage them to farm. That will be a great loss to the world of agriculture.

A letter from Bloomer, WI reads:

> We, in the Upper Midwest are not asking for a handout, just a more level playing field. Fair competition and price reform is our only hope.

Another constituent writes:

> In my opinion, just because a pricing system has been in implementation for years, doesn't make it useful today. It must also change with the times. How many more farms are we willing to let fall victim to the prejudiced pricing? . . . Its much easier to put a pillow over our heads, roll over and ignore the cry for help from the Wisconsin dairy farmers . . . I realize changing the present milk pricing system will not heal the strained economics of dairy farming. It's only a step . . . I urge you to take this step and . . . hear the cry of dairy farmers like me.

And finally, a dairy producer makes this comment:

> Eau Claire was chosen as the reference point because it was judged by the government to be the center of the dairy industry's most productive region. Since California now produces more milk than Wisconsin, this [rule] should no longer apply. Maybe we should change the [milk pricing] reference point to Fresno, California, to encourage dairy production in the Midwest.

These examples illustrate the need for dairy pricing reform and illustrate the state of Wisconsin's dairy industry-struggling needlessly under the burden of current dairy policy.

Mr. President, not only is legislating dairy policy on this bill inappropriate, its bad precedent, it circumvents the appropriate committees, the Agriculture and Judiciary Committees, and circumvents USDA's authority. We ought to give USDA the opportunity to do the right thing for today's national dairy industry and put an end to the unfair Eau Claire system now, not 6 months from now.

Mr. President, I urge my colleagues to take a second look at this antiquated and harmful policy. Stand up for equity, fairness, and for what is best for America's dairy industry, our consumers and our taxpayers. I yield back the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER (Mr. SESSIONS). The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I yield myself such time as I may consume.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, we begin consideration again today of the Agriculture Appropriations Conference Report. Yesterday we were on that report for 3½ hours and had a full discussion of views on the question of whether or not the conference report should be adopted. I was pleased to see this morning an assessment of the situation by the Washington Post, in an editorial entitled, ''The Appropriations Game.'' I read excerpts from that editorial:

> In the agricultural bill, an election-year bidding war has broken out between the parties over aid to distressed farmers. This is

one from which the president should back away . . . The Democrats want not just to give a larger amount but to do so in such a way as to repudiate the last farm bill . . . The administration earlier in the year rightly resisted the position it has now adopted; it should revert.

That is the end of the quotation from the Washington Post editorial. I think it appropriately points out the difficulty we face in confronting a threat from the President to veto this conference report. It is not just about money.

The President is suggesting, through his Secretary of Agriculture and through the Democratic leadership, that this conference report is unacceptable, not because it doesn't appropriate enough money, but because it doesn't change the policy that was agreed upon in the 1996 farm bill and signed by this President. It changes a fundamental policy of setting Government loan rates and using them to encourage the planning of some five or more specific commodities.

To get away from that old way of Government support, the Congress and the President, the administration, worked together to develop an alternative, a farm policy that would be driven by the dictates of the market, the demands of the market, the signals that the market would send to producers to indicate what prices might likely be during a crop year, and farmers themselves would make the choice as to what they would plant.

Some call this Freedom to Farm—freedom to plant what you want to rather than what the Government dictates you have to plant in order to be eligible for Government support. To make this a transition where the Government wasn't going to just say, ''OK, everybody, you're on your own, farmers are on their own,'' there would be a series, over 5 years, of transition payments made.

Interestingly enough, as pointed out by the distinguished Senator from Kansas, Senator ROBERTS, yesterday during the debate, this year's transition payments are going to be higher. It was assumed by the writers of that policy, the legislative committees, that at first farmers would really need to have higher payments. They were very prescient figuring this out and including that provision in the farm bill.

What we have suggested in our disaster assistance plan is, not to change the policy, but to provide bonus payments under the market transition formulas to increase the amount that all producers who are eligible for these payments would receive to help deal with the income losses that are occurring because of lost markets in Asia and elsewhere during this global economic crisis.

Then there are those who have sustained weather-related disasters in certain areas, which has meant lost crops, not just lost income, not just diminished yields, which the increased market transition payments will help deal with. But, for those who have suffered crop losses, no loan rate is going to help them. There is nothing to put under the loan.

The Washington Post points out, correctly, that we are not just in a bidding war on this bill—we are out of sorts because the Democrats keep advertising that their plan is worth $7 billion plus, and the Republicans only $4 billion; and therefore, the Democrats have a preferable plan and one that would provide more benefits—but the fact is, you change the policy instead of providing direct disaster assistance and you are not necessarily delivering money to those people who need the disaster benefits.

The $4.2 billion plan is a direct assistance plan to those who qualify because they have suffered losses, plus the additional amount that is included in the transition bonuses.

We continue to debate the issue. I am hopeful the Senate will approve the conference report. We have voted twice in the Senate, at the Democrats' insistence, on lifting the loan caps under the 1996 farm bill, and that has been rejected each time. We have voted twice on it, and twice it has been rejected. Now the administration is saying if you don't reconsider those two decisions, put that or something similar in the farm bill, in the disaster program, then the President will veto the bill.

This is a $59.9 billion bill—$59.9 billion. We are talking about a very small part, a disagreement on a matter of policy where the Democrats are trying to get the Congress to be required by this President to repudiate a part of the 1996 farm bill so some Senators, I suppose, can go home and say, ''I told you so; we had a better bill,'' even though it has been pointed out clearly that under the old farm bill, under the old policy that they are trying to reinstate pro tanto—a good law school phrase—they would be getting less money.

Under the Freedom to Farm bill, all farmers are getting more money from the Government as transition payments than they would have been eligible to receive under the 1996 farm bill which they want to exhume, resurrect, breathe life into, and put back on the books. That is not a very impressive proposal. That is not a very attractive proposal, and this Senate ought to reject it.

I hope there will be votes enough to override the President's veto. It has been done before on an agriculture appropriations bill. It was a long time ago. But you usually don't see a President vetoing an agriculture appropriations bill. I hope somebody will get around to pointing out what all is in this bill for production agriculture, for the women, infants, and children feeding program, for food stamps for people who are unable to provide for their own nutrition needs, for school lunch and breakfast programs.

I just came from a conference with the House on a reauthorization bill for child nutrition programs. We have some very important needs that are met in this legislation. Close to 65 percent of the funding in this appropriations bill that we are approving today goes to help people provide for their own nutrition needs.

The President may call this a veto of a disaster assistance program, but that is one very small part of what he is saying no to. He is rejecting the hard work of many Members of this body and the other body as well in crafting a bill that meets the need for agriculture research, for rural water and sewer system loans and grants, for economic development initiatives in small towns and rural communities throughout the United States.

If one looks at the amount of money that goes to support production agriculture in this legislation, it is minuscule compared to the total amount being spent on other programs. Many in agriculture have said that this bill should not even be named an agriculture appropriations bill—that there should be a more accurate way of describing the funding that is contained in the bill. It doesn't go to agriculture, or at least not most of it, very little of it, as a percentage of the total amount appropriated. But the President is willing to put at risk those programs that are funded in this bill to accommodate the interests of a few Senators who are suggesting that this is an unfair, an insensitive approach to providing disaster assistance to those who have suffered weather-related disasters and suffered because of a downturn in the world economic situation.

We are confronting a serious crisis in American agriculture. This bill responds to that crisis by providing direct assistance to those who have been harmed and who are eligible for transition payments and weather-related disaster benefits.

I suggest the Washington Post is right about this, and to repeat what they say this morning in this editorial, this is an election-year bidding war from which the President should back away.

The Democrats want not just to give a larger amount but to do so in such a way as to repudiate the last farm bill. . . . The administration earlier in the year rightly resisted the position it has now adopted; it should revert.

And so the observers at the Washington Post have figured this out. I hope that Senators will resist the entreaties being made to vote against this bill. This conference report ought to be adopted. It is a fair allocation of resources across the programs that are funded in the bill.

I mentioned the Department of Agriculture programs that are funded in the bill that the President is willing to put at risk and to create the uncertainty and the anxieties among those who are expecting benefits at the beginning of this fiscal year. Right now we are operating under a continuing resolution. To veto the bill creates more delay, more uncertainty, more

anxiety. It puts in jeopardy the very benefits we are trying to make available for people now.

Farmers need help now. They are beginning to be skeptical of the whole process and promises that are made by the Federal Government. I would like to do something to correct that. I would like to make sure that Government is trusted again to do what it promises to do and what it says it is willing to do, and many of us have been trying to put together a package of benefits that makes sense, is supported by the facts, can be administered.

We provide additional funds in this bill for the administration of the program. And it is going to cost more. We have tried to work with the administration to determine the amount needed so that there will not have to be extra burdens assumed at county offices throughout the country, where there will be an increase in the workload, where there will be more demands made on the administration, the farm service agency in particular.

We have tried to cooperate with this administration. It was our recommendation at the conference that these funds be added to help the administration deal with it. And now they turn right around and say, ''We're going to veto that bill because it is inconsistent with the proposal made by Senate Democrats on the Senate floor,'' that was twice rejected by the Senate. ''If you don't include the disaster bill the way they want it written or in that respect, then we're going to veto this entire bill.''

This entire bill, Mr. President, provides $56 billion in funding for a wide range of programs, most of them nutrition assistance, as I mentioned. So I hope the people in the country will stop and think what this administration is about to do to you if you are depending upon and looking to the Federal Government for support in nutrition programs. If you have free and reduced lunch and breakfast programs in your schools, they are not going to be funded on time because this President says, ''I'm vetoing this bill because it doesn't satisfy a few Senate Democrats.''

That is not only bad politics, that is bad Government, and it ought to be repudiated by the Congress. If the President does insist on carrying out this promise or this threat to veto the bill, I hope the Senate will—if the House can—overturn the veto and not sustain the President's action.

The Washington Post is right, the President ought to go back to the position he earlier had taken. The President signed the 1996 farm bill, and now he is suggesting that we need to go back and rewrite portions of it and that that will satisfy the needs of production agriculture, that that would be a better deal for farmers. The fact of the matter is, if we start going down that old road again, we will have an unworkable and unpredictable level of support from the Federal Government.

Now farmers know what the Federal Government is going to provide in transition payments that are outlined in legislation over a 5-year period. Farmers can look at that. They can make judgments about what is best for their own farm operation, what the market conditions are, so that they can make decisions based on what is best for them at that farm in that crop year, given their own economic conditions as to what they will do. They will not lose benefits because they make a decision to change the crop they are planting. They would under the old law. If you do not plant that same crop that you are eligible for, you lose your eligibility for any assistance from the Government.

And another thing. If you do not make a crop, you cannot put any crop in the loan. You cannot put an empty basket under the loan program that the Democrats are trying to resurrect. So if you would—like you have in southern Georgia—have crop losses, and you just plowed up a field, and you did not even try to harvest it because it was burned up, increasing the loan rate would not help you—not a bit.

So my point is, the Democrats' plan is not all that it is cracked up to be. It is more an expression of frustration. And I sympathize with the frustration in many parts of the country. It is an effort to grasp at some straw in the wind and hold out the hope that this is going to make everything right.

We are doing a very workmanlike job, in my view, of bringing together all of the different problems in agriculture and trying to design a program of benefits and assistance that helps farmers make it to the next year, helps compensate them to the extent that some will be spared going into bankruptcy or having to sell their farms at a forced sale. And it is that bad in some areas.

We think this is a balanced approach, not only for this disaster assistance program that is funded in this bill to the extent of $4.2 billion. That is in addition to all the other transition payments that we are providing under the existing law. And an option to obtain an accelerated payment of next year's market transition payment, that is available now in October because of a bill that was passed just recently.

We think the bill itself, the entire conference report, justifies the support of this Senate and an overwhelming vote to approve it and to send it to the President.

Before I yield the floor, Mr. President, I want to point out that this is just one aspect of what is being done or what is attempted to be done by this Congress to help the outlook for farming in America and in agriculture. Our economy—that is one of the most successful of any sectors of our economy in terms of its ability to export, to generate income for people not just on the farm but at the store, driving trucks in the transportation system, the inputs that go into production agriculture, the equipment that is purchased, the seeds, all the rest that go into this giant part of our economy—is very important to our country.

We generate a positive trade balance. I think this year it is going to be almost $20 billion in trade surplus. This is comparing the amount and the value of exports with imports of agriculture and food products.

The House just recently passed a tax bill, reported out of the House Ways and Means Committee. It was my hope that we could take that bill up here and pass it in the Senate, because it delivers to farmers and farm families some new tax benefits that can help them in this time of crisis on the farm and would be good policy changes for the future, one of which permits a 5-year carryback of operating losses. Another makes permanent the income averaging provision of the more recent tax bill that was signed into law. Another accelerates the phasing in of exemptions of inheritance tax and gift tax for small businesses and farms. That is very helpful to farmers and farm families.

Another provides 100 percent deductibility of the costs of self-employed health insurance, health insurance for those people who work for themselves. In the past, they weren't able to deduct the costs of that health insurance.

Under the bill that was reported out of the House Ways and Means Committee and passed by the other body, the total costs of that premium could be deducted from income tax. We should make that the law now. Farmers need that now. Farm families need that benefit now.

Because of a threat by the Democrat minority, we can't call that bill up. We are told there will be an objection. And if a motion is made to proceed to consider the House bill, 60 votes would be required to shut off debate on the motion to proceed. So that bill is unlikely to be considered by the Senate, we are told, because of those objections and that resistance. Again the President said, ''If you pass it, I will veto that.''

So farmers ought to know where the problem is. They are being told with big speeches out here and a lot of charts that the Democrats are the farmers' best friend. The evidence is piling up on the other side of that argument. I think it is going to become very, very clear that that is not the case.

Here is another example. We have been told that American agriculture is suffering right now—unfairness in the international marketplace. People are erecting barriers to trade while we are trying to sell more in the market or break into a new market for agriculture products and foodstuffs, that we are running into barriers of one kind or another, and that the importation of certain foodstuff—cattle, wheat—from Canada violates existing rules of fair trade in this hemisphere. For months, the administration has done absolutely nothing that I know of to try to deal with that situation.

One thing they asked last year of the Congress was to enact fast-track negotiating authority for the administration so agreements to adjust these problems, to resolve the difficulties, could be negotiated and worked out. Congress would make a commitment that if fair agreements were worked out we would take them up under fast-track procedures and vote them up or down. So the Speaker of the House, as we were working to put together the disaster assistance program, agreed he would call up the fast-track authority legislation in the House for a vote; the Senate has acted. The House couldn't pass it because the Democrats wouldn't vote for it. A huge number of Democrats voted against it. The President, apparently without the ability to lead on that issue in the House, couldn't turn out the votes to pass the legislation he said was important, he said was needed to help agriculture. The Republican leadership called it up and most of them voted for it.

I am suggesting that is another example of a problem that we have here in the government. I am not trying to put this into a partisan debate to say that the Republicans are right on everything and the Democrats are wrong; but I am pointing out these facts that exist in the context of trying to do something to help farmers and help agriculture.

Most people live outside the United States, and if the growth is going to be achieved in agriculture sales and we are going to see increases in incomes and prices, we are going to have to sell more of what we produce in the export market. Mr. President, 95 percent of the people in this world live outside the United States. It is that area of the world where the population is growing the fastest. The needs are greater for foodstuffs.

I hope, as Senators look at this problem and try to decide whether we are doing the right thing or not by approving this bill, they will recognize we can't solve every problem that this sector has in one bill. But this is a very positive step toward dealing with the real crisis that exists out there in agriculture today. I am hopeful that the Senate will vote for this conference report and that we will have a resounding vote to overturn and override the President's veto, if he insists on continuing down this path. It is wrong. It is not justified. I hope he will change his mind.

I yield to the distinguished Senator from Idaho such time as he may consume.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, let me join with my chairman, Senator THAD COCHRAN, chairman of the Agricultural Appropriations Subcommittee, who spoke with a certain amount of frustration in his voice just a few moments ago. He has every reason to be frustrated.

This chairman has bent over backwards in the last 6 months trying to understand and address the agricultural crisis that is now upon America's production agriculture. He has joined with us—those of us here in the Senate who come from strong agricultural States—at every step along the way to see how we could resolve this under current policy. I don't blame his frustration.

I came to the floor just a few moments ago to announce that the President is in town for the full week for the first time in a good many weeks, and the first thing he says is that he is going to veto the agriculture appropriations bill. I am critical of this President. Mr. President, wake up. You haven't had a position on agriculture your entire term in office. Now you say, ''I'm going to veto,'' at a time when this Congress has worked collectively, on a very strong bipartisan vote on the House side just last week, 333 House Members, Democrat and Republican, on the very issue that we have on the floor now that the chairman has spoken to and that we will vote on this afternoon.

I am not quite sure why he is doing that. I suggested this morning that maybe it was a bit of ''Wag the Dog.'' I don't want to make accusations, but why isn't he helping us, working with us to resolve this, rather than simply addressing it with a veto threat.

What has the bill to offer production agriculture? For the last several days, we have laid out the amount of money that is being spent that will go directly to farmers to offset the market losses that they have experienced, the very real and dramatic declines in commodity prices that are going to place some of our very good farmers and ranchers in bankruptcy. We want to be sensitive to that. This Congress is being sensitive to that with a $4.2 billion package. Payments directly to farmers who have experienced natural disasters—$1.5 billion for that—who through no fault of their own, have lost their crops; market loss payments, reflective of what has gone on in the Pacific Rim and the loss of markets there, payments of about $1.65 billion, directly down through to the farmer and the rancher; a multiple-year losses program of about $675 million; livestock feed assistance for those areas that were ''droughted'' out who obviously produced no feed for their livestock this year and are having to reach well outside their barriers and pay premium price for hay to be brought in; and, of course, emergency-related aid of about $200 million. This bill is very sensitive to the needs of production agriculture.

What is the debate really about? Why would the President want to veto a bill that provides so much at a time of true need to production agriculture? As I said, it could be a ''Wag the Dog'' problem, but more importantly it is probably a debate over significant problems.

We—Republicans—believe, and I think American agriculture supports a recognition that farmers ought to be farming to the market. The Freedom to Farm bill reflected that and we made significant change to policy. We also said government has a responsibility to break down the political barriers that the chairman spoke about to expand world trade, and yet the tools to do that are rusting down in the toolshed at USDA because they have failed to use them. Throughout the time this crisis was growing, not one kernel of grain was purchased for humanitarian purposes. Yet, the Secretary had the tools to do it. The Secretary had the tools to enhance trade for the purpose of moving the product that was stored out there on America's farms, or in America's granaries. Yet, that didn't happen. And now, all of a sudden, when we are trying to shape some form of aid to get us through this cropping season and keep what American farmers say is a good farm policy in place, the President takes time off from his world travels and his campaign fundraising events to say, ''I am going to veto this bill.''

Mr. President, I hope you will study it a bit and change your mind, because if you think you are going to use an additional $3 billion or $4 billion from the surplus that you want to put in Social Security to save Social Security, think again. It isn't necessary and it isn't needed, and I don't think this Congress is willing to provide it. Those are the realities with which we are dealing.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CRAIG. With that, Mr. President, I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. Mr. President, how much time do those in opposition have?

The PRESIDING OFFICER. Twenty minutes.

Mr. WELLSTONE. Does the manager know whether or not others are going to come over on our side?

Mr. COCHRAN. If the Senator will yield, I think other Senators want to speak, but not right now. We have another hour, from 2:15 to 3:15, that will be available for debate. So as long as you see no competition on your side of the aisle, you have it all to yourself.

Mr. WELLSTONE. I thank my colleague.

Mr. President, I had a chance to speak yesterday and I don't want to really repeat the arguments I made yesterday. I do not intend to vote for this bill today, but I think that by the end of the week, or at least I am hopeful, we will be able to resolve our differences and pass a farm relief bill that will do the job—or at least will be a huge help for family farmers in Minnesota and across the country.

Mr. President, the President of the United States indicated on Saturday that the farm relief bill—this bill that we are looking at right now, which we will be voting on—is inadequate. He

has said that more will need to be done with farm relief. It will have to be improved before he can sign an Agriculture appropriations bill. I am hopeful that either following the veto of this bill, or as part of the negotiations —and I think I have a different view from my colleague from Idaho, I am not sure—as part of the negotiations on the emergency supplemental packages, which may be included in an omnibus appropriations bill, we will see an improved version of this farm relief package.

I said yesterday to my colleague from Mississippi, Senator COCHRAN, I much appreciate the work he has done. We have come a significant way from where we were. This is a $4 billion relief package. I think that given the position the President has taken —and as a Senator from Minnesota, I have certainly requested that he take this position; I have said I hope he will veto this bill or wait until we get some kind of relief package that I think would do a better job. I have to continue to fight as long and as hard as I can for family farmers in my State, for what I think will be most helpful to them. Frankly, I believe that given the Senators who are dealing with this question on both sides of the aisle—we all care fiercely about agriculture, and I think we have an understanding about it—I don't see any reason why, by the end of this week, given the position the President has taken, we can't have some really strenuous, but I think substantive, negotiations and come up with a much better relief package.

Now, this relief package that my colleague, Senator COCHRAN, brings to the floor of the Senate is a credible effort. But I think it is insufficient. There is an inadequate amount of money, and I think it utilizes the wrong mechanism to deliver the assistance that is meant to address the price crisis. Let me just be clear about what is at issue here. Surely, given the position the President is taking, which is the position that the Senator from Minnesota and many other Midwestern Senators asked him to take, which is to make it clear that he will veto this bill unless there are negotiations and we can get a better package.

Why have we taken this position? Well, our proposal, $7 billion-plus, and the proposal we have before us on the floor of the Senate are similar in that both include between $2 billion and $2.5 billion for indemnity assistance for crop loss. This is an increase from the original $500 million, which many of us worked very hard to include in the original Senate bill. It is not surprising. There are a whole lot of people who have really been hit hard and who need the help.

The Republican package, however, that is before us also contains an additional $1.7 billion. So there is agreement on the indemnity part. We went from $500 million to $2 billion to $2.5 billion. The Republican package also contains about $1.7 billion to address the price crisis. The way they deliver this assistance is through a supplemental or bonus transition payment, and that is where there is a big disagreement. The prices for our major commodities, such as wheat, corn and soybeans, are 15 to 30 percent below the 5-year market average. Our $5 billion proposal to address the price crisis—where there is the difference here—would lift the current caps on the loan rate and raise those loan rates about 57 cents a bushel for wheat, about 28 cents a bushel for corn, and over 20 cents a bushel for soybeans. This would not only immediately boost farm income for the farmers of these commodities, but in raising the loan rate, it also has a beneficial effect on market prices. It tends to lift them up. That is why I think our proposal is superior.

Mr. President, I worry about these transition payments because I think there are a couple of problems with them. First of all, these payments are based on the old farm program's historic yields. Farmers such as traditional soybean farmers, who never had a program based on the old program, don't get any of these AMTA payments. That is one huge problem. On the other hand, it is possible for some people who might not even have planted a crop to receive them because the Freedom to Farm—or what I call the ''Freedom to Fail''—payments are completely unconnected to production or price.

I have to tell you, that is the key issue. That is the key difference. At the very minimum, in dealing with the price crisis, we ought to make sure that the payments are connected to production and price. So what we have here in this bill is the wrong mechanism for addressing the price crisis. Our proposal would lift the cap on the loan rates. I think there can be negotiation. The President is correct in vetoing this bill if that is what is required to get better assistance. Thousands of family farmers across the country could go out of business due to conditions that are beyond their control. In Minnesota, up to 20 percent of our family farmers are threatened. Now, the other part of this is that the Democratic proposal for the State of Minnesota is worth about an additional one-quarter of a billion dollars.

I ask the Chair, has 20 minutes expired?

The PRESIDING OFFICER. Twelve minutes remain.

Mr. WELLSTONE. The proposal is worth an additional one-quarter of a billion dollars for agriculture in Minnesota, for rural Minnesota, for what we call ''greater Minnesota.'' It is no small amount of money, especially when you consider the multiplier effect in our communities.

So I say to my colleague, Senator COCHRAN from Mississippi, this is a start. I am going to vote against this. The President has said he is going to veto it unless there is further negotiation. I think we can do better. I don't like the rider that basically continues another 6 months with the dairy compact. I have dairy farmers in my State who are going under because of very unfair pricing mechanisms.

In addition, I emphasis again, we are in agreement when it comes to crop losses, disaster, people who didn't have the insurance because of wet weather, scab disease or whatever. We are not in agreement on the price.

There are two problems. The main one is at the very minimum you have to target the price, whatever you do by way of dealing with low prices. You have to make sure that the payments are connected to the production of the price. Too many of these transition payments go to landowners, and not necessarily producers. I don't think that makes a lot of sense. Some, like soybean growers, won't be helped at all.

I think we can do better on the price part. I think we have to do better if this relief package is going to do the job. I think we have some differences out here. They are honestly held differences. All of us care about agriculture. All of us know what the economic and personal pain is out there in the countryside.

Some are quite often critical of some of the President's policies, but I thank him for exerting strong leadership on this question and for making it clear that surely this week in negotiations we can do better. We can come up with an even better package.

My colleague from Mississippi brings a package out here that is an important start. We are going to get the job done by the end of the week or by next week. We are going to get the job done. We are going to have a relief package, because we have to, because that is why we are here. I believe we can do that through the negotiations that are to come.

BISON INSPECTION

Mr. ALLARD. Mr. President, I would like to engage in a colloquy with my good friend from Vermont, Senator LEAHY regarding an issue that impacts bison ranchers nationwide as well as in both of our States.

It is my understanding that the U.S. Department of Agriculture has taken major steps during the past year to ensure that our country's food supply is as safe as possible. USDA requires all firms that wish to sell meat to USDA and other Federal agencies to comply with newly adopted regulations known as HACCP.

It is also my understanding that the beef, pork, and poultry industries are provided USDA inspection at no cost, and that ranchers who raise American bison must pay a steep fee to USDA for inspection at slaughter and inspection of products to be sold to USDA. These costs exceed $40 per hour, per inspector, both for inspection at slaughter and at further processing.

I would like to ask my colleague on the Agricultural Appropriations Subcommittee, Senator LEAHY, whether he

would agree with me that USDA should explore what impact inspection fees has on the bison industry?

Mr. LEAHY. Yes, I do agree.

It is my understanding that USDA collects substantial fees from those bison ranchers and processing firms for Federal inspection. It is my understanding that this fee is set yearly by USDA and that it is approximately $41 per hour. I believe that these fees directly impact thousands of small ranchers who belong to the National Bison Association.

Mr. ALLARD. Would the Senator further support asking Secretary Glickman to report back this next year on ways in which USDA might lower the inspection fees to help strengthen the U.S. bison industry.

Mr. LEAHY. We have bison ranchers in my state and in every other State in the country. I agree with the Senator that while we are looking for policies and programs that help small farmers and ranchers, we look carefully at all other actions that could make a difference. I believe that the issue of inspection fees charged bison producers should be explored by the Department of Agriculture, and that the Department should provide us with their analysis of this impact early in 1999.

Mr. ALLARD. I thank the Senator for his comments.

Mr. GORTON. Mr. President, on March 28, 1996, Congress passed the Federal Agricultural Improvement and Reform Act, most commonly referred to as the farm bill. This comprehensive, forward looking legislation provides U.S. agriculture the free market principles that our farmers and ranchers requested and desired. Government no longer dictates to farmers how much to plant, when to plant, when to buy, or when to sell. The farm bill provides the flexibility, predictability, and simplicity that our farmers and ranchers asked for from their government.

In the past few months, agriculture in the United States has been impacted by chaotic world markets, natural disasters, and disease. These occurrences are not the result of the Farm Bill, but without a doubt have impacted the prices paid for U.S. commodities. As a member of the Agriculture Appropriations Subcommittee, I had the opportunity to review and subsequently pass a disaster package as part of the Fiscal Year 1999 Agriculture Appropriations Conference Report. This package includes relief for those farmers who experienced one or all three of the aforementioned occurrences.

The Pacific Northwest is experiencing misfortune that is not weather or disease related, but market related. Producers in the State of Washington rely heavily on international trade. Wheat growers in the state export approximately 85 percent of their crop. Our apple and minor crop industries rely heavily on Asia as an export market. When world markets collapse, so too does the price paid for each of these commodities.

The disaster package which is included in the conference report provides some relief for growers in Washington state. However, because a bulk of the assistance provided in the package will benefit farmers in the midwest states, I voted with Senator BURNS to increase the relief plan by $610 million. Although this plan was defeated, I believe the overall package is adequate and a necessary starting point for recharging the cash flow to the family farm. This package, combined with the Agriculture Market Transition Act payments farmers will receive in October and December of this year, and the loan deficiency payments for program crops totals over $17 billion in cash payments for 1998 and 1999.

Because Pacific Northwest agriculture is so trade dependent, I believe we must focus on expanding trade and gaining new markets. In this arena, I fear that the administration's silence has been deafening.

Two weeks ago the House defeated the bill to provide the President fast track-trade negotiating authority. Unfortunately, a wounded President and a weak Secretary of the U.S. Department of Agriculture failed to convince our colleagues the importance of passing this legislation. With one in four jobs in the State of Washington directly related to trade, and with agriculture being the State's number one employer, the passage of fast track was essential.

Just last week I made a statement regarding the administration's trade policy with China. Finally, a member of the Administration commented on the inability of the President to make headway with China's protectionist position. The Undersecretary of International Trade at the Department of Commerce admitted that U.S. trade policy with China is flawed and that the Administration's policy of 'engagement' has not moved China toward free trade practices.

China claims that wheat from our region is inflicted with a disease called TCK smut. At the bipartisan request of many Senators from the Pacific Northwest, the President was asked to discuss this bogus phytosanitary concern with Chinese President Jiang Zemin. The President personally met with President Zemin twice in the last two years, but the Pacific Northwest wheat industry remains locked out of another potential, enormous market.

As a border state of Canada, Washington has encountered many trade discrepancies with our Northern counterparts. The beef trade between Washington and Canada has evoked bad feelings and more recently tensions escalated. Just two days ago, United States Trade Representative Charlene Barshefsky and Agriculture Secretary Dan Glickman announced their intention to begin intensive negotiations to resolve some of the restrictive trade practices utilized by Canada. While I applaud the Administration for taking this action, it is unfortunate that it comes only after ranchers in bordering States began blockading Canadian farm shipments. Agriculture trade relations have been thorny with Canada for quite some time, and many believe that the Administration's inability to support and defend the U.S. beef and wheat industries in negotiations with Canada have left agriculture with the short end of the stick. We are consistently being out-witted by the Canadian trade negotiators and the farmers and ranchers in this country are expected to pick up the pieces.

These are just a few of the Administration's trade policies which directly impact the bottom line of farmers in the State of Washington. While I recognize and empathize with the family farm at a time when cash flow is sparse, I do not support the President or the Administration in its threats to veto the Agriculture Appropriations bill because the disaster package is not to their liking.

There are several items that in addition to this disaster package, AMTA payments, and LDP payments which deserve attention. While expansion of trade is of obvious importance to the State of Washington and is certainly a long-term goal, regulatory relief, tax relief, adequate funding for agriculture research, and deductibility of health insurance for the self-employed are immediate mechanisms to provide assistance to the family farm. Unfortunately, the vehicles providing this relief—the Interior appropriations bill and the House passed tax package—are also under the threat of a Presidential veto.

Mr. President, the Agriculture appropriations bill is a constructive piece of legislation that deserves our support. While the unfortunate politics of partisanship has appeared to weigh heavily on this legislation, I sincerely hope that the Administration would remember the family farm and the longevity of production agriculture in this country and sign the bill.

Mr. LEAHY. Mr. President, if ironies were flowers the area inside the Washington beltway would be covered with fields of flowers sprouting out of every square inch of land.

I am surprised that many of the same Senators who say they want farmers to receive higher income for what they produce strongly oppose the same for other farmers if the product is not produced in their home states.

Many Senators have recently spoken on the floor about the disaster facing their farmers. Some have likened it to losses caused by natural disasters such as Hurricanes. Regarding this farm disaster, their biggest concern is the huge loss in farm income. The culprit this time is low prices and the loss of farm income.

In speech after speech many complain that their farmers face low prices—and thus low income. And, as is so often said, farmers do not want welfare they want higher income for their

labors. These Senators assert that farmers do not just want a handout—they want higher prices so they can earn an reasonable income and stay in business.

Whether the commodity is wheat, soybeans, corn, or other feedgrains we hear time and time again that prices are too low—and thus their farmers may go out of business.

There is a sense of great panic in the farm community. It is real. I am advised that farm income in some areas has been reduced by 98 percent. I have been moved by many of the compelling descriptions of the agony faced by these farm families. I am concerned about this even though my home state of Vermont is not as directly affected.

Thomas Paine made an interesting comment about these situations which is still as true today as is was in 1776. He said: ''Panics, in some cases, have their uses. . . . their peculiar advantage is, that they are the touchstone of sincerity and hypocrisy, and bring things and men to light, which might otherwise have lain forever undiscovered.''

There is indeed a touch of hypocrisy in this crisis. Some, including some at the U.S. Department of Agriculture, see the loan deficiency payments as a great solution. If prices drop below a target price the farmers get the difference between their market price and this target price. If prices increase above a certain level then the farmers cannot receive this cash payment. Recently I twice voted for these proposals along with every Democratic Senator save one.

I do think this approach is a good idea and I hope in the end it is included in any continuing resolution we work out. It is important that any income relief in the resolution be targeted to 1998 year crop production and that it go to producers, not mere landowners.

Many strongly support this approach for commodities produced by their farmers. However, if the benefit is to be provided to farmers not producing their commodities some turn a deaf ear. This is an unfortunate irony—some will not listen to the very arguments they use to support additional income to their farmers if other commodities are involved. I voted for their solution even though it is of little benefit to my home state of Vermont. Turning a deaf ear toward farm problems in other areas of the country raises a lot of concerns.

The Northeast Interstate Dairy Compact is the perfect example. The major benefit of the compact is to provide income to farmers when milk prices are low—income is not provided to farmers when prices rise past a certain point. The amount of the payment a farmer gets depends on how far milk prices are below the target price. You could simply repeat those two sentences but substitute the word ''corn,'' ''soybeans'' or ''wheat,'' or whichever commodity, for ''milk'' and you have described how the loan deficiency payment system works.

Many certainly want this benefit for their commodities. Some Senators would rather their farmers get a check for increased ''freedom to farm payments'' instead of cash payments called loan deficiency payments. In this way these Senators provide cash to feedgrains producers to make up for the fact that farm prices are so low. Either way, almost all Senators want farmers to receive some additional cash payments. And farms families deserve this.

But try to apply this system to milk prices and many Members of Congress and some in the Administration say ''no.''

This is a major issue for me since more than 70 percent of all farm income in my state is from dairy. Vermont is first in the nation in terms of the relative importance of dairy to total farm income. This is why the Compact is crucial to me.

Dairy farmers like other farmers work hard—milking cows early in the morning, moving cows around to pasture, feeding them, worrying about veterinary bills. I wish we could all work together on this matter—all areas of the country—and support farm income for all producers.

I freely admit that the Compact does give dairy farmers a lot more income when prices are low. It is supposed to do that—just like loan deficiency payments. We are not concealing the fact that during the first 6 months of operation OMB reported that ''New England dairy farm income rose by an estimated $22–27 million . . . .''

Several Senators from the Upper Midwest insisted that OMB do a study on the effects of the Compact. The OMB report is called the ''The Economic Effects of the Northeast Interstate Dairy Compact.'' I will be quoting a lot from that study that those Senators wanted in this floor statement.

As a little background, the Interstate Dairy Compact Commission with 26 delegates appointed by the six governors is authorized to determine a ''target price''—$16.94/cwt in this case. Under the Compact language approved by the six states any state can opt-out temporarily—until a later date that the state determines—or opt-in and receive that additional income for producers. The Compact is voluntary, it is up to each state.

As I just pointed out in this respect, when prices are low the effect of the Compact is similar to the loan deficiency payments made under marketing loan programs in that, roughly speaking, producers get the difference between a ''capped'' target amount and the current price. When farm prices are high, no cash payments are made to producers under the Compact.

Why is this additional income for dairy farmers as justifiable as additional income—whether in the form of loan deficiency payments or increased freedom to farm payments—for feedgrain farmers? The answer is simple—it keeps their families on the farm. All farmers deserve to earn a decent income for their families.

This additional income to farmers in New England based on the Compact has kept farmers in business. For example, news articles have focused on how in Connecticut and Vermont the rate of farm loss is much less than before the Compact went into effect. Before the Compact, OMB reports that New England suffered a ''20-percent decline'' in the number of farms with milk cows from 1990 to 1996. Now, this horrible rate of attrition has stopped. I wish other states could also stop their loss of farm families. I have supported reasonable efforts to keep family farmers in business throughout our country and will insist on that in any continuing resolution.

It is clear that efforts to keep dairy farmers in business will become more critical over time since, as OMB reports, ''the Farm Bill also calls for the termination of many elements of USDA's current dairy program by January 2000.'' Also, dairy producers do not receive any so-called ''freedom to farm payments″ for milk production and the milk support program will be terminated in the year 2000.

Also, since dairy farmers sell a perishable fluid product that needs refrigeration they are not able to hold product off the market until they can get a better price. Feedgrains can be and are stored to get a better price—indeed the government will even give you a loan based on the value of the grain you are storing. This provides farmers with cash to pay bills—this program is not available regarding the production of milk.

Of course, by taking this grain off the market this can have the effect of increasing grain prices. FAPRI has provided Congress with information on these anticipated increases in grain prices based on the marketing loan program.

One disadvantage to increasing the caps in marketing loan programs, or increasing freedom to farm payments, is that it costs taxpayers a bundle—in this case several billion dollars. I voted for the marketing loan proposals twice because I think it is worth it to increase farm income in Iowa, North Dakota, South Dakota, Nebraska, Missouri and a number of other states. While marketing loan programs do not benefit New England dairy farmers, I have always felt that farmers should stick together and help each other out. I wish more Members of Congress felt that way.

I am very willing to work with my Colleagues from the Upper Midwest to try to figure a way so that all of us can work together. But I will insist on one thing—that our goal should be to protect income for dairy farmers and to keep farmers in business. I do have some ideas that I think we can all agree upon and want to sit down with my Colleagues from the Upper Midwest, and around the country, to work something out.

I will support reasonable programs that benefit their farmers, as I do

farmers in others states and as I do for other commodities.

As long as I am on the subject of the Compact I want to make a few additional points about how well it is working.

First, I want to thank many of the Members of Congress who want to support farm income for all farmers—not just farmers producing feedgrains. I am very pleased that the Compact will get a short extension in the appropriations bill. Some opponents have begun complaining that it is included in the Agriculture Appropriations bill. It was included in the House bill and is now included in the Conference Report.

I am very pleased with this since the 1996 farm bill created a three-year Compact pilot project for the Northeast. However, long delays in implementing the Compact by USDA have cut that three-year period down to less than two years. That is not what the Congress had in mind when it passed a three-year time period in 1996. I am pleased that this Appropriations Bill will extend the Compact at least until September 30, 1999, so that the Congress can find out how well it has served farmers. Even with this extension, the time-period is less than Congress set forth in 1996.

It is interesting that one of my distinguished Colleagues blasted the Compact on the Senate floor by saying that dairy farmers have not seen positive benefits as a result of the compact. What surprises me about this statement is that most dairy farmers would say that a significant increase in their income over a six-month period was a ''positive benefit.''

Maybe things are different in the Upper Midwest but New England farmers like this increase in income and consider higher income a positive benefit. It could be that since New England only produces three percent of the fluid milk in the nation that an increase of $22 million to $27 million in income over a six month period, according to OMB, is not considered large by Upper Midwest standards.

I also disagree with the complaint that under the Compact ''consumers have been hurt by higher prices.'' OMB has an answer for that which proves the value of the Compact. OMB reported after an initial increase in prices at some stores just as the Compact was implemented that: ''New England retail milk prices by December [the sixth month after implementation] returned to the historical relationship to national levels, being about $0.05 per gallon lower.''

So, OMB has concluded that consumer milk prices are lower in New England than the rest of the nation. I would like to repeat that—consumer prices in New England with the Compact are lower than national levels. I would encourage a study to check out that relationship now—I am very confident that prices in New England are still lower than the rest of the nation.

The Connecticut Agriculture Commissioner Shirley Ferris reports, ''In June of 1997, the month before the Compact took effect, the average retail price for a gallon of whole milk was $2.72. This June, almost a year after the Compact took effect, the price for a gallon of whole milk is only $2.73. And the price of a gallon of 1% milk is even less expensive now than before the Compact—$.03 less per gallon than last June.''

Consumer milk prices, as economists had predicted, are lower in the Compact region than the average for the nation.

Another interesting assertion—that milk consumption has dropped in the compact region—was made on the Senate floor recently. This is most odd since national data shows that the rate of milk consumption has dropped more in the rest of the nation than in the Compact region.

According to the most recent A.C. Neilson Corporation marketing research data, U.S. gallon sales of fluid milk are down 1.8 percent compared to one year ago. New England gallon sales of fluid milk, however, have decreased by only 0.7 percent. National sales of fluid milk have declined 1.1 percent more than New England sales of fluid milk.

In another assertion it was said that ''The only real winners have been the largest industrial dairies of the Upper Northeast.'' First of all, I am not certain if the use of Upper refers to Maine. Second, I am not certain what the ''largest industrial dairies'' means since our plants are so small compared to the Upper Midwest.

And third, under the Compact, and as confirmed by the OMB study, it is the producers of milk, the farmers, who get the increase in income under the Compact. If anyone doubts that the dairy farmers in New England did not get increased pay checks someone should randomly call them on the phone and see if they really got the checks. I certainly have not heard complaints that the paychecks were lost in the mails.

My distinguished Colleague also said that the Compact puts ''traditional dairy farms'' outside the region ''at a competitive disadvantage.'' OMB reports just the opposite. But again, you do not need an OMB report. Simply pick up the phone and call some dairy producers who live near the Compact region. They are selling milk into the region to take advantage of the Compact. If Wisconsin or Minnesota switched places with New York State, farmers in Wisconsin and Minnesota would do the same—sell into the Compact region to make more income.

While I do not know for sure, I suspect that dairy producers in Wisconsin and Minnesota would like more income for all their hard labor. Vermont dairy farmers and neighboring New York dairy farmers sure do.

OMB reports there has been ''an increase in milk shipments into New England equal to 8 percent.'' This is not surprising since neighboring producers get higher prices for their milk in the compact region.

Except for this benefit for neighboring farmers living just outside the Compact region, OMB reported that ''New England has little effect on dairy markets outside its region, or on national prices or trends. . . . Its shipments outside the region in the form of cheese or milk are small.''

Opponents of the Compact have constantly repeated that it would be a ''trade barrier'' on sales into New England. I could point to many statements to this effect on the floor.

I predicted before the Compact was implemented, on the other hand, that since the law required that anyone could sell into the region and since the law required that these sellers get the benefit of the Compact, that there would be increased sales into the region.

I was correct—and the evidence reported by OMB shows that neighboring farmers get the benefit of the higher Compact price and thus there has been an increase of sales into the region of 8 percent.

This Compact has thus increased trade. Something that increases trade is not usually called a trade barrier.

As an interesting footnote OMB reports that the Compact commission decided to provide additional money for New England WIC programs so that more eligible infants, children and pregnant women would be able to participate than would have participated without the Compact. The OMB report states that the ''Compact could support a small increase in participation during the demonstration period.'' The Commission has recently decided to provide additional funding to the school lunch programs.

I also want to address the surplus production issue. As background, note that if New England regional milk production decreases less—or increases more—than the national rate, the farm bill requires that the Commission reimburse the federal government for the cost of Commodity Credit Corporation purchases of any ''surplus production'' that might occur.

This year the Commission will pay a reimbursement as determined by the Secretary. Very favorable conditions in New England and low feedgrain prices and very unfavorable weather conditions throughout much of the rest of the country created this shift even though there was decrease—2,000 fewer—in cows milked from April to June 1998.

As these relatively very unfavorable weather conditions in the rest of the country subside I expect that New England's rate of production will once again grow at a lower rate than the rest of the country—especially with the drop in cows milked in New England. Also note that almost all of the CCC purchases were of milk product from other regions of the country.

To provide some perspective, I also wanted to mention that OMB reports that in 1996, ''New England accounted for 2.93 percent of the Nation's milk

production and 2.9 percent of its milk cows.''

As the OMB report shows if other states had a dairy compact, farmers in those states could receive a significant increase in income. So why are some supporting billions' worth of increases in payments to farmers producing nondairy commodities but are opposed to increases in farm income to dairy farmers?

The answer is easy. Sir Walter Scott knew many years ago that: ''Oh, what a tangled web we weave, when first we practice to deceive.''

Corporate opponents of the Compact have tried to argue that this was a fight between consumers and farmers. The OMB study proves that consumer prices are lower in New England than the average for the rest of the country. So that is a false argument.

The fight is actually between large manufacturers of milk products—large multinational corporations—and farmers. Manufacturers of any product, not just manufacturers of cheese or ice cream, want to buy their inputs as cheaply as possible.

How do we know that? As with the answers to many questions all you have to do is follow the money. Who is buying ads and time to distort the truth? Who is staffing up to fight the Compact? And who mostly wants the Compact defeated?

It certainly isn't farmers in areas that border the Compact region. They take advantage of the Compact's open invitation to trade—and make more money selling into the Compact region.

It certainly isn't consumers since they get lower prices than the average for the rest of the nation. It certainly isn't farmers living in the region since they have gotten a significant boost in farm income.

To find out the answer one just has to look at lobbying reports that have to be filed in Washington. Who funded efforts and hired people to oppose the Compact?

Groups representing the large manufacturers of milk products—that's who. The International Dairy Food Association for example. Their members, like any manufacturers, want to buy their inputs at low cost.

One of their members, Kraft, which is owned by a large tobacco company, wants to pass a bill that will allow them to buy milk at less than the price set by milk marketing orders through something called forward contracting. This could greatly increase their profits.

They also oppose the dairy compact. The Compact has producers selling milk at more than the level set by milk marketing orders. Under the Dairy Compact, producers receive an over-order premium which means that they get more money than the minimum set by the order, not less.

So why was there ever a concern about consumer prices increasing in the Compact region? Prices should have never increased.

The Wall Street Journal and the New York Times discussed this in news articles about retail store price gouging. GAO raised the issue in 1991 and is looking at it now.

We do know that retail prices for milk are often over double what farmers get for their milk—nationwide. Think about that.

Lets look at the time period just before the compact took effect—and pick Vermont as the sample state. As the Wall Street Journal pointed out, in ''Are Grocers Getting Fat by Overcharging for Milk?,'' beginning in November, 1996, the price that farmers got for their milk dropped by almost 25 percent—35 cents or so per gallon. Store prices stayed high which locked in a huge benefit to stores selling to consumers. 35 cents a gallon is a significant increase in benefits to retail stores.

Comparing November 1996, to June 1997, the price farmers got for their milk dropped 35 cents a gallon, and stayed low, but the prices stores charged for milk stayed about the same.

I have always contended that Dairy Compacts can help reduce this retail store price inflation by stabilizing the price that farmers get for milk—thus reducing the need for stores to build in a safety cushion to protect themselves in case it costs more for them to purchase milk.

Without a compact, the price farmers get for their milk can vary significantly. These variations in price are passed through to stores by co-ops and other handlers. Yet stores prefer not to constantly change prices for customers so they build in a cushion. But this huge profit margin can be reduced by Compacts which means that Dairy Compacts will save consumers money and provide more income to farmers.

Unfortunately, the OMB study is based on very limited information from USDA. USDA only gave OMB price information from 6 stores in New England—and only in two cities where it was announced in press accounts, in advance, that retail prices would go up even though store and wholesaler costs had dropped 35 cents per gallon.

Even in light of this OMB concluded that after 6 months, retail store prices in the compact region of New England were 5 cents lower than the rest of the nation.

New England newspaper accounts of the implementation of the Compact were very interesting. For example, the July 1, 1997, the Portland Press Herald, Portland, Maine, points out that ''Cumberland Farms increased the price of whole milk by four cents but dropped the price of skim by a penny'' when the Compact was implemented.

Also, they note that ''At Hannaford's Augusta store, Hood milk—a brand-name product—was selling for $2.63 a gallon, while the Hannaford store brand was selling for $2.32.''

Also, ''Shaw's increased its price by about 20 cents a gallon in [parts of] the five other New England states but kept the price the same here [in Maine].''

The June 26, 1997, Boston Globe and the June 27, Providence Journal pointed out before the Compact was implemented that one of the chains signaled a price increase. A spokesman for Shaw's Supermarkets, Bernard Rogan, is quoted as saying that milk prices will go up next week

The June 30, Boston Globe reported that ''The region's major supermarkets are raising their milk prices 20 cents a gallon, ignoring arguments that their profit margins are big enough to absorb a new price subsidy for New England dairy farmers that takes effect this week.''

As OMB discovered, after six months this initial signaled increase, described above, was being subjected to competitive pressures and that consumer prices in New England were on average lower than the rest of the nation.

Studies of prices charged in stores in Vermont, for example, show that the most important factor in the price of milk is the brand and the store. In cities and towns in Vermont the variation in price among stores was in the 50 cents to one dollar range. In other words, in the same town the price of a gallon of milk varied greatly and still does.

These store variations, and variations through the use of store coupons, dwarf any possible impact of the compact.

Also note that reports have indicated that the dairy case is the most profitable part of a supermarket. The product profitability of fluid milk is $16.46 per square foot, whereas regular grocery items return only $2.32 per square foot. This information is from testimony of Professor Andrew Novakovic, on April 10, 1991, before the Committee on Agriculture of the U.S. House of Representatives.

All other food expenditures dwarf how much income that consumers spend on fluid milk. The savings consumers can achieve through buying ''on sale'' or house-brand items, or through using discount coupons, far exceed typical changes in the price of fluid milk. Only 3 percent of the average household's total expenditures on food go for fluid milk. This information is from an article called ''Food Cost Review,'' 1995, from the Economic Research Service of U.S.D.A.

Note also that OMB reported that the Northeast has the Nation's second highest cost of dairy production ($14.27 per cwt in 1996) and its milk generated the lowest returns per cwt after expenses. OMB found that a smaller proportion of New England farms are competitive than in other regions. Net average returns per cow in Vermont are $350 per year and in Wisconsin are $460 year. OMB determined that the Compact generated about $70 more in annual income per cow.

So why all the fuss about the compact and who is generating it?

For one, Kraft, the international milk manufacturing giant, opposes the

compact. Kraft's annual U.S. sales exceed $16 billion. They are owned by Phillip Morris, the tobacco giant.

Perhaps the writer Ben Johnson said it best: ''Whilst that for which all virtue now is sold, And almost every vice—almighty gold.''

IDFA, which receives funding from Kraft which is owned by big tobacco, went on a spending spree. One big staff acquisition was from Public Voice for Food and Health Policy. The very person who led Public Voice's press attack on the Compact was negotiating for a job with the milk manufacturers who opposed the Compact.

Lobbying registration forms show the whole sad story.

In June 1996, the Senior Vice President for Programs at Public Voice publicly defended his organization from charges that its analysis was influenced by corporate contributions.

A Lobby Registration form filed in July 1996 shows that he worked for William Wasserman of M & R Strategic as a ''consultant'' for this lobbying arm of IDFA.

This is the major reason I returned the golden carrot award back to Public Voice. It is one thing to have honest disagreements about policy. It is another to be working on getting a job with opponents of the Compact at the same time you are leading the charge for Public Voice against the Compact. The Lobbying Reports tell the story.

There is an unseemly web of money and promises between the dairy processors and Public Voice.

For example, we know that during a critical time period between January 1995 and June 1996, Public Voice accepted $41,000 from the International Dairy Foods Association (IDFA).

We do not know how much IDFA has contributed to Public Voice after June 1996 or how much any of IDFA's corporate members and officers of those corporations have individually contributed to Public Voice. We do not know how much big tobacco gives to Public Voice. I have always expected that it is a huge number considering the large salaries IDFA pays to its top officers.

For a six-month period in 1996, IDFA paid at least $30,000 to M & R Strategic Services for its lobbying efforts.

These are all public facts documented by lobbying disclosure forms or derived directly from quotes from Public Voice officials.

This overwhelming and unseemly evidence compelled me to conclude that, for Public Voice, when it comes to the Dairy Compact, contributions come first, and analysis comes second. The New York Times and other editorial pages have relied upon the numbers provided by Public Voice to substantiate their editorials against the Compact, but we now know those numbers were cooked, and flat-out wrong.

I challenged Public Voice to release the names of any dairy-related or tobacco-related contributors and how much they contributed during the last three years. They have not done so yet. I would be pleased just to know if the amount is $100,000 or $500,000, total, over the last three years.

IDFA also made other major acquisitions. They hired the Director of Consumer Affairs at USDA, William Wasserman, who set up a subsidiary called the ''Campaign for Fair Milk Prices'' through M & R Associates.

Money can solve a lot of problems. For example, his Lobby Report filed on August 15, 1996, shows his client as IDFA and shows him specifically working on the ''Northeast Dairy Compact.'' His Lobbying Registration form filed on February 13, 1996, shows he worked for IDFA on dairy price supports and marketing orders.

A key USDA official who represented USDA at dairy meetings on Capitol Hill was also hired by IDFA. Mr. Charles Shaw is now listed as Senior Economist and Director of IDFA in the book 1997 Washington Representatives.

Listed as ''counsel or consultants'' for IDFA are—you guessed it—M & R Strategic Services lobbyists Allen Rosenfeld and William Wasserman in 1997 Washington Representatives.

I will explain the importance of this in a minute. Before I begin I want to point out that the battle over the Compact is really a battle between well-off dairy manufacturers and struggling dairy farmers.

These huge dairy manufacturers cannot win over the editorial boards of The New York Times or The Washington Post on that basis.

But if a group like Public Voice carries their public relations message, casting this as a consumer issue, they have a foot in the door.

Public Voice has focused on the price increases which took place just as the Compact was implemented. I mentioned these price signaling newspaper articles earlier.

But Public Voice has ignored the conclusion that consumer prices are lower in New England than the average for the nation. I wonder why.

I wonder how much money they have received from all the major manufacturers of milk and tobacco companies throughout the country over the last three years? I wonder how much money they have received from IDFA and other groups that represent manufacturers over the last three years? I wonder how many others they will hire to influence public opinion in a way that supports the efforts of huge milk manufacturers against the interest of dairy farmers in New England?

I want to make one final point. The New York Times has reported on how important the Compact is for the environment. In an article entitled ''Environmentalists Supporting Higher Milk Price for Farmers'' it was explained that keeping farmers on the land maintains the beauty of New England.

A lack of farm income resulting from low dairy prices is cited as the major reason dairy farmers leave farming in New England. Production costs in New England are much higher than in other areas of the nation while the value of the land for nonfarm purposes is often greater than its value as farmland.

In many cases I am advised that this is very different as compared to vast areas of the Midwest and Upper Midwest where land is worth very little except for its value as farmland. As the Vermont Economy Newsletter reported in July 1994:

> In the all important dairy industry, the decrease in farm income has come from a continuation of the long term trends the industry has been facing. Should these trends persist, and there is every expectation they will, Vermont will continue to see dairy farms disappearing from its landscape during the 1990s.

One of the consequences of the exit of dairy farmers in New England is that land is released from agriculture. Given the close proximity to population centers and recreational areas in New England, good land is in high demand, and as a result there is often a strong incentive to develop the land.

What are the consequences of land being converted from farm to non-farm uses?

One consequence is that the rural heritage and aesthetic qualities of the working landscape are lost forever. The impact of this loss would be devastating to Vermont and to much of New England. The tourists from some of America's largest urban centers are drawn to rural New England because of its beauty, its farms and valleys, and picturesque roads.

Strip malls and condominiums do not have the same appeal to vacationers.

The Vermont Partnership for Economic Progress, noted in its 1993 report, A Plan for a Decade of Progress: Actions for Vermont's Economy, ''There are many issues that will influence the [tourism] industry's future in Vermont . . . [including] our state's ability to preserve its landscape.'' The report went on to list among its primary goals:

> 1. Maintain the existing amount of land in agriculture and related uses;
> 2. Preserve the family farm as part of our economic base and as an integral factor in Vermont's quality of life from ''A Plan for a Decade of Progress.''

The priority of these goals show that preserving farmland and a viable agriculture industry are important for the overall economic health of the region from Maine, to rural parts of Connecticut, Rhode Island, and Massachusetts, to Vermont and New Hampshire.

Other consequences of farm losses are equally destructive. The American Farmland Trust has completed cost of community services studies in four New England towns, one in Connecticut and three in Massachusetts. The information is from ''Does Farmland Protection Pay?''

These studies show the cost of providing community services for farmland and developed land. It is true that developed land brings in more tax revenues than farmland, especially when farmland is assessed at its agricultural value, as it is in most New England

states. Developed land, however, requires far more in the way of services than the tax revenues it returns to the treasuries of municipalities.

For example, residential land in these four New England towns required $1.11 in services for every one dollar in tax revenue generated while the farmland required only $0.34 of services for every one dollar of revenue it generated. This demonstrates the major impact that losing dairy farmland has on rural New England. This information is from ''Does Farmland Protection Pay?''

National Geographic recently detailed the risk of economic death by strip malling otherwise tourist-drawing farmland. New England should be allowed to try to reverse this trend, especially in ways that help neighboring states such as under the Compact.

The American Farmland Trust Study pointed out that agricultural land actually enhanced the value of surrounding lands in addition to sustaining important economic uses.

Farming is a cost effective, private way to protect open space and the quality of life. It also supports a profusion of other interests, including: hunting, fishing, recreation, tourism, historic preservation, floodplain and wetland protection. ''Does Farmland Protection Pay?''

Keeping land in agriculture and protecting it from development is vitally important for all of New England, which is one reason all six New England states have funded or authorized purchase of agricultural conservation easement programs to help protect farmland permanently.

Other economic uses, from condominiums and second homes for retired or professional people from New York, Boston, or Philadelphia to shopping malls to serve them, are waiting in the wings. The pressure to develop in New England is voracious.

A 1993 report from the American Farmland Trust called ''Farming on the Edge'' showed that only 14 of the more than 67 counties in New England, were not significantly influenced by urban areas.

In fact, eight New England counties were considered to be farming areas in the greatest danger of being lost to development because of their high productivity and close proximity to urban areas. The Champlain and Hudson River Valleys were considered to be among the top 12 threatened agricultural areas in the entire country according to this ''Farming on the Edge'' study.

Dairy farming is New England's number one agricultural industry, and a lack of farm income is a major cause for farmers leaving dairying. This discussion underscores the compelling need for the Northeast Interstate Dairy Compact because towns will not only lose their rural character with the loss of farms, but they will suffer economic consequences as well. New England suffer the economic losses of the economic activity from farming, but will spend more in services than they gain in revenue as good farmland gets developed.

I need to address one more dairy issue, milk marketing order reform. This bill does give USDA a few more months to study this critical issue. I have been fighting for a fair revision of the milk marketing orders as have other Colleagues. Although dairy farmers across the country have told the Agriculture Department that they prefer Option 1–A, the Department continues to support Option 1–B.

It has been made clear that the U.S. Department of Agriculture prefers Option 1–B for fluid milk pricing, even though it has been demonstrated that this system would be disastrous for dairy farmers across the country. Economists for AgriMark estimate that under Option 1–B, dairy farmers' income would drop by $365 million dollars next year—that is a loss of $1 million each and every day of the year. I am told by economists at AgriMark that Option 1–B reduces farm income in almost every area of the country.

I am also told that every area of the country, including the Upper Midwest, will have higher farm income under Option 1–A as compared to Option 1–B.

At the close of the comment period for milk pricing reform, I was joined by 60 Senators in a letter to USDA supporting Option 1–A. Option 1–A is the only option which is both fair and equitable to farmers while promising to continue providing consumers with reasonably priced fresh, wholesome milk.

Mr. President, this year Vermont farmers took a one-two punch from Mother Nature. The unprecedented ice storm this winter that knocked out power across the state, forcing farmers to cull their herds, dump milk and scramble for feed. This summer's flooding hit many of these same farmers just as their crops were starting to produce. Their fields have been saturated with water ever since leaving them without feed going into the winter. Ten out of the fourteen counties in Vermont have been declared National Disaster Areas by the President this year.

Because the margins are already so close for many farmers, helping these farmers recover from their feed losses could mean the difference between staying in business or selling out. The Livestock Feed Assistance Program will help Vermont farmers get through the winter and not be overwhelmed by recovery costs. I visited these farms after the ice storm and went back again to some of the same areas after the flooding.

What I heard at every farm I visited was very simple: farmers need enough assistance to get them through this season. They do not expect a lot of assistance, but they do expect it to be fast and they expect it to be fair.

Unfortunately, disaster assistance programs have not always worked this way. Too often, the criteria and program thresholds developed by the national office do not catch the small, family dairy farms we have in the Northeast. The disasters that hit Vermont this year caused damage much like what you see after a tornado. One farm may have lost half his crop while his neighbor may not have been touched. But the way the disaster programs work now, if the county as a whole did not sustain at least 40 percent damage, none of the farmers hit by the disaster would be eligible for assistance.

In addition, these programs often require a farmer to sustain at least 40 or 50 percent damage on his farm. This requirement has prevented many farmers who are barely making it anyway from getting assistance. After the ice storm, many Vermont farmers were tinkering at the edge of losing their farms.

I know that Secretary Glickman shares my commitment to preserving the family farm and I look forward to working with him to make sure these disaster programs are flexible enough to help our small, family farms. Let me quote a letter from Edie Connellee and Bill Cartright of Waitsfield, Vermont, ''I hope we all purposefully remember to use this experience as a way to better be a community and especially remember that small acts of kindness, even just a phone call, make a huge difference when someone is hurting in any way.'' I hope this is the approach the Agriculture Department will take when implementing these disaster programs.

Finally, Mr. President, let me take a moment to talk about the funding levels for the conservation programs in this year's Agriculture Appropriations bill. When we passed the 1996 Farm Bill one of cornerstones of that package was the mandatory funding for the conservation programs. We set aside $200 million a year for the Environmental Quality Incentives Program. Unfortunately, it was all too tempting for the appropriators to cap that program this year at $175 million and use the savings elsewhere. In a year where we have seen state legislation regulating agriculture waste on farms and new regulations from the Environmental Protection Agency, this program is all the more critical to making sure farmers can comply with these requirements.

Having worked with dairy farmers across Vermont, but especially around Lake Champlain and Lake Memphremagog, I know how committed they are to protecting our watersheds from farm run-off. Vermont farmers lead the country in developing innovative techniques to control agriculture waste. But they cannot do it alone. The EQIP cost-share payments help them do the right thing without putting them in a financial bind. Now is not the time to be slowing down such a successful program.

Mr. SHELBY. Mr. President, I rise today to add my voice to the debate regarding the FY 1999 Agriculture Appropriations bill. While I know this bill

contains numerous important items including funding for agricultural research, credit programs, conservation programs, and food safety initiatives, I want to specifically mention my concern regarding the portions of this legislation which provide emergency relief to America's farmers.

The last few years have been very difficult for America's farmers. I know this very well because of the numerous difficulties suffered by farmers in my state of Alabama. Last year, North Alabama was hit with an especially cold and rainy spring which greatly reduced the yields of cotton farmers. Peanut farmers in Southeastern Alabama were hit with a toxic mold blight which cost them greatly when they tried to market their peanuts. Before the close of the Summer of 1997, Hurricane Danny dumped inches of rain on and brought devastating winds to Southwestern Alabama. This storm alone caused millions of dollars in crop losses and farm related damages.

Mr. President, unfortunately I cannot say that weather conditions improved much in Alabama this year. Early spring flooding was followed by devastating heat and drought. Alabama's cotton producers, corn producers, cattle producers and peanut producers were forced to battle extreme conditions as they tried to keep crops and livestock alive. If this was not enough, Hurricane Georges swept through the Gulf Coast this past week and caused millions of dollars more in crop losses.

To add insult to these weather-induced injuries, the troubled economic conditions in Asia and throughout other parts of the world have decreased the number of available markets for our farmers. The loss of these markets has in turn led to lower prices. Where our farmers have actually made a crop, they are finding that the market has bottomed out and there is very little profit available to them.

Mr. President, a series of natural disasters coupled with economic collapse have hit Alabama's farmers extremely hard. They need help.

I am well aware of the fact that many other regions have suffered significant farm-related losses. As I have pointed out, however they have not been affected exclusively. I want the devastation that Alabama's farmers have suffered to be recognized on the record.

Mr. President, this bill provides $2.1 billion in disaster assistance funding and grants the Secretary of Agriculture broad discretion to implement disaster assistance awards. I urge the Secretary to make a full and complete review of all the factors affecting farmers in every region of the country. I want it noted that I believe that it is fundamentally important that the Secretary be aware of the extreme conditions that have befallen farmers in my state.

When Secretary Glickman makes the awards for farm disasters and economic losses, I want him to make them based on a fair appraisal of all farm losses throughout the country. I believe that all my colleagues will agree. Our farmers deserve no less.

Mr. ENZI. Mr. President, I rise to speak on the Agriculture appropriations conference report. I commend Senator COCHRAN for his hard work in putting together this bill to fund our Nation's agricultural and nutrition programs and to provide emergency assistance to America's farmers in this difficult year.

I am disappointed, however, that some provisions that would have benefited our Nation's family ranchers who are also suffering from low commodity prices were dropped from the final conference report. Although these measures were unsuccessful this year, I am confident that they will come before the Senate again next year and I intend to work hard for their passage.

In particular, I am disappointed that the amendment to require the labeling of imported meat was dropped from the final package. I strongly believe that we need to require foreign meat products to be clearly labeled as such. I support free trade, but in order to have free trade you need to have full disclosure. American consumers have a right to know if the meat they are buying has been produced in our Nation. American stockgrowers have a strong record of producing top quality products, and the American consumer should have the ability to identify these top quality products in the grocery store.

I am also disappointed that the amendment to establish a price reporting pilot project was dropped. Many of my constituents who are family ranchers are very concerned about the current state of the packing industry, notably the increase in packer concentration. I share their concerns. Although I generally do not favor government mandates on any industry, I believe that the price reporting amendment would have provided us with more transparency to determine what effect the recent trend towards consolidation in the packing industry has had on cattle prices.

In addition, I think we need to add fairness to our meat inspection programs by allowing State-inspected meat to move across State lines. We already allow Canadian and Mexican meat products to be sold in our Nation based on a promise that their standards are the same as ours. There is no reason for our government to trust foreign inspectors and not State inspectors. We need to level the playing field for meat inspections to help out our small packers. Allowing small packers to ship their products across State lines is not only fair, it would also increase competition in the packing industry. Unfortunately this important issue was not considered this year at all.

So Mr. President, while I will not object to this Agriculture appropriations bill because I recognize how important it is to America's farmers, I am disappointed that it did not do more to address the financial problems facing our Nation's ranching industry. Family ranchers are struggling with the lowest beef prices in over 20 years. Their problems are not now and never have been addressed by huge government spending programs. But Congress should take action to provide free and fair competition in the livestock industry. The three measures I have just outlined would do just that, and I will work hard to make sure that they receive the careful consideration of Congress next year.

WATER QUALITY RESEARCH

Mr. DORGAN. Mr. President, I would like to ask a few questions of my friend from Arkansas, Senator BUMPERS, regarding the water quality component of the Cooperative State Research, Education and Extension Service (CSREES) Special Grants Program. In particular, I note that although the Senate agriculture appropriations bill for fiscal year 1999 included $436,000 for water quality grant in North Dakota, the conference report now before us has moved those funds into a separate water quality item. Could the Senator explain the reason for this action?

Mr. BUMPERS. Over the past several years, the Congress has funded water quality grants through three separate items with in the CSREES Special Grants Program, including the two the Senator from North Dakota mentions. The fiscal year 1999 appropriations bill which Senator COCHRAN and I reported to the Senate earlier this year included a total of $2,897,000 for these activities. This amount includes funds at last year's level for the North Dakota program and the balance directed to the undesignated water quality item. The House included the third water quality grant and provided a total of $3,389,000 for all water quality special grants.

The conferees recognized the need to strengthen our cooperative research activities for water quality, in a manner similar to the treatment of food safety and other priority research areas, and decided to consolidate and increase the funding level for water quality through the CSREES Special Grants Program. Accordingly, all funding for water quality research was moved to a single item and in recognition of the excellent record of the North Dakota program, language was included in the Statement of Managers explaining that the North Dakota program should continue to secure funding through that item.

Mr. DORGAN. I thank the Senator for that explanation. Is the Senator from Arkansas aware of the work underway in North Dakota regarding water quality?

Mr. BUMPERS. Yes, I am. I understand the North Dakota program, developed through the Red River Water Management Consortium (RRWMC) is doing important work to help understand the occurrence, transport, and

fate of agricultural chemicals in the Northern Great Plains region. I believe it is also noteworthy that the RRWMC is a basin-wide water management group, comprised of a number of government and industry stakeholders throughout the water basin and has included partners from municipalities, agricultural industries, county governments, resource conservation and development organizations, and public utilities. Cooperation and coordination of all these groups is vital and the network established in North Dakota should serve as an excellent model for other parts of the United States where water contamination, especially from agricultural runoff, posses a real or potential threat to the environment and public health.

Mr. DORGAN. I appreciate the Senator's understanding of the importance of this research and his familiarity with the RRWMC's activities. Is it the understanding of the Senator from Arkansas that the goals of the North Dakota project are consistent with the overall water quality research objectives of CSREES?

Mr. BUMPERS. Yes, I believe they are. The CSREES water quality programs are intended to help investigate the impacts of non-point source pollution and recognize the public's concern about the possible risks to the environment resulting from the use of agricultural chemicals. Therefore, the purpose of the RRWMC's activities are clearly consistent with the goals of the agency's water quality research mission. Further, I understand that the RRWMC has been able to leverage non-federal funds on a ratio of about two to one. Given current budget constraints, this accomplishment is to be commended especially in recognition of the fact that the CSREES water quality grant has received nearly $48 million in appropriations since 1990 and has only been able to leverage approximately $1 million per year during that time. The record of RRWMC in leveraging non-federal funds is, therefore, all the more impressive and worthy of these federal dollars. In view of the important ongoing work of the RRWMC on the important issues of water quality protection, their cooperative relationships with a wide variety of stakeholders, and their ability to leverage non-federal resources, I believe the conferees would agree that RRWMC should be able to secure funding of, at least, last year's level in the coming fiscal year.

Mr. DORGAN. I appreciate the Senator's understanding of the fine work of the RRWMC and his words of encouragement for their activities under CSREES in the coming fiscal year.

Mr. KEMPTHORNE. Mr. President, I rise today to delcare my support for the fiscal year 1999 Agriculture appropriations bill.

American agriculture is in a state of emergency. No one who has read a commodity report in the last few months would disagree. Wheat and barley prices are at record lows as are prices for other important Idaho agricultural products. In August, I talked to growers all over Idaho who are on the verge of bankruptcy, they tell me they are in trouble.

This appropriations bill will help farmers get back on their feet. The bill provides funding for a wide range of USDA programs, including agricultural research, export initiatives, foreign market development, nutrition programs and other department operations. Much-needed short term relief is also provided—$1.5 billion in one-time payments to assist producers who have been hit by crop losses in 1998, an additional $675 million to provide assistance to farmers who have suffered multi-year crop losses, $175 million for livestock feed assistance in a cost-share program available to ranchers who lost their 1998 feed supplies to disaster, and $1.65 billion for increased AMTA (Agriculture Market Transition Act) payments.

In a time when its farmers are experiencing severe economic hardship, Idaho is one of the big winners in the process. Many important Idaho research projects were included in the bill, including over $1.2 million for potato variety development, $329,000 for peas and lentils, $423,000 for grass seed and $550,000 for small fruit research, among others.

The agriculture appropriations bill will also help promote American agriculture overseas. The Market Access Program continues to be a vital and important part of U.S. trade policy aimed at maintaining and expanding U.S. agricultural exports, countering subsidized foreign competition, strengthening farm income and protecting American jobs. MAP has been a tremendous success by any measure. Since the program was established, U.S. agricultural exports have doubled. In fiscal year 1997, U.S. agricultural exports amounted to $57.3 billion, resulting in a positive agricultural trade surplus of approximately $22 billion and contributing billions of dollars more in increased economic activity and additional tax revenues. This appropriations bill continues funding for MAP.

Also included in the bill is funding for the Agriculture Education Competitive Grants Program. This program funds grants for school-based agricultural education at the high school and junior college levels of instruction. Competitive grants targeted to school-based agricultural education will be used to enhance curricula, increase teacher competencies, promote the incorporation of agriscience and agribusiness education into other subject matter, like science and mathematics, and facilitate joint initiatives between secondary schools, 2-year postsecondary schools, and 4-year universities. This will help our young people be successful in an ever-increasing competitive agriculture market.

Is this is a perfect bill? No, but it is one that is fiscally responsible and it does not return to the failed policies of the past. We must allow American farmers to compete and give them the tools they need to do so. This bill is another step in that direction.

Mr. President, I will vote yes for the appropriations bill and urge my colleagues to do the same.

Ms. MIKULSKI. Mr. President, I rise today in opposition to the Agriculture Appropriations Conference Report. I oppose this bill for three reasons. First and foremost, it does not meet the needs of my state of Maryland. Second, it does not sufficiently fund agriculture programs in order to help all American farmers. Third, the method by which the funding is spent is wholly inadequate to address the farm crisis.

In my state of Maryland, we have been plagued by drought for the second consecutive year. Our farmers are losing crops and they are losing money. They are struggling just to survive. Couple the drought with the record low prices, high costs and a glut in the market and that spells disaster for our farmers. Official data reports that drought has destroyed between 30 percent and 65 percent of the crops in nine Southern Maryland and lower Eastern Shore counties. Loss of soybean, tobacco, wheat and corn crops is making this a very tough season for Maryland farmers. Let me assure you I will not just stand by and let this happen to my farmers.

I am already fighting with the rest of the Maryland delegation team to provide emergency loans from the Department of Agriculture to our farmers and to officially designate them disaster areas because of the drought. But this money does not really take care of the problem. This is not some heroic assistance program for our farmers. It is just a loan. This is money that must be paid back. It does not provide any real long term assistance for our farming community. That is precisely the job of Congress today.

Our farmers need help so they can continue to farm. They need help now, this is true, and they need these loans. But eventually, loans must be paid back with money earned. And this money will not and cannot be earned without our help. We should be uplifting our farmers and helping them to help themselves. Not just continuing their burden of debt. We need help, and this Agriculture Appropriations bill neither addresses Maryland's agricultural problems nor the agricultural problems scourging the rest of our country.

Farmers in my state of Maryland came to me with their priorities for this bill, neither of which are adequately addressed. First, this bill does not provide adequate funding for operating loans so farmers can buy the equipment and supplies necessary to plan for the next season. Without these loans, many of our farmers will not have the funds they need to plant. This then becomes a vicious cycle. Without the funds to plant, the farmers cannot make money for the next year, and pay

back or even be eligible for loan assistance.

The second, and most important reason this bill does not satisfy the needs of my state is because this bill does not uncap the market loans. My farmers have told me that their number one priority is to take the artificial caps off the market loans. In fact, my farmers have told me they desperately needed the caps off the market loans. Last week, a new U.S. Department of Agriculture report forecasted a net farm income for 1998 at $42 billion, down $7.9 billion from last year. This amounts to nearly a 16 percent drop in farm income. The report also said that farm debt is anticipated to reach $172 billion by the end of 1998.

What do these forecasts tell us? This says that any federal response that stops short of recognizing the fundamental problem of depressed prices will absolutely not address the problem. We cannot pass a band-aid measure and expect it to stick in the long term. This is just not possible. The only way to start to correct the problem is to start at the root. And this means acknowledging and dealing with the depressed crop prices. Uncapping the market loans is crucial to confronting this problem.

I will not vote for this bill today because it does not provide enough funding to deal with these problems. The Democratic farm relief package offered by Senator HARKIN in conference was sadly defeated along partisan lines. This package would have provided the necessary $7.3 billion in funds to cover both disaster and economic losses, including a provision to increase marketing loan rates. The Republican plan—less than $4 billion—adopted by the committee came as an extreme disappointment. All states suffer under the Republican plan. In my state alone, Maryland would receive only $7 million in assistance verses $21 million under the Democratic plan.

The magnitude of losses suffered simply does not merit this meager and shallow attempt to pass this bill. All one need do is look at the facts. The level of economic assistance contained in the bill is $1.65 billion. The net farm income projected is expected to fall this year alone by $8 billion to $10 billion. Clearly, this bill does not increase the amount of relief to a level that will help farmers weather the economic crisis.

Finally, I will not support this bill because the method by which the funding is spent is wholly inadequate to address the farm crisis. The assistance is not directed to the person who suffered the loss. Increasing the Republican plan would simply send money to landlords who have already been paid their cash rent for the year. These Agricultural Market Transition Act (AMTA) payments benefit the absentee landowner, rather than the farmers who need the assistance. One recent study showed that 73 percent of the nation's farmers feel the current farm bill does not provide adequate income during low-price periods. This means the current system is failing us. Rather than pump more money into a failed system, it is time we overhaul the method.

Let me say that I absolutely agree with Senators DASCHLE and HARKIN that this bill does not sufficiently address the farm crisis. More needs to be done. I am sorry not to vote for this appropriations bill. Mr. President, let me be clear—I wanted to vote for an agriculture appropriations bill today. I think we all did. In fact, I want to see all thirteen of these appropriations bills pass, as they rightly should. But I will not support a bill that short-changes our farmers. I did not vote for the Freedom to Farm bill for this very reason, I will not vote for the agriculture appropriations bill today.

Mr. LUGAR. Mr. President, I will vote for the 1999 agriculture appropriations conference report. Unfortunately, several unwise provisions have been added since this bill passed the Senate. The cumulative weight of these mistaken policies does not outweigh the many good things in the bill, but is still reason for substantial concern.

The bill is commendable in many ways. The conferees wisely rejected efforts to increase price support loan rates. Instead, they expanded disaster assistance from $500 million in the Senate bill to $2.35 billion. This aid will benefit farmers with 1998 losses as well as producers in some regions who have suffered several consecutive years of loss because of weather or disease.

The bill also provides $1.65 billion in market loss payments to farmers. These payments provide income support without doing violence to the basic structure of the 1996 FAIR Act. In preserving the FAIR Act's ''freedom to farm,'' the market loss payments are clearly superior to the higher loan rates preferred by our Democratic colleagues. Raising loan rates, according to the non-partisan Food and Agricultural Policy Research Institute, would cause more production, higher surplus stocks and lower prices and incomes in future years. Even though higher loan rates might raise prices in the short term, they would have deleterious effects that would plague U.S. agriculture for years to come.

Other parts of the bill deserve praise. The conferees adopted a biodiesel provision in the Senate bill which I sponsored along with other Senators. Encouraging the use of biodiesel will advance, in a small way, the neglected cause of energy self-sufficiency and renewability. The conference report will also facilitate an increase in overseas food assistance through Food for Progress.

I also commend the conferees for adopting a regulatory standstill that will restore legal certainty to swap transactions. This standstill will allow the Commodity Futures Trading Commission to take necessary actions in a financial emergency, as well enforcement actions. It leaves regulators free to act prudently. However, the provision will ensure that the President's Working Group on Financial Markets has an opportunity to advance its current study of the appropriate regulation of over-the-counter derivatives, a study I asked the working group to begin back in July. The turbulence in financial markets during recent weeks should finally convince everyone of the need to expedite this study. The standstill also allows crucial decisions about OTC derivatives to be made, as they should be, in Congress.

Restoring legal certainty to swaps will also help to calm markets: In a volatile period, the last thing markets need to deal with is the threat of valid contracts becoming unenforceable. I commend Senator COCHRAN for his sponsorship of this provision, which Congressman BOB SMITH and I proposed.

Unfortunately, the conference report has a number of undesirable provisions. Most regrettably, this conference report adopts a House provision to deny funding for the Initiative for Future Agriculture and Food Systems. It is difficult to understand why this initiative, which passed both Houses of Congress by overwhelming margins earlier this year, was neglected when many less urgent—and more parochial—research items were funded. The initiative's competitive grants and carefully chosen priorities represent the direction in which federal research funding should go. To deny funding for research that will help us feed future generations is unconscionable.

The conference report has other flaws. It adopts new loan programs for honey and mohair which were not contained in either bill. Programs for these commodities were abolished only a few years ago. The conference report also adopts language from the House bill which will delay the reform of milk marketing orders by six months. Such a delay is doubly unfortunate since the Secretary of Agriculture is already proposing only half-measures to reform this antiquated and byzantine system.

The report's statement of managers contains statements about the sugar program which, though not legally binding, would negate a provision of the FAIR Act if they were taken seriously by the Department of Agriculture. The managers state, in effect, that the one-cent-per-pound penalty assessed on forfeited sugar should not be considered an effective reduction in the support price of sugar, especially for purposes of determining the tariff rate quota for imports. But that was, of course, precisely the intent and effect of this provision. The logical result of a one-cent penalty is to reduce by that amount the price at which a sugar processor would be indifferent to forfeiture or a market sale. It is instructive to read comments on the floor of the House, during debate on the FAIR Act by a strong advocate of the sugar program, former Congressman E de la Garza. The former chairman of the

House Agriculture Committee said that the FAIR Act's sugar section ''effectively reduces the loan rate by 1 cent and ensures an increase in foreign imports.''

The conference report also reverses one recent reform of the catastrophic crop insurance program. Not only does the conference report allow multi-million dollar operations to continue buying catastrophic coverage for as little as $60, rather than a small percentage of crop value. It also extends this provision into the future, something that is simply not appropriate in a one-year appropriation bill. Finally, funding was cut for environmental assistance that mitigates non-point source pollution—the Environmental Quality Incentives Program. Like the Initiative for Future Agriculture and Food Systems, EQIP is funded through mandatory accounts that are under the jurisdiction of authorizing, not appropriating, committees.

Even after listing disappointing actions, I have chosen to highlight the positive achievements in this bill and other recent bills and enacted statutes in which Republicans have shown their ability to assist farmers in troubled times.

Under the Republican FAIR Act, loan deficiency payments and marketing loan gains for 1998 crops will total $4.2 billion. Most of this amount is not counted in the most recent Administration estimates of net farm income. This summer, Republicans led the way in passing a bill to augment farm cash flow by speeding up 1999 ''freedom to farm'' payments. Now, Republicans are asking the President to join in a $4 billion cash infusion into the farm economy—$2.35 billion in disaster assistance and $1.65 billion in market loss payments.

These Republican initiatives will lift 1998 net farm income to near the 1997 level and above the average level of the 1990s. Without a doubt, many producers are under severe stress. Not every operation will survive. Like most other commodity prices, farm prices are depressed because of the shock waves sweeping through the world economy. In such trying times, Republicans have responded with practical assistance rather than ideological demagoguery.

We should send this conference report to the President, and he should sign it promptly.

Ms. LANDRIEU. Mr. President, after two and a half months of debate on the economic and disaster crisis facing rural America and thousands of farm families, we are voting on a measure that provides $4.2 billion in economic relief to our farmers.

During the course of this debate, we have heard from our Democratic Leader, who I want to commend for his leadership on this issue, our President, and many others who believe that much more assistance is needed to adequately address the serious situation facing rural America. I fully agree that the relief provided in this legislation is far less than meaningful for Louisiana and other Southern states who are suffering one of the worst droughts in 100 years. Already, we have thousands of farmers whose crops and pasture land have been burnt up by the heat and an estimated $450 million in crop losses in Louisiana alone. These same farmers are also facing some of the worst commodity prices in over a decade. Not only are Louisiana farmers hit with low prices, they also have no crop. Therefore, I have argued and strongly supported additional funding to address this crisis. This funding is justified and should be provided.

However, Mr. President, we also have a conference report before us, a bill that provides a total of $55.7 billion in essential funding for some very important agriculture, rural development, and nutrition programs. Additionally, included in this measure is over $25 million for much needed research and education projects in Louisiana.

Mr. President, the senior Senator from Louisiana and I have both advocated for additional funding for our farmers. However, the bottom line is that many members in the House and Senate have differing views about how this assistance should be delivered. Furthermore, many members have strong philosophical reasons for opposing even the $4.2 billion provided in this relief package. Therefore, with only a few days remaining, before the Congress adjourns and the $450 million in associated crop damages facing Louisiana, the $4.2 billion provided in this legislation, is the best option on the table for providing immediate assistance to my state. Therefore, I am rising in support of this measure, which as stated by the Chairman and Senator BUMPERS has been one of the most difficult conference reports ever considered by the Agriculture Appropriations Subcommittee.

Mr. President, before I conclude my remarks I want to make two additional points. While I recognize that this is not the appropriate bill to reform crop insurance, I want to make a prediction that if this issue along with revisions to the current loan rate structure are not addressed early next year, we will be back on the Senate floor debating an even greater economic farm crisis. Then, we will not only be hearing from farmers, but bankers, retail store owners and state chambers of commerce.

I know that many of my colleagues strongly support crop insurance reform. However, many Senators are opposed to revisiting any of the loan rate provisions included in the 1996 Farm Bill. From my discussions with several reputable farmers in Louisiana this issue should be reconsidered.

Mr. President, with the many complicated issues facing farmers, only through a bipartisan effort can we begin to address these matters. Therefore, I hope that the Democratic and Republican leaders in the House and Senate will take the additional steps needed early next year to address and resolve this pending economic agriculture crisis.

I thank the Chairman for yielding his time and I yield the floor.

Mr. KERREY. Mr. President, during my October 5, 1998, floor statement on the 1999 Agriculture Appropriations Conference Report, I referred to and inserted for the record a chart showing a state-by-state breakdown of the Democratic and Republican ag relief proposals. I wish to clarify that the chart was not generated by the Congressional Budget Office, but rather an estimate prepared by the Senate Agriculture Committee staff based on the aggregate CBO estimate of the cost to remove the caps placed on marketing loans in the 1996 Farm Bill.

Mr. President, I appreciate this opportunity to make this clarification.

Mr. BRYAN. Mr. President, I rise today to briefly discuss two provisions included in the conference report accompanying H.R. 4101, the Agriculture Appropriations Bill.

First, I want to express my gratitude to the House and Senate conferees for retaining a provision in the conference report that was originally passed here in the Senate relating to the Market Access Program.

As my colleagues are aware, the Market Access Program is administered by the U.S. Department of Agriculture through its Foreign Agriculture Service. MAP funding is designed to reimburse private companies, industry associations and cooperatives for the promotion of brand-name products as well as generic commodities overseas.

Unfortunately, Mr. President, it has become quite clear that the Market Access Program is a flagrant example of a federal spending program gone wrong—one that is simply unproductive, unjustified and unaffordable.

Over the past few years, I have stood here on the Senate floor several times to highlight the assorted flaws with this program, particularly the outrageous reality that we are channeling millions and millions of taxpayers dollars to some of the most prosperous corporations in America, including Sunkist, Welch Foods, Gallo and General Mills.

My efforts to terminate the Market Access Program were endorsed by a sweeping coalition of fiscal watchdogs, including Taxpayers For Common Sense, National Taxpayers Unions, Citizens Against Government Waste, Friends of the Earth, Citizens for a Sound Economy and the U.S. Public Interest Research Group.

Unfortunately, proponents of this policy made claims about the program that were difficult for the General Accounting Office to refute as a result of the lack of available information about the effectiveness and value of the program. Clearly, greater scrutiny of this program is appropriate and necessary.

In July of this year, the Senate passed an amendment that I authored to the Agriculture Appropriations bill that I believe will have a profound effect on the future of the Market Access

Program. I am pleased this provision has been retained in the conference report before us today.

This provision requires the USDA to estimate the impact of the Market Access Program on the agriculture sector as well as on U.S. consumers, while also considering the costs and benefits of alternative uses of the funds currently allocated to MAP.

Additionally, the amendment requires USDA to evaluate the additional spending of participants and the amount of exports additionally resulting from the Market Access Program.

I believe, Mr. President, that this information will allow the General Accounting Office to produce a useful evaluation that will enable Congress to make an informed, responsible decision about the utility of continuing this program in future years.

Unfortunately, while this amendment will throw a spotlight on one wasteful federal spending program, I am concerned that another provision in this conference report could compromise past and future efforts to rein in other wasteful and unnecessary federal expenditures.

As part of an effort to provide economic assistance to farmers and producers who have been hit hard by the worsening weather and market conditions facing rural America, this legislation includes roughly $6.5 million in the form of recourse loans for mohair producers.

Perhaps this funding assistance is warranted. Clearly, the entire agricultural community is reeling from prolonged disastrous weather conditions, a 20-year low in commodity prices and dwindling overseas exports.

It is imperative that we provide to our producers in need, timely disaster and other economic assistance for crop losses and other related dilemmas.

However, we must be clear in stating that the emergency assistance provided in this bill for mohair producers is not in any way, shape or form an attempt to resuscitate the mohair subsidy program that was shut down by the Congress just a few short years ago.

My colleagues will recall that the mohair subsidy program originated in 1954, when Congress passed the National Wool Act, authorizing a subsidy program to guarantee the production of domestic wool for military uniforms during the Cold War era.

Mohair, which was used for decorative braids on military uniforms, was inexplicably affixed to the wool subsidy program.

Over the years, the need and justification for both the wool and mohair subsidies has plainly evaporated. Yet in 1992, years after the sun had set on the Cold War and the strategic need for wool and mohair had long expired, wool producers were still receiving roughly 130 million dollars in subsidy payments while mohair producers were still receiving about 48 million dollars.

In light of this, I joined with several of my colleagues in 1993, including Senators KERRY and FEINGOLD, in terminating the wool and mohair subsidy that had existed for nearly forty years. We shut that program down.

That was no small accomplishment, Mr. President.

The Congress is clearly capable of, and has been somewhat successful in reducing the size, scope and funding for a number of federal spending programs.

But to actually terminate a program and to categorically wipe that program clean from the federal budget, is indeed, an uncommon achievement.

Mr. President, I am not here to dispute the contention that mohair producers are deserving of emergency assistance. Certainly, virtually every component of our agricultural community has been adversely affected by the crisis that is facing our Nation's farmers and producers.

But I do want to take this opportunity to express to the distinguished Chairman and distinguished Ranking Member of the Subcommittee my sincere hope that the inclusion of this funding for mohair producers is not an attempt to re-open the wool and mohair subsidy program that was shut down by Congress just a few short years ago.

Terminating the wool and mohair subsidy was a small step on the road to a balanced budget, and I fully intend to monitor this situation next year. If we are to stay the course of fiscal responsibility, we must make sure that the American taxpayer is not forced to subsidize those antiquated programs the Congress has deemed to be wasteful and unaffordable.

Mr. MCCAIN. Mr. President, the Agriculture Appropriations bill continues funding for the various agricultural and land-based programs within USDA and directs $4 billion in additional spending to support emergency farm relief and crop assistance to help farmers in need during a critical year of disaster-related conditions.

Back in July, I reported more than $241 million in earmarks contained in the Senate bill for unrequested, unauthorized or purely parochial projects. A review of the conference report leads me to determine that the conferees jointly decided to overload this report with even more flagrant examples of wasteful and unnecessary spending. This year's conference agreement is more than $381 million above the budget request and higher than either the Senate or House had proposed.

Included in this spending bill is an added farm relief package that totals $4 billion for crop loss assistance and market loss payments to help farmers cope with emergency situations and falling prices. We did not vote on this measure as part of the original Senate or House bill, it was added in conference. This is a very serious issue which involves a substantial amount of federal spending. Certainly, this deserves thoughtful deliberation and careful review through our established process, and should not be attached at the midnight hour to a conference report. This is not the way we ought to conduct the business of prioritizing taxpayer dollars.

Mr. President, each year, appropriations bills are a target for members to advance political platforms. I find that the accounts for the Agricultural Research Service and the Cooperative State Research, Education, and Extension Service are a virtual goldmine for member-interest earmarks.

For example, specific earmarks are directed at the cost of:

> $250,000 for ''alternative fish feed'' in Idaho; $750,000 for grasshopper research in Alaska; $250,000 for lettuce geneticist/breeding in Salinas, California; $1,000,000 for peanut quality research in Dawson, Georgia and Raleigh, North Carolina; $162,000 for peach tree shortlife in South Carolina; $200,000 for tomato wilt virus in Georgia, and $750,000 to the Fish Farming Experiment Laboratory in Stuttgart, Arkansas.

While I am not an expert in the agricultural field, I find it incredulous that we can expend one million dollars on peanut quality research while we are experiencing a crisis in the farm economy! Additionally, a quarter of a million is earmarked for ''alternative fish feed''? While I am certain that the members from these respective states can make their case for directed funding for these projects, I question their desire to side-step a competitive and merit-based review process.

I was pleased to note in the conference report a recognition of the importance of merit review procedures for grant funding. However, despite this recognition, the report continues to include directive language which explicitly leads the agency to grant specific projects with special consideration.

For example, the report reads:

> The House and Senate reports recommend projects for consideration under various rural development programs and the conferees expect the department to apply established review procedures when considering applications.

The report then directs:

> The conferees further expect the Department to give consideration to business enterprise and housing preservation projects in the city of Bayview, VA; aplications for rural business enterprise grants from TELACU, for a project in Selma, CA; for assistance for a community improvement program in Arkansas; water and sewer improvements for the City of Vaughn, NM; the Shulerville/Honey Hill Water project, South Carolina; and a rural enterprise grant for Indian Hills Community College in Iowa.

This is a true disservice to the many potential competitors who are vying for funding, yet decide to work through the designated competitive grant process.

Last year I noticed a practice by the appropriators of using the appropriations process to prevent Federal agencies from following government-wide efforts to down-size and cut back on unnecessary bureaucracy. This year's conference report formalizes this practice as a tradition by including language such as:

Language whereby the conferees ''expect the Secretary, to the extent practicable, to avoid the use of reductions-in-force or furloughs for both Federal and non-federal employees or any county office closings''; or,

Prohibitive language which prevents the expenditure of funds made available by the Food and Drug Administration to close or relocate, or to plan to close or relocate, the Food and Drug Division of Drug Analysis in St. Louis, Missouri.

Mr. President, I am not trying to undermine the hard work of the conferees for they do have a difficult responsibility. I commend the managers on both sides of the aisle in working out a careful compromise. Unfortunately, the Agriculture Appropriations conference report is representative of legislative circumvention and the troubling practice of pork-barrel spending.

Mr. President, I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

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.

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

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

UNANIMOUS CONSENT REQUEST—S. RES. 264, ESTABLISHING A DAY OF CONCERN FOR YOUNG PEOPLE AND GUN VIOLENCE

Mrs. MURRAY. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. Res. 264 and that the Senate proceed to its immediate consideration, that the resolution and preamble be agreed to en bloc, and the motion to reconsider be laid upon the table without intervening action.

Mr. COCHRAN. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mrs. MURRAY addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, I really regret the objection and I rise today to really plead with my colleagues to lift the hold on this really simple, bipartisan resolution that simply encourages our children to stay away from gun violence. I thank my friend and colleague, Senator KEMPTHORNE, who has been working with me to try to move this resolution.

In 2 days it will be October 8, the day this resolution calls upon the President to establish a Day of National Concern for Young People and Gun Violence. In 2 days, the Senate will have missed an opportunity to send a message to our kids that gun violence is the wrong way to solve problems.

Fortunately, groups like the National Parent-Teacher Association, Mothers Against Violence in America, the American Medical Association, and others are spreading the word without our help. They are encouraging young people all over this country to sign a pledge and promise they—will never take a gun to school; will never use a gun to settle a dispute; and will use their influence to prevent friends from using guns to settle disputes. That is what this resolution is about.

Mr. President, this is exactly the message the United States Senate should be sending to our children. We want them to make a personal commitment against violence. We want them to help convince their friends to do the same. We want them to join together to fight against youth violence. Just like we should be doing.

We must pass this resolution. Let me read to you a list of the Senators who have committed themselves to establishing this day of concern and helping steer kids away from violence: Senators KEMPTHORNE, LAUTENBERG, SMITH of Oregon, KENNEDY, BAUCUS, SPECTER, ROBB, AKAKA, SARBANES, CHAFEE, LIEBERMAN, FAIRCLOTH, JEFFORDS, GORTON, REID of Nevada, D'AMATO, DASCHLE, ROCKEFELLER, KERREY of Nebraska, LUGAR, FEINGOLD, BUMPERS, ABRAHAM, CRAIG, COLLINS, WELLSTONE, COCHRAN, GRAMS, GRAHAM of Florida, DURBIN, BOXER, HUTCHISON, LEVIN, GLENN, MOSELEY-BRAUN, BIDEN, MOYNIHAN, FEINSTEIN, DODD, BINGAMAN, TORRICELLI, JOHNSON, BREAUX, WARNER, FRIST, INOUYE, LANDRIEU, BURNS, KOHL, KERRY of Massachusetts, WYDEN, CONRAD, BUMPERS, MIKULSKI, MCCAIN, SNOWE, NIGHTHORSE CAMPBELL, and BENNETT. There are 59 Senators who are cosponsors of this simple resolution to prevent gun violence amongst our youths.

We all are convinced the best way to prevent gun violence is by reaching out to individual children and helping them make the right decisions. This resolution gives parents, teachers, government leaders, service clubs, police departments, and others a special day to focus on the problems caused by young people and gun violence. October is National Crime Prevention Month—the perfect time to center our attention on the special needs of our kids and gun violence.

A Minnesota homemaker, Mary Lewis Grow, developed this idea for a Day of Concern for Young People and Gun Violence. This will be the third year the Senate has passed a resolution urging kids to take the pledge against gun violence. In 1997, 47,000 students in Washington State signed the pledge card, as did more than 200,000 children in New York City, and tens of thousands more across the country.

Just think of the lives we could have saved if all students had signed—and lived up to—such a pledge last year. Consider that in the months between today and the day we demonstrated our concern about youth violence last year, we have had an outbreak of school violence. Eleven students and two teachers have been killed and more than 40 students have been wounded in shootings by children. In addition, we have lost thousands of children in what has become the all-too-common violence of drive-by shootings, drug wars, and other crime and in self-inflicted and unintentional shootings.

Last year, Senator KEMPTHORNE and I led the cosponsorship drive of this resolution after his 17-year-old neighbor was murdered by a 19-year-old in a random act of violence in Washington State. Ann Harris' parents vowed to transform their grief into an opportunity to help teach our young people to care about each other and to stop the violence. This month, they are suffering through the trial of her accused killer. We should support them.

Mr. President, we must, absolutely must pass this resolution. I urge whomever has a hold on this resolution urging young people to say no to gun violence to drop his or her hold and let us send a message from the United States Senate to every young person in America: Stop gun violence now.

I yield the floor.

RECESS

The PRESIDING OFFICER. The Senate stands in recess, under the previous order, until 2:15.

Thereupon, at 12:44 p.m., the Senate recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HUTCHINSON).

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from the State of Arkansas, suggests the absence of a quorum. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AGRICULTURAL, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order, the order of business is the agriculture conference report.

The Senate continued with consideration of the conference report.

Mr. DASCHLE. Mr. President, I know that there is a vote at 3:15. I wanted the opportunity to address the conference report prior to that vote.

Let me begin first by complimenting the distinguished Chair for the manner in which he has conducted himself in this debate, as he does with all debate. We may have deep differences of opinion on this particular issue, but in true form he has been a statesman and, I

think, a model for all of us in the way he has conducted himself. As I say, I take issue with the bill but certainly not with the manager and the Chair of the committee. He has in so many cases done an outstanding job.

Let me also applaud our distinguished ranking member. This will probably be the final bill that he manages. He knows how strongly I feel about him and the friendship that I have and feel toward him. He is one of the finest Members of the Senate who has ever served, in my opinion. We will miss him more than we can ever possibly express. It is with sadness that I acknowledge that this may be his last bill, but it is with a great deal of satisfaction in looking back over the past 12 years in my service with him that I share many fond memories and many extraordinary legislative success stories.

The conference report that is before the Senate is one that I believe fails to recognize the extraordinary nature of the circumstances we find ourselves in in the agricultural industry across this country. People on both sides of the aisle acknowledge the seriousness of the crisis. They acknowledge the fact that prices continue to plummet. Many of my colleagues on the Democratic side have indicated that grain prices have already fallen at least 25 percent below the 1997 level.

I have asked people in the media and around the country to imagine what would happen if Wall Street prices had fallen in 1 year by 25 percent. How many Wall Street Journal articles would we see? How many front page stories in the daily newspapers would we see if prices plummeted that far? Obviously, there would be tremendous national anxiety about those circumstances.

That is exactly what has happened in agriculture. Prices have plummeted by more than 25 percent. There are some who believe that ''business as usual'' is acceptable here. I am not suggesting that our Republican colleagues have approached this matter with that in mind, but I do believe that there is a significant difference of opinion. Unfortunately, it does break partly along partisan lines in recognizing the depth of the problem and in dealing with it prior to the time we leave this year.

Livestock producers today are losing somewhere between $100 and $150 per head. A number of States in the Midwest are likely to lose at least 20 percent of our farmers in the coming year, according to state secretaries of agriculture—these are not my figures, but the secretaries of agriculture in the upper Great Plains who are reporting to us that one out of every five farm and ranch families will probably be forced off their farm or ranch as a result of the circumstances we are facing today. In South Dakota, that means perhaps as many as 7,000 producers who will no longer have the livelihood they have right now.

Nationwide, we expect an $11.4 billion reduction in farm income. That is over 20 percent. The sad thing is that the Department of Agriculture has just released new figures to suggest that there is no real hope in sight. The fact is, for at least the next 12 months we don't see circumstances improving.

The last time the Congress was in a situation similar to this was the mid-eighties. At that time, we had a safety net; we had policy positions that allowed us the opportunity to respond more equitably. Some might argue that maybe we went too far. I don't know, what is too far? All I know is, during that critical timeframe, in 1986 dollars, we committed $26 billion to respond to the disaster. Now a lot of that was not decided in the Senate, because there was a safety net already in place. But it was so bad, we committed $26 billion in ways that would soften the blow and keep farmers and ranchers on the farm. It did. A lot of them dug out, got back in the black, and continued to be productive, tax-paying members of rural communities all across this country.

What we are suggesting is, we can't afford $26 billion, we can't afford $20 billion, we can't afford half that amount, $13 billion. All we can probably commit to, given the array of needs that are out there and given our circumstances, is $7 billion.

The secretaries of agriculture said, ''That isn't enough, we need $9 billion,'' and wrote in a letter to us just last week, ''We need $9 billion, not $7 billion.''

What do our Republican colleagues propose? Something less than four—over $3 billion, a fraction of what we did in 1986 when the circumstances were as bad as they are now.

Mr. President, what we are saying is that given the fact that we could be out of session sine die—that is, without any real expectation of coming back before the next Congress—and recognizing that in the next Congress there is very little chance of being back in this position in January or February during the cold winter months, perhaps not even in March or April—it could be at least 6 months before we have a chance to really seriously consider this situation again. We are simply saying that we cannot commit only this meager amount of resources to a situation that, in many respects, is every bit as bad if not worse than in 1986. This cannot be the full extent of our response. That is what the President is saying. The President has reluctantly said that he will veto this legislation. He will either veto it today or tomorrow. It will be vetoed this week.

So there is no doubt that we are going to be coming back and we are going to have to make a decision as a result of that veto about what we do. Our hope is that our colleagues can come to some resolution quickly. It appears that we are going to have to go through the veto to come back to the table. But, indeed, we will come back.

So, Mr. President, that is where I believe we have found ourselves. We must, when we come back, negotiate a relief package that is based at least on several principles that I hope will enjoy broad, bipartisan support. First, we must have strong indemnity-related relief for farmers with no crop, and meaningful income relief for farmers with a crop at low prices. In other words, there are two categories of farmers who are in desperate condition today. In many cases in the South, we have a problem of farmers not having a crop. I know that is especially true in Louisiana, and I suspect it is true in other Southern States as well. In the Northeastern States, we have a problem of having a crop, but absolutely no prices. And so we have circumstances that vary, depending on the geographic area. Whatever it is we do, I hope we can agree that both circumstances have to be addressed.

Secondly, income assistance must be linked to 1998 crop year production. We don't know what it is going to be in 1999. We are told it is not going to get any better. So we must focus on the 1998 crop year and target producers, not just anyone with an AMTA or Freedom to Farm contract, but all producers who otherwise will have no hope of finding the kind of financial security or relief that they need to get through these winter months.

I hope, Mr. President, that we also could agree, on a bipartisan basis, that losses born by livestock producers who have never had a farm program, and for whom fair trade legislation is critical, could be dealt with successfully as well. There are two things that the Senate did in July that I hope, on a bipartisan basis, we could restore once we come back to the table. The first is country of origin meat labeling. I don't think there is anything that would help more, psychologically as well as financially, than to have the same requirement for meat that we have for virtually every other imported product—labeling. Our farmers and ranchers have said that they believe that, more than anything else, this would improve competition in the retail and wholesale marketplaces. If the American consumer knew what it was they were eating and where it was from, our farmers and ranchers agree almost unanimously that they would be in a much stronger and competitive position.

The second is to do something that they talk about almost anywhere I go in the country, but especially in the Dakotas, and my home State of South Dakota in particular, and that is improve price transparency. Increase market reporting of prices paid for livestock, specifically by the big packers of formula contract prices. We all know what is happening right now. Secret contracts are being signed with no appreciation for what the market is. That has a devastating effect on the marketplace. Farmers are left in the dark. It would be like going to buy a car or a pickup, or any kind of product, and not knowing what the price was

and not knowing what the comparable prices are in the industry and wondering, based upon your best judgment, whether you were getting a good deal or not. We would not do that were we buying a car. We could not do that if we were buying a house. Yet, every day our farmers and ranchers are expected to pit themselves against the big packers and try to guess, using some crystal ball that they don't have, what the market looks like out there. So they are given a price, and in a very short timeframe, they have to decide whether that is a good deal or not. They are losing $100 to $150 a head right now. So we know what kind of deals they are getting.

We need price transparency. The Senate responded favorably to both of those proposals, but unfortunately they were dropped in conference. I am very hopeful that they can be restored. These are steps we can take immediately that will send a clear message that we understand the circumstances that livestock producers are in. And now is the time for us to deal with it, not next spring after we have lost tens of thousands of producers all over the country.

Some of these matters that we have debated have a cost-related function. Mr. President, there is no cost to labeling, and there is no cost to mandatory price reporting. Keep in mind, we are suggesting that we would even settle, at least at this point, for a pilot study of those options. Let's analyze what happens when we have full price reporting. Let's analyze what happens when we have meat labeling. We are willing to sunset both of these in 2 to 3 years in an effort to evaluate whether or not they have worked. At least let's get started. I don't think that is too much to ask.

So, Mr. President, that is why many of us have taken such a strong position on this conference report. Number one, it is our last shot at providing some meaningful economic assistance to agriculture, and, number two, it is an opportunity that we may not have again for 7 or 8 months. We can't wait that long. Our package—the proposal that we are hoping our colleagues would consider—is fair, and it is balanced among all regions suffering low prices and disaster. It is targeted to the people who need it; that is, producers of 1998 crops. It is fiscally responsible. Price relief is linked to the market price, and it addresses the real needs of agriculture.

Mr. President, what time remains? Is time allocated to both sides?

The PRESIDING OFFICER. There was an hour, equally divided, starting at 2:15, with a vote scheduled at 3:15.

Mr. DASCHLE. How much time remains on my side?

The PRESIDING OFFICER. The Senator has just under 6½ minutes.

Mr. DASCHLE. Mr. President, I see no other Democratic Senators on the floor, so I will use the remainder of the time.

We believe that our proposal is also fiscally responsible. We link price relief to the market price, and we certainly recognize that it addresses the real problems that we are facing across the board in agriculture. I think our colleagues on the other side have failed to address the dual nature of the crisis—that is, loss of crops and loss of income. I believe they are failing to recognize the severity of the crisis. As I noted earlier, Mr. President, our Secretaries of Agriculture—the Association of State Departments of Agriculture—held an emergency conference last week to propose to us what they believe ought to be done. Frankly, they said both of our relief packages were inadequate. They said that even $7 billion was inadequate, and even all the policy changes we are recommending did not do what they felt was needed to address the level of need they see today. So if $7 billion and all of the policy changes we have recommended doesn't even cut it, $3.5 billion doesn't cut it, either.

Over 150 Members of the House voted to send this bill back to conference. I hope that a large number of our colleagues on both sides of the aisle will agree to send it back as well. We simply can't leave this Congress without providing essential disaster relief.

We must not lose this opportunity. We have a true emergency—an emergency that I think jeopardizes farmers' and ranchers' survival in a myriad of ways, and the survival, frankly, of rural communities all across this country. The loss in income that we are seeing has already started to translate into lost farms and ranches.

When I was home recently a friend told me that a banker he knows is going to be forced to foreclose on 35 farms in just one small community in South Dakota alone this winter. The banker is so disturbed by what he is experiencing that he has actually joined a community prayer group just to deal with the stress he is feeling.

Another friend who is concerned about the impact that the depressed farm economy is having on communities generally, said that a local cleaning service has laid off all of its employees because they have had no business since the end of July.

These stories and many, many more are unfolding across the country. As my colleagues have noted already during this debate, we simply cannot leave until we have successfully dealt with this matter. I hope that we can earnestly come to some closure, successfully recognizing the importance of this issue and dealing with it in as comprehensive a manner as is humanly possible. The stakes are too high. The ramifications of failure are too high. Our only real chance to address this matter now is with this legislation.

Mr. President, I urge a ''no'' vote on the conference report. I will support the President's veto. More than enough Members of this Senate have indicated already that they will support the President's veto. When that happens, let's get back to work, and let's deal with this issue successfully.

I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I yield such time as he may consume to the distinguished Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. THOMAS. Thank you, Mr. President.

Mr. President, first of all, let me thank the Senator from Mississippi for the work that he has done on this agriculture appropriations bill. It is a very difficult one. It is a large bill of $56 billion. It is very difficult. It comes at a time when we are seeking, I think properly, to make a transition from the old farm programs with the acreage allotments and the subsidies to a market system which, in my State at least, most farmers and ranchers believe we should do. Coupled with that, of course, has come some unfortunate weather disasters, flooding and those kinds of things and crop failures as well. And certainly the Asian currency problem has had an impact in terms of available foreign markets, which is very important when nearly 40 percent of agricultural products are sold in that way.

So now we are faced with the problem of seeking to deal with these problems. Everybody wants to do that. Everybody wants to be helpful for agriculture. Then we need to find the proper way to do it. We need to be able to do this in a way that I think does not cause us to deviate from our policy position, which is to return to a marketplace in agriculture.

We are doing a great deal for agriculture in this bill. There will be transition payments. There will be payments for disasters. As a matter of fact, as I understand it, the figures that I have indicate that through 1996 and 1998 farmers have been paid approximately $17 billion under the old bill. That would have been $10 billion. There has been a substantial increase there. Farmers will receive approximately $500 billion from the banks in transition payments in October of this year.

Actually all these numbers added together equal $31 billion paid to farmers and ranchers over the past 3 years. If you take the 1998 bonus in advance for 1999, we would be paying $15 billion out in this 1 year.

There is a substantial interest being made and properly being made. There are other things, in my view, that need to be done as well. We need to do something about increasing foreign markets, of course. I happen to be on the Foreign Relations Committee and am chairman of the Subcommittee on Asia. We are trying to do some things to reclaim that market—in all kinds of ways to get those markets back, particularly for agriculture.

We have done something about the unilateral sanctions—the idea that if

something happens in Asia or Pakistan that the first thing you do is sanction off the sales of agricultural products. We have made some changes there, as indeed we should.

I believe we should move forward in doing something with income averaging on a permanent basis for agriculture. This is the kind of an industry where you may have a very good year, or have a very poor year, and you should be able to income average.

We need savings accounts for farmers so they hold back in good years so they are able to do better.

Crop insurance—crop interests need to be revised the way it came out of the farm bill. That was changed and has not been effective. We need to do that.

It is interesting. Our friends on the other side of the aisle talk about this increase, and the President is now making speeches on Saturday, and so on. It turns out that he started out asking for less than $1 billion. It went up to $2 billion, and suddenly politically he has gone up to $7 billion, and probably more.

We have to really deal with this on that basis.

Mr. President, I wanted to say that I am disappointed in a couple of areas. I come from a State, of course, where the major activity in agriculture is livestock—cattle and sheep. I was very much interested in our moving forward with this matter of labels; this country of origin kind of thing so that buyers could decide what kind of meats they choose to buy, whether they want to have American-made meats or meats from other countries. But they should be able to know that. We put that in the Senate bill and lost it in the conference. I am very disappointed in that.

We also, I believe, need to have our market reporting strengthened so that all the cattle and all of the sheep that go in the market will be reported as part of the market, not those things that are held by packers and never reported that would impact the crisis.

I am disappointed in those things. I hope that we can go forward.

There is some indication apparently from the conference committee that we would go forward with the study of the labeling. I hope we do.

On the other hand, I think it is going to be slow that way. I wish, frankly, that we could change it before we have to go back and do it that way.

Mr. President, I just wanted to say that I admire very much the work that has been done. I know we must do something in agriculture. We are poised to do something.

I wanted to point out the two areas of disappointment that I have—that of labeling in the country of origin, and that of transparency in market prices. We need something we can do about that.

Mr. President, I thank you for the time. I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, may I inquire? How much time remains on the conference report on both sides?

The PRESIDING OFFICER. The Senator from Mississippi has 16 minutes; the minority has 2 minutes 21 seconds.

Mr. COCHRAN. I thank the Chair.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I am not managing time on our side. Did the Chair say the minority has 2 minutes 21 seconds remaining?

The PRESIDING OFFICER. That is correct.

Mr. BAUCUS. I wonder if my very great, good friend, the Senator from Mississippi, would yield me some time, although I must upfront say that I am arguing against the conference report.

Mr. COCHRAN. Mr. President, let me inquire of the Senator, how much time does he seek?

Mr. BAUCUS. I was going to speak maybe 5 minutes.

Mr. COCHRAN. I have no objection.

Mr. BAUCUS. I thank my very, very good friend from Tennessee—Mississippi——

Mr. COCHRAN. If you do not get my State right, I will not yield time.

Mr. BAUCUS. I will use some of my time to praise you because that is very generous of the Senator from Mississippi, and it is typical of his generosity and his graciousness. He is a very, very fine man.

Mr. President, sometimes we have to disagree with one another, and I am about to say that as much as I respect and admire the Senator from Mississippi, I have a different view than he has on this issue.

Mr. President, I rise toady to express my profound disappointment in the conference report before the Senate.

The words of our forefathers speak volumes about many topics, including this one. ''Blessed is the man who expects nothing, for he shall never be disappointed.'' These words were written in a letter from Alexander Pope over 270 years ago. They paraphrase biblical verse. I believe they speak to rural America today about the farm relief provisions included in this conference report.

But more accurately they speak to the matters excluded from this package.

This package should include meaningful relief for farmers in the worst economic crunch of this decade. Instead, it includes a pittance. While the conferees could have adopted a package that provided roughly 60 cents per bushel on wheat in addition to what farmers get now, which is virtually nothing in the market, the conferees did not provide that 60 cents. Instead, the bill provides 13 cents per bushel. That is how it works out.

Frankly, I am stunned. I assumed that when the conferees met they would work out some kind of compromise. The Democratic package had eliminated the loan caps, it had the country of origin labeling, a provision providing for price reporting on a pilot project basis of fat cattle bought by packers. It included several provisions which would have helped farmers just a little bit.

On the other side of the aisle, on the Republican side, there was not much at all; as I said, 13 cents as opposed to 60 cents, with respect to wheat.

Mr. President, this package could only satisfy a farmer who expects nothing. I fear, as I hear from disillusioned producers across Montana, far too many producers expect this Congress to fail in the effort to help out.

They believe instead that their pleas are falling on deaf ears. Their disaster is being seen in academic terms. Their future—the survival of their farms and ranches has become little more than a laboratory test of the farm policy enacted a couple years ago.

I still believe in our producers—the top industry in our state. But that very industry that generated about $2 billion in sales last year will lose nearly $200 million this year. The Republican package will short Montana producers another $100 million. Then multiply it by our treacherous rank—46th in the Nation for per capita income—and you get a grand total of $300 million that Montana can't afford to lose—not on the farm and not on Main Street. Thus, what we do now portends what will happen in the next year in our rural communities.

I think it is very irresponsible to end this Congress without meaningful relief for our farmers and ranchers. We need to eliminate the loan rate cap for this year and provide the funding to make it work.

We need to mandate country of origin labeling on meat. And we need to require price reporting on the livestock sold each day.

We need to treat this situation like the crisis it is to producers across Montana and across our country.

Mr. President, I assumed the two sides would get together and work out some kind of compromise. That is not what happened. Instead, the majority party—I do not like being partisan about this stuff but I just have to be accurate—the majority party did not compromise at all. They just stuck with their 13 cents and also stuck with rejecting country of origin labeling on beef, stuck with rejecting entirely the pilot project on mandatory price reporting, instead replacing it with a study—essentially totally agreed to a pittance to farmers.

I must say, Mr. President—this is no exaggeration, I am not exaggerating—farmers find this an insult. They find it a slap in the face. They cannot believe that the U.S. Congress is sitting here in many respects worried more about Ken Starr—certainly the majority side—than they are about paying attention to farmers and what is happening in the country.

I have to tell you, Mr. President, it is really a bad situation in farm country.

Bankers are not going to be able to extend loans. Worse than that, they are going to begin to call in loans. Implement dealers, car dealers, grocery stores, hardware stores in farm communities are finding their sales way down. That means they have to start digging deeper into their pockets. This is the worst situation I have seen in at least 10 or 12 years. And 10 or 12 years ago, in the late 1980s when farmers were facing about the same situation—again, through no fault of their own, because of drought and because of world conditions—Congress spent about $16 billion to help farmers.

Mr. President, 10 or 12 years ago we spent $16 billion. Today the Democratic side is asking for, not $16 billion, $7 billion; and the Republican side said no, no, not even $7 billion, but $4 billion. We are saying, we on our side of the aisle: Hey, $4 billion is an insult. It is a slap in the face.

I plead with Senators to go back again and see if we can figure out some way to agree, if not to the full 7, to virtually the 7.

Another point: I have been in the Senate a few years. I voted for the New York City bailout, I voted for the Chrysler bailout, I voted for California disaster assistance. Guess what. All those efforts have been repaid—in spades.

The PRESIDING OFFICER (Mr. KEMPTHORNE). The time of the Senator has expired.

Mr. BAUCUS. I ask the Senator for 1 minute on the time of our side.

Mr. BUMPERS. I yield 1 minute.

Mr. BAUCUS. When we loaned money to New York City a few years ago, New York repaid that loan with interest, ahead of time. When we loaned Chrysler Corporation money to get its feet back on the ground, that loan was repaid ahead of time. I am just saying, today, if we can help farmers a little bit today with the conditions they face through no fault of their own, because the world market supply is so large and the price is so low, and the Asian economic crisis, at the very least that will be repaid back again in spades.

I urge my colleagues, please show a little bit of statesmanship and vote to help this part of our country. It is going to come back and help all of us as a nation.

I thank very much my very good friend from Mississippi, again, for his very generous offer to give me some time.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I yield myself the remainder of the time on our side.

Let me say to the distinguished Senator from Montana, I appreciate his courtesies as well. It is a pleasure working with him on these issues. I am sorry we have to disagree on some of the issues contained in this agriculture appropriations conference report.

On the subject that the Senator mentions, and also the Democratic leader when he was speaking mentioned as a reason why the President ought to veto this legislation, was the question of price reporting and meat labeling. These are two separate issues. Frankly, I was surprised by the comments and also including this as a basis for urging the President to veto the legislation.

When we passed our bill in July, we received the reaction following that, after the administration had an opportunity to study the legislation—we received the reaction in a formal letter from the Secretary of Agriculture dated September 24, a ''Dear Thad'' letter from Dan Glickman.

Included is a table going down through the bills. This is prior to conference now—I think that is right—prior to our going to the conference with the House conferees to work out differences between the House- and Senate-passed bills. In Secretary Glickman's letter pointing out their reaction to the Senate-passed bill and the provisions in the House bill, they get down to the meat labeling provision, which is title X in the Senate bill. There is no House provision on that subject. The USDA position as conveyed in this letter to me says: Working with Congress to address concerns about adverse trade effects and concerns that implementation would divert resources needed to address important food safety issues.

We tried to work with the administration, and did, to address those concerns. If the administration had been supportive of the meat labeling provisions, they would have said so, because they go right down through the list and support some other provisions. Or if they opposed it, they point it out and they say so.

Here is another example, the Biodiesel Energy Development Act, which the administration says, to a separate bill in the House, the administration opposes.

The administration did not say that they supported the meat labeling. They suggested they had concerns about it and they wanted to work with the Congress to address those concerns. So here is what we did in conference to try to address those concerns. We provided conference report language, statement of managers, to this effect:

> The conferees direct the Secretary to conduct a comprehensive study on the potential effects of mandatory country of origin labeling of imported fresh muscle cuts of beef and lamb. The report shall include the impact of such requirements on imports, exports, livestock producers, consumers, processors, packers, distributors and grocers.

We went on to say:

> The report shall be submitted to Congress no later than 6 months after the enactment of this Act, and shall contain a detailed statement of the findings and conclusions of the Secretary, together with his recommendations for such legislation and administrative actions as he considers appropriate.

I have suggested to the Senate that the action taken by the conferees is responsive to the objections and concerns that were raised in our letter from the administration on that subject. And here, at the very last minute, the Democratic leader raises this issue and spends a good deal of his time talking about this as the reason why the administration ought to veto the conference report.

Another subject that was raised was price reporting. We also got a letter from the Office of Management and Budget as well as the Secretary of Agriculture, responding to our bill and suggesting things that they think need the attention of conferees. If they have objections to provisions, they say so in either the OMB letter or the Secretary of Agriculture's letter.

On the subject of price reporting, there was a USDA request to review any final language adopted by the conferees. Here is what the conferees provided in the statement of managers on that issue:

> The conferees direct the Secretary of Agriculture to take steps to increase the voluntary reporting of fed cattle, and wholesale beef carcass prices and volumes on a quality and yield-grade basis, as well as the prices and volumes of boxed beef. . . The Secretary shall encourage the reporting of the price differential for USDA Prime, the upper 2/3 of USDA Choice, and a sub-select price category. Reports should include imported beef products and livestock.

Then we go on to say:

> The Secretary of Agriculture shall compile and publish price, volume sales, and the shipment information regarding all exports and imports of beef, veal, lamb, and products thereof which is collected via the expanded voluntary process. . . . The Secretary shall also standardize the Agriculture Marketing Service price reporting data collection activities to ensure uniformity and complete sales data capture and to maximize the information available to all aspects of the industry.
>
> The Secretary shall report to Congress, not more than 6 months after enactment, on the feasibility or need for mandatory price reporting. . .

I suggest, Mr. President, that the conferees have done a very good job of trying to deal with these two issues in this conference. We have responded to the concerns expressed by the Secretary of Agriculture in his letter to us of September 24 giving us his reaction to our bill. Never did they single out in the letters to us that this would trigger a veto if we didn't do such and such with either one of those provisions. There was no such suggestion made.

There was a veto threat in the letter from the Director of the Office of Management and Budget, and here is what the veto threat says:

> If the bill presented to the President includes the unacceptable FDA language—

And, by the way, that has been removed from the bill in conference, the so-called RU486 issue—

> and agriculture disaster provisions that provide inadequate indemnity assistance or are inconsistent with the Daschle/Harkin proposal, his senior advisers would recommend that he veto the bill. We look forward to working with you to resolve these concerns.

The veto message, if this is a veto message, is that if we don't enact the Daschle/Harkin disaster indemnity assistance proposal, then the senior advisers will recommend to the President that he veto the bill.

We have talked about the disaster assistance proposal and why we think the direct assistance is much to be preferred over rewriting a portion of the 1996 farm bill as proposed by Daschle/Harkin, and we certainly think that is not good policy. It won't serve to increase prices for farmers at market, which is what we are trying to do to help ensure a brighter future for American production agriculture.

Mr. President, I urge the Senate to approve the conference report on Agriculture appropriations.

The PRESIDING OFFICER. Who yields time?

Mr. CHAFEE. Mr. President, I wonder if I may be yielded 1 minute or 2 minutes.

Mr. COCHRAN. I am happy to yield a minute to the distinguished Senator.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized for 1 minute.

METHYL BROMIDE

Mr. CHAFEE. Mr. President, this bill contains a rider that addresses methyl bromide use. It is an anti-environmental rider offered by a few members of the other party, and slipped into the bill by the conference committee. It has not been debated by either body, and yet this language amends the Clean Air Act and constrains our ability to negotiate a more rapid phase-out of methyl bromide use with other nations.

Just last week, the White House, and specifically Vice President GORE, called on the Congress to end what he called ''backdoor assaults'' on the environment. I sincerely hope that the President and Vice President mean that to apply to all anti-environmental riders, including the ones offered by their own party.

This methyl bromide rider began as an effort to address a legitimate problem, but changes sought by a few members of the other party go too far. Methyl bromide is highly toxic and a potent ozone depleting compound. It is also one of the most widely used pesticides in the United States. The 1994 Montreal Protocol requires a gradual phase-out of methyl bromide beginning next year. Industrialized countries have agreed to a phase-out by 2005, while developing nations must phase-out methyl bromide by 2015. In the United States, the Clean Air Act requires an even earlier phase-out date for methyl bromide—January 1, 2001.

I share the concern that the Clean Air Act's accelerated phase-out schedule might put our farmers at a competitive disadvantage. However, I believe that addressing this problem in the context of an appropriations bill is entirely inappropriate. Putting constraints on an international treaty and modifying a major environmental statute demands thoughtful debate. To do this with a rider on an appropriations bill allows almost no debate.

The principle argument for action on methyl bromide has been the potential competitive disadvantage for American agriculture. As I said, I am sympathetic to that problem, and I support the idea that we should allow the Montreal Protocol to dictate the phase-out in this nation. But the language added to this bill would prohibit any phase-out earlier than the date currently contained in the Protocol—2005.

Could the deadline for phase-out be accelerated if, a few years down the road, the international community decides that effective, affordable alternatives to methyl bromide exist? Not if we approve this rider. This language says that—no matter what—the United States will not end methyl bromide use before 2005. The international community is not going to negotiate an earlier date, because they know that the U.S. will not comply with an earlier date. Inclusion of that language guarantees that worldwide methyl bromide use will continue until 2005.

This is an inappropriate limitation on our options regarding methyl bromide and our ability to negotiate changes to an international treaty. More importantly, a last minute appropriations rider is a bad way to amend the Clean Air Act. I can only hope that the President, the Vice President, and Democratic Senators who have spoken against other riders intend to oppose all anti-environmental riders, not just those offered by Republicans.

Mr. President, I am distressed over the methyl bromide amendment which is an antienvironmental rider that was put into this conference report. It wasn't debated by either body, yet the language amends the Clean Air Act and constrains our ability to negotiate a more rapid phaseout of methyl bromide when used by other nations.

I point out that the principal argument for action on methyl bromide has been the potential competitive disadvantage for American agriculture. I am sympathetic of that, and I support the idea we should allow the Montreal Protocol to dictate the phaseout of this. If we don't like it, then we should amend it.

The present time for the phaseout is 2005 but could be earlier. What this legislation does is makes it no later than 2005 but prevents it from being earlier than 2005. In those intervening 7 years, there well could be developed an alternative to methyl bromide. I think this is an unfortunate provision in the bill. I thank the Chair.

Mr. DOMENICI. Mr. President, I rise in support of the conference report accompanying the Department of Agriculture and related agencies appropriations bill for fiscal year 1999.

The final bill provides $59.6 billion in new budget authority (BA) and $44.8 billion in new outlays to fund most of the programs of the Department of Agriculture and other related agencies. All of the funding in this bill is nondefense spending. The conference report now includes ''emergency'' funding totaling $4.3 billion in budget authority and $4.1 billion in outlays to provide relief to the nation's farmers.

When outlays for prior-year appropriations and other adjustments are taken into account, the conference agreement totals $59.4 billion in BA and $51.6 billion in outlays for fiscal year 1999. Including mandatory savings, the subcommittee is $1 million in budget authority below its 302(b) allocation, and at its 302(b) allocation for outlays.

The Senate Agriculture Appropriations Subcommittee revised 302(b) allocation totals $59.4 billion in budget authority (BA) and $51.6 billion in outlays. Within this amount, $17.9 billion in BA and $18.1 billion in outlays is for nondefense discretionary spending, including agricultural emergency spending.

For discretionary spending in the bill, and counting (scoring) all the mandatory savings in the bill, the final bill is $4.0 billion in BA and $3.9 billion in outlays above the President's budget request for these programs. The bill is at least $4 billion in both BA and outlays above the Senate- and House-passed bills, all due to the addition of the emergency disaster assistance for farmers.

The disaster aid package includes $2.2 billion in direct payments to farmers experiencing crop losses due to natural and other disasters. The Congressional Budget and Impoundment Control Act as amended prohibits ''emergency'' spending for purposes of crop disaster assistance. The conference agreement includes directed scorekeeping language allowing the emergency designation to be used in this case. This conference report therefore violates Section 306(a) of the Congressional Budget Act by including legislative language under the jurisdiction of the Budget Committee that was not reported by the Senate Budget Committee.

I recognize the difficulty of bringing this bill to the floor at its 302(b) allocation and in addressing the need for disaster assistance by farmers in many parts of the nation, including New Mexico and parts of the Southwest.

Mr. President, I ask unanimous consent that a table displaying the Senate Budget Committee scoring of the final bill be printed in the RECORD.

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

H.R. 4101, AGRICULTURE APPROPRIATIONS, 1999—SPENDING COMPARISONS—CONFERENCE REPORT

[Fiscal year 1999, in millions of dollars]

	Defense	Nondefense	Crime	Mandatory	Total
Conference Report:					
Budget authority		17,909		41,460	59,369
Outlays		18,121		33,429	51,550
Senate 302(b) allocation:					
Budget authority		17,910		41,460	59,370
Outlays		18,121		33,429	51,550
1998 level:					
Budget authority		13,930		35,048	48,978
Outlays		14,227		35,205	49,432
President's request:					
Budget authority		13,672		41,460	55,132
Outlays		14,056		33,429	47,485
House-passed bill:					
Budget authority		13,596		41,460	55,056
Outlays		14,031		33,429	47,460
Senate-passed bill:					
Budget authority		13,698		41,460	55,158
Outlays		14,069		33,429	47,498
Conference Report compared to:					
Senate 302(b) allocation:					
Budget authority		−1			−1
Outlays					
1998 level:					
Budget authority		3,979		6,412	10,391
Outlays		3,894		−1,776	2,118
President's request:					
Budget authority		4,237			4,237
Outlays		4,065			4,065
House-passed bill:					
Budget authority		4,313			4,313
Outlays		4,090			4,090
Senate-passed bill:					
Budget authority		4,211			4,211
Outlays		4,052			4,052

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

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 1 minute 12 seconds.

Mr. BUMPERS. Mr. President, I join my friend and colleague, Senator COCHRAN, in bringing to the floor the conference report to accompany H.R. 4101, the fiscal year 1999 appropriations bill for agriculture, rural development and related agencies. This is the last annual agriculture appropriations bill which I will jointly author with my friend from Mississippi, and I regret to report that the progress this year has not been as smooth as in years past. Last year, my fellow conferees were able to conclude the business of the committee on conference in approximately 5 minutes. By contrast, it took us 5 days this year and I fear, at this late date, all hurdles toward enactment are not fully cleared. In fact, I, along with all Senate Democrat members of the conference committee who attached our signatures to the official conference papers, did so with an exception to one of the titles included in the conference report.

Aside from the one area still in disagreement, the conference report before us is as good a product as was possible under the budgetary constraints we faced. We include in this measure nearly $52 million in new spending for food safety. This figure is well below the budget request, but represents a good increase in spending for the Department of Agriculture and the Food and Drug Administration to help ensure that our Nation's food supplies remain the safest in the world.

The conference report also provides adequate levels for the Women, Infants, and Children (WIC) Program, including an increase for the WIC Farmers Market Program of up to $15 million. Overall, the USDA food assistance programs remain the single largest component of this conference report, totaling $36 billion in new spending.

Rural development is another key element of this conference report. Included is more than $4.25 billion in rural housing program levels and nearly $725 million in budget authority for the Rural Community Advancement Program, which includes the water and wastewater program. I have seen firsthand the benefits these programs bring to rural areas in my State and I am glad we were able to achieve these levels for the coming year. Also, the conference report includes a special recognition for the needs of the Lower Mississippi River Delta, an often overlooked region of our Nation that has long deserved our special attention. I have worked for many years to improve conditions in this region and I am happy to have included special consideration for the delta in this measure.

Agricultural research continues to receive the attention of our subcommittee. The level of spending for the Agricultural Research Service in this conference report is higher than either the House or Senate levels prior to conference. In addition, we were able to increase the levels of funding for basic formula research for our Nation's 1862, 1890, and 1994 institutions. Funding for these institutions has been frozen for far too long, and this conference report provides a 7 percent increase above last year. Enhanced agricultural research is a commitment the Congress has made to our farmers and consumers and this conference report lies up to that commitment.

I would be most remissed if I didn't pause to give credit, to my friend, Senator COCHRAN, for facing the grim budgetary challenge we faced this year. Our allocation was well below what was available for fiscal year 1998 and going into conference we had to adjust our numbers downward toward the lower House allocation. Our task was made even more difficult by the assumed enactment of hundreds of millions of dollars in user fees that looked good on paper but only served to raise faint expectations beyond what was possible. This conference report includes a general provision that will, hopefully, forestall the use of projected user fees in next year's budget and keep everyone working within a budgetary framework more closely associated with the realities we all must face.

Given my years of work on this subcommittee, and my close friendship with Senator COCHRAN, I am greatly saddened by my reluctance to give unequivocal support for all matters contained in this conference report. As we began conference deliberations with the House, the President made it clear that two items under discussion were of such importance that their inclusion in the conference report would result in a veto. I must admit that I never thought the agriculture appropriations bill would ever be the target of a Presidential veto. In fact, the agriculture appropriations bill is usually approved by the Senate 100 to 0. I remind my colleagues that a few years go when much of the Federal Government faced a shutdown from failed appropriations bills, the agencies funded under this bill were among the few not included in that Governmental debacle. Such has been the history of the agriculture appropriations process during my tenure and it saddens me to think that I might be leaving the Senate with that possibility lurking as strongly as it does today.

One of the items which drew the attention of the President was a provision in the House bill that placed a limitation on the Food and Drug Administration's funding for any testing, development, or approval of the drug RU–486, a chemical used to induce an abortion. Leaving for a moment the argument that science is better left to scientists than politicians, the inclusion of the abortion debate in the agriculture appropriations bill was a most unfortunate attempt to drag this bill down with one of the most divisive and politically charged issues of our time. I am very pleased to report that the Senate conferees made it crystal clear that the Senate was not going to allow the issue of abortion to infect the agriculture appropriations bill with the same paralysis that has inflicted other subcommittees. If the Senate had not held firm, a very bad precedent would have been set and all agriculture appropriations bills in the future would become the venue for, and be held hostage by, an issue best reserved for other forums.

The other item of Presidential disapproval is tied to the levels of assistance for farmers and ranchers who are facing the most pressing financial times in recent years, maybe ever. It is on this point that I had to part with my friend Senator COCHRAN and express an opinion that our measure falls short of meeting current needs.

The conference report includes provisions put forward by the majority party that strives to bring relief to farmers and ranchers who are suffering from lost crops and low prices. However, my concern is with the manner in which the assistance is to be provided. In order to help farmers suffering from low prices, the conference report would simply allow for additional ''Freedom to Farm'' payments to go to all producers who hold a Agricultural Market Transition Act contract. The fallacy with this approach is that it does not target the additional funds to people who are suffering from either crop failure or fallen prices. Instead, it makes funds available to landlords who may have received cash rent for their lands, suffered no loss at all, and in many instances never even faced a risk of loss in the first place.

We have to recognize that many, though not all, farmers across America are suffering. Most are suffering from losses this year, but some from losses over several years. Some farmers have a crop to harvest, but low prices preclude any chance of a profit. The purpose of the Democratic alternative for disaster assistance is to make sure the relief payments go to those in need.

I have heard from farmers in my State who have lost everything this year. They tell me that this year is worse than the crop failures of 1980, which was the worst year since the Great Depression. The Democratic alternative provides more relief, 100 percent more in fact, for farmers in my State and I feel we should not turn our backs on the one segment of the national economy that has not been surging into double digit profits on Wall Street. The President has indicated he will veto this bill if additional farm relief is not added. Congress needs to act swiftly to amend the shortfall in this bill and send to the President a package that truly meets the needs of farmers and ranchers.

Mr. President, this brings me to the close of my last annual agriculture appropriations bill on the floor of the Senate. I want to once more thank my distinguished colleague, Senator COCHRAN, for his years of friendship on and off this subcommittee. I also want to thank all other members for their cooperation over the years.

Mr. President, I say in closing that this is a very complex matter, this matter of disaster relief. The only disagreement on this side and the other side of the aisle is over the disaster provisions. As I say, they are both fairly complicated, and I am hoping that if the President vetoes the bill, as he has promised to do, we will be able to work out something—maybe not everything the President wanted, maybe more than others wanted—and that we will be able to reach a compromise that will actually take care of farmers.

My fear is that, this being what I consider probably the worst year in the history for agriculture since the Great Depression, that the proposal in the bill is not adequate to save an awful lot of farmers who deserve saving. So I am hoping if the President does veto the bill, we can come back and hammer out an agreement that will save a lot more farmers.

I yield the remainder of my time.

Mr. COCHRAN. Mr. President, have the yeas and nays been ordered on the conference report?

The PRESIDING OFFICER. They have not been ordered.

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the conference report accompanying H.R. 4101. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) and the Senator from New York (Mr. MOYNIHAN) are necessarily absent.

I further announce that, if present and voting, the Senator from New York (Mr. MOYNIHAN) would vote ''aye.''

The result was announced—yeas 55, nays 43, as follows:

[Rollcall Vote No. 298 Leg.]

YEAS—55

Abraham	Boxer	Coats
Allard	Breaux	Cochran
Ashcroft	Brownback	Collins
Bennett	Campbell	Coverdell
Bond	Chafee	Craig
D'Amato	Hutchinson	Roberts
DeWine	Hutchison	Roth
Domenici	Inhofe	Sessions
Enzi	Jeffords	Shelby
Faircloth	Kempthorne	Smith (NH)
Feinstein	Landrieu	Smith (OR)
Frist	Leahy	Snowe
Gorton	Lott	Specter
Gramm	Lugar	Stevens
Grams	Mack	Thompson
Grassley	McCain	Thurmond
Hagel	McConnell	Warner
Hatch	Murkowski	
Helms	Nickles	

NAYS—43

Akaka	Ford	Mikulski
Baucus	Graham	Moseley-Braun
Biden	Gregg	Murray
Bingaman	Harkin	Reed
Bryan	Hollings	Reid
Bumpers	Inouye	Robb
Burns	Johnson	Rockefeller
Byrd	Kennedy	Santorum
Cleland	Kerrey	Sarbanes
Conrad	Kerry	Thomas
Daschle	Kohl	Torricelli
Dodd	Kyl	Wellstone
Dorgan	Lautenberg	Wyden
Durbin	Levin	
Feingold	Lieberman	

NOT VOTING—2

Glenn	Moynihan

The conference report 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.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that there now be a period for morning business until 4:15 p.m. today, with Senators permitted to speak therein for up to 5 minutes each.

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

DISTINGUISHED FLYING CROSS

Mr. THURMOND. Mr. President, I rise today to recognize former Navy and Marine Corps members who received the Distinguished Flying Cross in accordance with section 532 of the National Defense Authorization Act for Fiscal Year 1999, which waived time limitations for award of this decoration for specified persons. These awards were recommended by the Secretary of the Navy based upon requests from Members of Congress. These procedures were established by section 526 of the National Defense Authorization Act for Fiscal Year 1996 to resolve a dilemma under which deserving individuals were denied the recognition they deserved solely due to the passage of time. I am proud to have established a procedure that enables these distinguished veterans to receive the honors they earned. We are very proud of their dedicated service to our Nation.

Mr. President, I ask unanimous consent that a list of all who were awarded the Distinguished Flying Cross be printed in the RECORD.

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

STROM THURMOND NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1999, SECTION 532—WAIVER OF TIME LIMITATIONS FOR AWARD OF CERTAIN DECORATIONS TO CERTAIN PERSONS

(1) FIRST AWARD

Marine Corps

1. Mr. Earl D. Van Keuren, Jr., Fort Collins, CO.
2. Mr. James E. Renshaw, Runnemede, NJ.
3. Mr. Edward J. Mariani, Brockton, MA.
4. Mr. Andrew B. Jones, Old Lyme, CT.
5. Mr. John Avelis, Terre Haute, IN.
6. Mr. James R. Spencer, Grants Pass, OR.
7. Mr. Edward H. Benintende, Scranton, PA.
8. Mr. Clarence R. Cox, Woodburn, OR.
9. 2ndLt Leland E. Thomas, USMC Reserve, Fruitland. ID.
10. Mr. Edward L. Eades, Kerrville, TX.
11. Mr. Paul F. Dudley, Las Vegas, NV.
12. Mr. Raymond G. Czarnecki.
13. Capt Edward J. Wallof, USMC Retired, Soulsbyville, CA.
14. LtCol Edwin W. Allard, USMC Retired, Carlsbad, CA.
15. Mr. Jack S. Straub, Destin, FL.
16. Mr. William D. Donohue, River Vale, NJ.
17. Mr. Wallace W. Ostrowski, Carlsbad, CA.
18. Mr. William F. Savino, Yaphank, NY.
19. Mr. Sidney H. Zimman, Oceanside, CA.
20. Mr. Ned Wernick, Pensacola, FL.
21. Mr. Stephen F. Gibbens, Montecito, CA.
22. Mr. Theodore R. Wall, Pinellas Park, FL.
23. Mr. Harold W. Park, Rochester, PA.
24. Mr. Benson M. Jones, Columbus, GA.
25. Mr. Philip L. Strader, Lynchburg, VA.
26. Mr. Henry M. Knauth, Landrum, SC.
27. Mr. Theodore E. Sittel, Englewood, CO.
28. Mr. Frank J. Lange, Panama City, FL.
29. Mr. Ralph H. Rudeen, Olympia, WA.
30. Mr. Robert P. Byno Sr., Westwood, MA.
31. Mr. William M. Crutcher, Glenwood Springs, CO.
32. Mr. Thomas B. Hartmann, Princeton NJ.
33. Mr. Marion F. Beckman, Stasuma, AL.
34. Mr. Frederick R. Scharnhorst, Richland, WA.

Navy

1. Mr. Robert E. Rosati, East Hartford, CT.
2. LT Edward T. Gaines, (USN (Ret.), Lexington, KY.
3. CDR Ira B. West, USN (Ret.), Vienna, VA.
4. Mr. Stephen R. Michalovic, Clifton, NJ.
5. Mr. John T. Allen, Knoxville, TN.
6. Mr. Martin D. Lipman, Huntington Beach, CA.
7. Mr. Fay D. Hargrove, Longmont, CO.
8. Mr. Alfred F. Shultz.
9. Mr. James L. Andrews, Livonia, MI.
10. Mr. Lester L. Larson, Jr., Kingsland, TX.
11. Mr. Samuel P. Tyndall.
12. Mr. Edward J. Karcher, Port St. Lucie, FL.
13. Mr. Leo A. Pyatt, Columbus, OH.
14. Mr. Milton E. Ferrell, Nashville, TN.
15. Mr. Daniel G. Straka, San Clemente, CA.

(2) SECOND AWARD

Marine Corps

1. Mr. Sidney H. Zimman, Oceanside, CA.
2. Mr. Ned Wernick, Pensacola, FL.
3. Mr. Stephen F. Gibbens, Montecito, CA.
4. Mr. Paul F. Dudley, Las Vegas, NV.
5. Mr. Wallace W. Ostrowski, Carlsbad, CA.
6. Mr. William F. Savino, Yaphank, NY.
7. LtCol Edwin W. Allard, USMC Retired, Carlsbad, CA.
8. Mr. Raymond G. Czarnecki.
9. Captain Edward J. Wallof, USMC Ret., Soulsbyville, CA.
10. Mr. Jack S. Straub, Destin, FL.
11. Mr. William D. Donohue, River Vale, NJ.
12. Mr. Theodore R. Wall, Pinellas Park, FL.
13. Mr. Harold W. Park, Rochester, PA.
14. Mr. Benson M. Jones, Columbus, GA.
15. Mr. Philip L. Strader, Lynchburg, VA.
16. Mr. Henry M. Knauth, Landrum, SC.
17. Mr. Theodore E. Sittel, Englewood, CO.
18. Mr. Frank J. Lange, Panama City, FL.
19. Mr. Ralph H. Rudeen, Olympia, WA.
20. Mr. Robert P. Byno Sr., Westwood, MA.
21. Mr. William M. Crutcher, Glenwood Springs, CO.
22. Mr. Thomas B. Hartmann, Princeton, NJ.
23. Mr. Marion F. Beckman, Stasuma, AL.
24. Mr. Frederick R. Scharnhorst, Richland, WA.

(3) THIRD AWARD

Marine Corps

1. Mr. Theodore R. Wall, Pinellas Park, FL.
2. Mr. Harold W. Park, Rochester, PA.
3. Mr. Benson M. Jones, Columbus, GA.
4. Capt Edward J. Wallof, USMC Retired, Soulsbyville, CA.
5. Mr. Raymond G. Czarnecki.
6. Mr. Jack S. Straub, Destin, FL.
7. Mr. William D. Donohue, River Vale, NJ.
8. Mr. Philip L. Strader, Lynchburg, VA.
9. Mr. Henry M. Knauth, Landrum, SC.
10. Mr. Theodore E. Sittel, Englewood, CO.
11. Mr. Frank J. Lange, Panama City, FL.
12. Mr. Ralph H. Rudeen, Olympia, WA.
13. Mr. Robert P. Byno Sr., Westwood, MA.
14. Mr. William M. Crutcher, Glenwood Springs, CO.
15. Mr. Thomas B. Hartmann, Princeton, NJ.
16. Mr. Marion F. Beckman, Stasuma, AL.
17. Mr. Frederick R. Scharnhorst, Richland, WA.

(4) FOURTH AWARD

Marine Corps

1. Mr. Philip L. Strader, Lynchburg, VA.
2. Mr. Henry M. Knauth, Landrum, SC.
3. Mr. Jack S. Straub, Destin, FL.
4. Mr. William D. Donohue, River Vale, NJ.
5. Mr. Theodore E. Sittel, Englewood, CO.
6. Mr. Frank J. Lange, Panama City, FL.
7. Mr. Ralph H. Rudeen, Olympia, WA.
8. Mr. Robert P. Byno Sr., Westwood, MA.
9. Mr. William M. Crutcher, Glenwood Springs, CO.
10. Mr. Thomas B. Hartmann, Princeton, NJ.
11. Mr. Marion F. Beckman, Stasuma, AL.
12. Mr. Frederick R. Scharnhorst, Richland, WA.

(5) FIFTH AWARD

Marine Corps

1. Mr. Theodore E. Sittel, Englewood, CO.
2. Mr. Frank J. Lange, Panama City, FL.
3. Mr. Marion F. Beckman, Stasuma, AL.
4. Mr. William D. Donohue, River Vale, NJ.
5. Mr. Ralph H. Rudeen, Olympia, WA.
6. Mr. Robert P. Byno Sr., Westwood, MA.
7. Mr. William M. Crutcher, Glenwood Springs, CO.
8. Mr. Thomas B. Hartmann, Princeton, NJ.
9. Mr. Frederick R. Scharnhorst, Richland, WA.

(6) SIXTH AWARD

Marine Corps

1. Mr. Ralph H. Rudeen, Olympia, WA.
2. Mr. Robert P. Byno Sr., Westwood, MA.
3. Mr. William M. Crutcher, Glenwood Springs, CO.
4. Mr. Frederick R. Scharnhorst, Richland, WA.
5. Mr. Thomas B. Hartmann, Princeton, NJ.

(7) SEVENTH AWARD

Marine Corps

1. Mr. Thomas B. Hartmann, Princeton, NJ.

(8) EIGHTH AWARD

Marine Corps

1. Mr. Thomas B. Hartmann, Princeton, NJ.

(9) NINTH AWARD

Marine Corps

1. Mr. Thomas B. Hartmann, Princeton, NJ.

ENSURING ECONOMIC PROSPERITY

Mr. ABRAHAM. Mr. President, I rise today to make a few observations regarding the state of the American economy and the steps policy makers should take to ensure continued prosperity in the future.

Right now we have some good news about the state of the economy. Overall employment growth is strong. Unemployment is low at 4.5 percent nationally and an even lower 3.9 percent in my home state of Michigan. Family incomes continue to rise. And the technological and information age revolution continues to increase productivity and wealth throughout America.

Hi-tech companies in particular are growing fast and creating thousands of spin-off jobs. Economist Larry Kudlow reports that the hardware and software industries combined account for about one third of real economic growth. What is more, this industry is increasing productivity throughout our economy in ways we can't even measure.

So, on the surface things look pretty bright right now, Mr. President. But there are economic storm clouds on the horizon. Stock market investors are riding a roller coaster of volatility. The August Employment Report from the Bureau of Labor Statistics shows a drop in manufacturing jobs of 55,000—indeed, the number of manufacturing jobs in this country has declined for 5 straight months. Bankruptcies have accelerated. On the international front, the Russian economy is in deep distress. And our Asian economic partners continue in a state of crisis that threatens our balance of payments and our general economic health.

As Federal Reserve Chairman Greenspan noted recently in a speech at the University of California at Berkeley, ''it is just not credible that the United States can remain an oasis of prosperity unaffected by a world that is experiencing greatly increased stress.''

I wholeheartedly concur in Chairman Greenspan's analysis. And that is why I believe it is necessary for us to look closely and seriously at our current economic policies so that we can face coming economic uncertainties from a position of strength. We must, in my view, address a number of problems in current policy, lest they undermine continued economic growth and prosperity.

To begin with, Mr. President, we should consider the current state of our monetary policy. The Fed's recent quarter point cut in the federal funds (or overnight lending) rate was followed by a significant drop in the stock market. A number of analysts have observed that this may have been caused by investors' conviction that, even with the cut, short term interest rates remain too high, and that the Federal Reserve should seriously consider cutting them further.

The fed funds rate remained at 5.5 percent for two and a half years despite a drop in inflation to 1.7 percent. Even at its current 5.25 percent, the real, after-inflation rate is about 3.5 percent—much higher for example than between 1992 and 1994, when it was only 0.6 percent.

Chairman Greenspan, along with former Chairman Paul Volcker, deserve great credit for reducing inflation through sound monetary policies. But real interest rates have remained high in the face of indications that we may be entering an era of deflation, and this cannot continue if we are to maintain price stability and a strong economy.

Gold prices have fallen by more than 30 percent since early 1996. Commodity prices have fallen to 21 year lows. Corporate profits have declined on a year-over-year basis for the first time in a decade. Farm prices are plummeting.

What is more, Mr. President, a number of economies in recent months have experienced significant currency devaluations. These devaluations have produced increasing demands for U.S. dollars. But, by keeping short term interest rates high, the Fed has refused to supply these dollars, precipitating a liquidity crisis around the globe.

I firmly believe that the best environment for business, workers, and consumers is one of price stability. Price stability allows for accurate planning and investment over the long term. But price stability requires that we avoid both extremes, of deflation as well as inflation.

Monetary policy is a matter for Alan Greenspan and his colleagues at the Federal Reserve. But it is my hope that they will examine the overall economic picture and conclude that it is time to lower interest rates in the interests of long term price stability and global economic growth.

We should not look solely to the Fed, however, in seeking to ensure prosperity for the future. In addition to excessively tight monetary policy, the American economy and the American people are being put at risk from too-tight fiscal policy. Specifically, Mr. President, the current high and rising federal tax burden is keeping the economy from reaching its full potential.

In 1997 federal taxes took 20 percent of the Gross Domestic Product of this country, the highest percentage since World War II. Federal taxes on the American people increased by almost a third in just four years—going up from $1.2 trillion in fiscal year 1993 to $1.6 trillion over the course of President Clinton's first term. In 1997 Americans paid 45 percent more in income taxes than they had in 1993. And, unless we act, this burden will increase. During the fourth quarter of 1997 federal receipts approached a record 22 percent of GDP.

Neither the American people nor the American economy can sustain this crushing tax burden. It discourages people from working, saving, investing, and engaging in the entrepreneurial activities that keep our economy growing. It must be lowered substantially, expeditiously, and in a way that encourages economic growth.

Early on in the next Congress, Mr. President, I believe we should seriously consider significant pro-growth tax cuts, including:

Using revenues from our budget surplus to save Social Security and encourage investment by lowering the payroll tax and allowing workers to put some of their own money in Personal Retirement Accounts.

Marriage penalty tax relief.

A capital gains tax rate reduction, perhaps to 15 percent as proposed by Majority Leader LOTT.

Estate tax relief.

Widening the current 15 percent income tax bracket to apply it to all middle class American families.

Expanding tax free savings accounts for education, health care, and retirement.

Reducing income tax rates across-the-board—perhaps up to 10 percent, and allowing businesses to more quickly write-off the costs for investment in plant and equipment. This pro-growth tax incentive would be especially beneficial to America's struggling manufacturing sector.

These tax suggestions are neither new nor radical, Mr. President. But it is time for us to implement them. They would spur savings and investment, and encourage work and entrepreneurial activity, assuring economic growth.

But they are not enough. Over the long term, Mr. President, we must move toward more fundamental tax reform. We need to design an income tax that applies a lower rate to income, reduces the current bias against saving and investment, lowers the tax burden on working families, simplifies the code, and reduces the cost of compliance. Only this kind of fairer, flatter, simpler and more investment-friendly tax system can give us the sound fiscal policy we need to build a bright, sustainable economic future.

Congress needs to institute other pro-growth reforms as well.

We must reform our tort system to lower the ''tort tax'' from frivolous lawsuits. The Rand Corporation recently reported that the average lawsuit costs a company $100,000. Thus even a frivolous lawsuit can put a small company out of business, and a good number of workers out of a job.

We need to institute serious cost-benefit analysis for federal regulations and federal unfunded, private sector mandates. Regulations cost our economy $647 billion per year, according to the GAO, and that is simply too much.

We have to do more to improve our children's education so that they can qualify for good paying jobs in our technological, information age economy.

We have to bring in a limited number of highly trained immigrants to fill some of the important positions our high-tech companies cannot currently fill and to help us solve the year 2000 or ''Y2K'' problem before it damages our economy.

And within the next few days the Senate will pass and President Clinton will sign the American Competitiveness and Workforce Enhancement Act. This legislation will increase the number of temporary high-tech visas and provide scholarships and job training so that more Americans can gain the skills necessary to fill these positions in the long term.

We also must continue to build on America's pro-free trade tradition—by extending fast track negotiating authority, and aggressively negotiating trade agreements that open markets for American products.

We must reform the lending policies of the International Monetary Fund. All too often, the Fund requires developing countries to raise taxes and devalue currencies as a condition for receiving loans. These anti-growth policies only worsen a developing country's economic and debt problems. The Fund should instead promote policies that spur economic growth in these countries—lower tax rates, free markets, the rule of law, and sound currencies.

In general, Mr. President, we must do more to encourage hard work and entrepreneurship so that all of us can benefit from the income and the jobs they create.

Through prudent steps ensuring price stability and reducing governmental burdens on the private sector, we can sustain economic growth for the foreseeable future. But the time to act is now. The warning signs are there for us to see. I hope we will not wait until it is too late.

I plan to work for pro-growth reforms whenever and wherever possible. I believe it is my duty to the people of Michigan, as it is our duty to the people of America, to safeguard their economic security by unleashing the entrepreneurial spirit that built this nation, and that can build a bright future of growth and opportunity.

I yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

INTERNET TAX FREEDOM ACT

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of S. 442, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 442) to establish national policy against State and local government interference with interstate commerce on the Internet or interactive computer services, and to exercise Congressional jurisdiction over interstate commerce by establishing a moratorium on the imposition of exaction that would interfere with the free flow of commerce via the Internet, and for other purposes.

The Senate resumed consideration of the bill.

Mr. MCCAIN. Mr. President, I ask unanimous consent it be in order for an amendment to be offered by Senator GRAHAM of Florida with a time of 30 minutes, 20 minutes on the side of the Senator from Florida, 10 minutes from the side managed by me.

Mr. GRAHAM. I would not object, but I add that there be no second-degree amendments.

The PRESIDING OFFICER. Without objection, so ordered.

AMENDMENT NO. 3729

(Purpose: To require a supermajority of both Houses to extend the moratorium)

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

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Florida [Mr. GRAHAM] proposes an amendment numbered 3729.

The amendment is as follows:

On page 176, between lines 15 and 16, insert:

(c) POINT OF ORDER.—It shall not be in order in the Senate or the House of Representatives to consider any bill, resolution, amendment, or conference report if such bill, resolution, amendment, or conference report would extend the moratorium under subsection (a). This point of order may only be waived or suspended by a vote of three-fifths of the Members, duly chosen and sworn.

Mr. GRAHAM. Mr. President, as the amendment clearly states, its purpose is to establish to the extent possible under our rules that the moratorium, whatever this body decides its initial length will be, will be that length and that we will not fall into a situation of a ''fluid'' moratorium, with efforts each year made to extend it further and further. This amendment does not go to the issue of what the length of the initial moratorium shall be.

The bill before the Senate today, which is the product of the Senate Finance Committee, provides for a 2-year moratorium. There are amendments filed which would extend that up to 5 or 6 years. There are no amendments filed which would reduce the period of the moratorium. So it is fair to suggest that we will be dealing with the moratorium of at least 2 years, possibly longer. The purpose of this amendment is to assure to the extent possible that once we have made that decision, that will be the decision.

The underlying premise of this bill is an unusual one for the U.S. Congress—not unique, but rarely used. That is, we are about to consider legislation which would preempt every State and every local government in this country, for a period of time, from exercising their otherwise legal powers relative to taxation on Internet access and transactions which are undertaken through the use of the Internet. While it is perfectly appropriate for Congress to decide that the Federal Government should not tax Internet access or Internet transactions, I am concerned we will face a proposal that tells States and local governments that they shall be denied the right to tax these transactions.

The argument which I find to have some merit is that it is appropriate we have a ''pause,'' a period in which we can determine what is the appropriate means of taxing this new technology, and that during that pause there should be a prohibition on State and local governments imposing taxes on Internet access or Internet transactions. What I am concerned about is that that pause does not become a permanent slumber, an elongated sleep in which there is a prohibition on State and local government's ability to exercise what is their basic right under our constitutional allocation of responsibilities to raise those revenues necessary to support necessary government programs.

The Federal Government has on many occasions passed legislation which conditions the receipt of Federal funds. For instance, in the highway bills we have frequently required the States to undertake a certain set of actions, such as setting a speed limit or imposing the requirement of seatbelts or motorcycle helmets or some other item which the Federal Government felt was of sufficient import, that the ability of the State to receive its otherwise due allocation of Federal funds would be conditioned upon their adopting that policy. But in those cases, the States have a choice. If a State believes the Federal requirement is so onerous or so misguided that they will reject it, they can do so and accept the consequences of some reduction in their Federal funds.

What we are deciding here today is that the States do not have such an option. There will be a prohibition for the period of the moratorium on the State's ability to exercise their policy relative to the taxation of Internet access or Internet transactions.

What concerns me about this policy is its potential to ''morph'' from being a temporary pause to being a permanent prohibition. What are some of the risks that are involved in this? One of those risks is the unknown, the unknown potential of this new rapidly developing technology having implications to State and local governments which are beyond our current ability to comprehend.

As an example, there is an emerging technology—it is not new, it is in place but will probably become more prevalent—which is known as Internet telephony which is essentially where the Internet system substitutes for the normal local or long distance telephone lines as a means of transmitting telephone services. This system, which is currently in use on a limited basis, has the potential of being a very major competitor with the traditional ways in which telephone service has been delivered.

Probe Research, a telecommunications and data networking market research system, forecasts that the demand for Internet telephony will make these services add up to a $6.3 billion market by the year 2002. That is just some 3 years from now. At that point, according to Probe Research, Internet telephone and fax traffic will account for nearly 10 percent of total long distance traffic, a very significant high-growth industry.

What does this mean for State and local government? Telecommunications services and cable services are significant sources of revenue for State and local government. The Finance Committee bill, in fact, recognizes this by specifically preserving the Federal Government's taxing authority over many of these areas and preserving the taxing authority of State and local government for access to telephone and cable services.

Unfortunately, the bill is vague regarding the treatment of such new technologies as Internet telephony. While it specifically protects Federal revenue, it does not clarify that the moratorium does not apply to State and local governments with respect to Internet telephony. I use this example because it is one that is before the Senate, an example that the implications of allowing a specified moratorium to become a longer-term prohibition could have implications on State and local governments and on the fairness in the marketplace between competing forms of commercial transaction, telecommunications, and other aspects of our economy that will be affected that are beyond our ability to currently estimate.

A second risk is that this moratorium will become ingrained into the law. We have had multiple examples of where laws that were originally passed as temporary moratoriums, or as a temporary benefit, have become de facto permanent. In fact, before this session is over, we may be considering what is referred to as an extender law, which is to add additional months or years to a variety of tax benefits which were initially adopted to have a specified time to limited life. But once in place, once they have developed a political constituency, they have become, for all intents and purposes, permanent provisions in our Tax Code.

I am concerned that the same development of a political constituency that has gotten used to the fact that they didn't have to pay any tax for access, and particularly any tax on Internet transactions, will develop here and

there and will be tremendous political pressure at the conclusion of this moratorium, whenever that might be, for its extension.

Next, the potential of a long-term moratorium merging into prohibition would create an imbalance on the commercial playing field. I could foresee what is happening in a limited form becoming more prevalent as retail stores begin to open a back office Internet sales shop in order to be able to participate in tax-free Internet sales. So what today is a relatively limited application has the potential of becoming a much larger threat to fairness and parity in the commercial marketplace and to a fundamental source of revenue for State and local government.

Finally, the potential of the specified moratorium being extended would delay or obviate the accomplishment of the very objective of having the moratorium in the first place, which is to direct a commission, representative of the various stakeholders in this issue, to sort out the conflicting theories and practices and give us a recommendation for some uniform, fair, nondiscriminatory Federal, State, and local policies, as it relates to the use of the Internet as a form of commerce.

So for all of those reasons, Mr. President, I am concerned, and I think our Members should be concerned, about the prospect of the moratorium, whatever length we finally decide is appropriate, becoming a permanent prohibition on the use of State governments and of their inherent powers relative to the Internet.

Finally, Mr. President, I think the period of time that is in the Senate finance bill and the period of time that is proposed in various amendments should be plenty to accomplish the objective of this study. We have had a number of recent commissions that have been given a specific time to accomplish their task.

Two or three years ago, the Congress established an Internal Revenue Reform Commission. It gave that commission 18 months to look at an agency as complex as the IRS. That commission actually completed its work in 15 months, made its report, and this year Congress used that report as the basis of probably the most sweeping reforms of the Internal Revenue Service in a generation.

Last year, we established a Medicare Commission to look at one of the most complicated, one of the most expensive, one of the most sensitive programs that the Federal Government operates, the program that finances the health care of some 35 million of our older citizens. We gave that commission 18 months in order to issue its report.

So I suggest that the 2 years that are in the Finance Committee recommendation are ample to carry out a much more focused study of the tax implications of the Internet and that we should take this step by adopting the amendment that I proposed to assure that this moratorium will not morph into a permanent prohibition.

Mr. President, the fundamental issue here is the issue that underlies this legislation, and that is the desire to have parity, equality, on the commercial playing field among all forms of sales, whether they be the Main Street seller or the remote seller or the cyberspace seller; second, to assure that the Federal Government will not unduly intrude into the areas of historic responsibility for State and local government. It is appropriate for us to attempt to establish some standards for uniformity of treatment and predictability of treatment. It is not appropriate for the Federal Government to preempt State and local governments from their ability to exercise what they think is appropriate tax policy for their citizens.

So the amendment would provide that once the moratorium has been completed, whatever its length, it would require a three-fifths vote of each House to extend that moratorium for a further period.

I reserve the remainder of my time.

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

PRIVILEGE OF THE FLOOR

Mr. MCCAIN. On behalf of Senator MACK, I ask unanimous consent that Elaine Petty and Nancy Segerdahl, legislative fellows in Senator MACK's office, be granted floor privileges during the week of October 5 for consideration of S. 1868, the International Religious Freedom Act of 1998.

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

PRIVILEGE OF THE FLOOR

Mr. GRAHAM. Mr. President, I ask unanimous consent that Mary Jo Catalano and Heather Landesman of my staff be granted floor privileges for the pendency of S. 442.

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

Mr. MCCAIN. Mr. President, I urge my colleagues to oppose this amendment. It circumvents the legislative process by requiring a supermajority to extend the tax moratorium in the Internet Tax Freedom Act, it would bind the hands of future Congresses, and it would start setting a rather dangerous precedent.

Mr. President, the Senate has a supermajority mandate that applies to all legislation; it is called a filibuster. Requiring three-fifths of Congress to agree to adopt any future actions in this matter is unnecessary, when all legislation considered and passed by the Senate must essentially meet the test created by the filibuster.

This legislation before us, the Internet Tax Freedom Act, is an excellent example of the proper manner in which legislation makes its way to the Senate for full consideration and a final vote. This legislation has been fully considered by the Commerce Committee, referred to the Finance Committee, and Senator WYDEN and I have worked hard to address the concerns some Members have expressed.

S. 442 is before the Senate now, not because any extraordinary measures have been taken, but because the bill has undergone the legislative process as it was meant to function. This legislation is before the Senate today because the majority of Senators support it and a filibuster would have been defeated. There is no reason to institute a supermajority for future actions on this issue, as Congress is fully capable of addressing this issue under existing processes and procedures.

I yield to the Senator from Oregon such time as he may consume.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. WYDEN. Mr. President, I strongly urge my colleagues to oppose this amendment. I think we are making substantial progress on this legislation. I believe that in a few minutes Senator MCCAIN and I are going to accept something like seven or eight amendments that have been offered in an effort to try to bring the parties together, and I would like to see us continue to work in this spirit.

Mr. President, and colleagues, I introduced the Internet Tax Freedom Act in March of 1997. Since then, this measure has been one of the most hotly debated measures in this Congress—debated in both the Senate and the House of Representatives. Through the course of this year and a half discussion, never once has this idea been suggested—not in the House nor in the Senate. And the fact of the matter is we are still having important negotiations in order to get at the issue of how long the moratorium ought to be. We are anxious to involve the Senator from Florida in that effort. It would seem to me that our job—just as we have tried to do with the seven or eight amendments which Chairman MCCAIN and I are going to accept in a few minutes—is to continue to do our work in good faith. The Senator from Florida knows that I have gone to considerable lengths to be supportive of his position with respect to what would be studied by the commission in an effort to be responsive to his concerns.

I would like to see us continue those discussions, both with respect to what the commission will study and how long the moratorium ought to be. When we arrive at that point, I and others believe that the commission will do a thoughtful and responsible job. We think they are going to work in good faith. If at any point they indicate that they are unwilling to pursue their duties in that kind of fashion, the U.S. Senate can get back at it.

I think it is important that the Senate reject this amendment and let us continue in the kind of spirit that Chairman MCCAIN and I have shown with respect to the seven or eight amendments that are going to come up very shortly that we have agreed to accept, and let us get this bill on the President's desk.

The President of the United States is for this legislation, the majority leader of this body, TRENT LOTT, is for this legislation, and the minority leader, TOM DASCHLE, has said that he wants to see this bill enacted. I think it is important that we reject this amendment and move forward in good faith to work out the remaining issues.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. GRAHAM. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 5 minutes 55 seconds. The Senator from Arizona has 4 minutes 52 seconds.

Mr. GRAHAM. Mr. President, I also add my name to the list in favor of the residual purpose of this legislation, which is a pause of sufficient length to allow a serious study of the implications of Internet technology to be a party in the commercial marketplace, and the role of State and local taxation, as well as international and Federal taxation on this new technology. The purpose of that latter point is to achieve stability, predictability and uniformity in a way in which Internet transactions and access is treated and to avoid there being a discriminatory set of policies that are contrary to the development of their important new technology. I believe the Senate Finance Committee bill achieved that proper balance with a 2-year moratorium.

What I am concerned about and what this amendment goes to is for that brief pause not to become a permanent prohibition. For the reasons that I have already cited—the rapidly changing nature of this technology and its application, the potential for a constituency to develop that would convert temporary into permanent, the basic unfairness of having some forms of commerce subject to tax while others are given the benefit of a moratorium, the inappropriateness of the Federal Government preempting appropriate State and local judgments for protracted periods of time—all have led me to suggest that we should add to the 2-year moratorium, as it is currently written, an additional protection, and that is at the end of that moratorium, if there is a proposal to extend further, that it would take a 60-vote margin and an equivalent percentage of votes in the House of Representatives in order to do so.

That would give us some assurance that the objectives that are stated will be achieved, but that this will not become the camel's nose in the tent where eventually the whole body of the camel will be inside the tent. We would be in the position of a permanent prohibition on legal and appropriate policy decisions that have and should be made at the State and local level for the purposes of maintaining not only fair treatment in the marketplace but also the essential resources necessary for State and local governments to carry out their responsibilities in public safety, education and other critical areas.

Mr. President, I urge the adoption of this amendment, which I consider to be wholly consistent with the objectives of this legislation as stated by its sponsors.

The PRESIDING OFFICER. Who yields time?

Mr. MCCAIN. Mr. President, I ask unanimous consent that the vote take place at 5 o'clock.

The PRESIDING OFFICER. Does the Senator from Florida yield back time?

Mr. GRAHAM. How much time do I have remaining?

The PRESIDING OFFICER. Two minutes 42 seconds.

Mr. GRAHAM. Mr. President, I reserve the remainder of my time.

Mr. MCCAIN. I withdraw my unanimous consent request. I yield such time to the Senator from New Hampshire as he may consume.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. GREGG. Mr. President, I rise to support the position of the chairman of the committee on this issue in opposition to the Senator from Florida.

The proposal which the Senator from Florida is suggesting goes really to the essence of this debate, which is whether or not 30,000 municipalities and State agencies across this country are going to have the right to essentially assess taxes in an arbitrary way on one of the most dynamic vehicles of commerce that has never come forward in the experience of the world. The chaos which those 30,000 municipalities and State agencies would create should they be able to assess that type of taxation on the Internet would be overwhelming. It might totally defeat what has been one of the great engines of economic activity and prosperity which our Nation has enjoyed over the last few years.

It is not a unique situation. We can go all the way back to John Marshall to determine that the Congress has the right to make the decision on the issue of policy relative to taxation in commerce. It was, of course, Chief Justice Marshall who determined that when a ferry was crossing a river between two States that that ferry could not be taxed by the local State if it was going to interfere with interstate commerce.

This concept has carried through our jurisprudence since that time—that the Federal Government reserves the unique right to determine the taxation of commerce.

There is no reason why we should arbitrarily handicap ourselves by creating a supermajority within our own institution to exercise that right, which is what the Senator from Florida is proposing.

Let's continue the policies which have done us so well in the area of tax policy for the last 200 years, which is a majority of the Congress to make a decision as to what tax policy shall be in international trade. Let's not create some artificial barrier for us to jump over as an institution as we try to deal with what is a tremendous real ferry that may be created by having 30,000 municipalities and State agencies across the country assess taxes against the Internet.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. GRAHAM. Mr. President, I yield 2 minutes to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I may not need the entire 2 minutes, but I rise in support of the amendment offered by the Senator from Florida.

This issue is relatively simple. The whole purpose of a moratorium is to take kind of a time-out and establish a commission and review a series of these issues. But all of us here know how difficult it is going to be when this moratorium, whatever it is, is to expire. We will have people coming here saying this needs to be a perpetual thing; we will continue the moratorium year after year after year. I want this piece of legislation with its moratorium to represent that time-out; to give this country time to make the right decisions. But at that point I want the decisions to be made, and I want the moratorium to be gone. That is what the Senator from Florida is saying. It is a very important amendment.

I hope my colleagues will support this amendment so that we will comply with what I think the true spirit of this legislation really is—a time-out for thoughtful decisions to be made and then business as usual. We don't want permanent preemption of the State's tax base. That is what will happen if we don't decide now that this moratorium will be—whatever it is. I hope it is 3 years.

Mr. GREGG. Will the Senator yield?

Mr. DORGAN. If I have time, I am happy to yield. Of course.

Mr. GREGG. Wouldn't the business as usual be that the majority would take action rather than having a supermajority take place?

Mr. DORGAN. The Senator misunderstood my business-as-usual comment. I was talking about the business as usual allowing a State to describe its own tax base in a fair and thoughtful manner. My fear is that this moratorium will continue forever, unless it becomes what we think it should become—a time-out to make decisions, and then move on.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. MCCAIN. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 2 minutes 5 seconds.

Mr. MCCAIN. I yield the remainder of my time.

The PRESIDING OFFICER. Does the Senator yield the remainder of his time, 29 seconds?

Mr. GRAHAM. I yield the remainder of my time.

Mr. MCCAIN. Mr. President, I move to table the Graham amendment.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona. The yeas and nays have been ordered.

The clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) and the Senator from New York (Mr. MOYNIHAN), are necessarily absent.

The result was announced—yeas 83, nays 15, as follows:

[Rollcall Vote No. 299 Leg.]

YEAS—83

Abraham	Feingold	McConnell
Akaka	Feinstein	Mikulski
Allard	Frist	Moseley-Braun
Ashcroft	Gramm	Murkowski
Baucus	Grams	Murray
Bennett	Grassley	Nickles
Biden	Gregg	Reed
Bingaman	Hagel	Reid
Bond	Harkin	Robb
Boxer	Hatch	Roberts
Brownback	Helms	Rockefeller
Bryan	Hutchinson	Roth
Burns	Hutchison	Santorum
Cambell	Inouye	Sarbanes
Chafee	Jeffords	Sessions
Coats	Johnson	Shelby
Cochran	Kempthorne	Smith (NH)
Collins	Kerrey	Smith (OR)
Coverdell	Kerry	Snowe
Craig	Kohl	Specter
D'Amato	Kyl	Stevens
Daschle	Lautenberg	Thomas
DeWine	Leahy	Thompson
Dodd	Lieberman	Thurmond
Domenici	Lott	Torricelli
Durbin	Lugar	Warner
Enzi	Mack	Wyden
Faircloth	McCain	

NAYS—15

Breaux	Dorgan	Inhofe
Bumpers	Ford	Kennedy
Byrd	Gorton	Landrieu
Cleland	Graham	Levin
Conrad	Hollings	Wellstone

NOT VOTING—2

Glenn	Moynihan

The motion to lay on the table the amendment (No. 3729) was agreed to.

Mr. MCCAIN. I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MCCAIN. Mr. President, I ask unanimous consent there now be a period of morning business, with Senators permitted to speak up to 5 minutes each until 6:30 p.m.

Mr. BUMPERS. I object.

Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The Senator from Arizona has the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MCCAIN. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SMITH of Oregon). Without objection, it is so ordered.

Mr. MCCAIN. Mr. President, I ask unanimous consent the Senate now move to a Bumper's amendment, with 10 minutes equally divided on either side, followed by a rollcall vote if the Senator from Arkansas wants it; I will make a motion to table; following that, that the Senate then go into morning business, with Senators permitted to speak up to 5 minutes each until 6:30 p.m.

Mr. BUMPERS. I add to that, no second-degree amendments be in order.

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

AMENDMENT NO. 3742

(Purpose: To require persons selling tangible personal property via the Internet to disclose to purchasers that they may be subject to State and local sales and use taxes on the purchases)

Mr. BUMPERS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS], for himself, and Mr. GRAHAM, proposes an amendment numbered 3742.

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

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

The amendment is as follows:

At the appropriate place, insert the following new title:

TITLE —CONSUMER PROTECTION TAX DISCLOSURE

SEC. . DISCLOSURE REQUIREMENT.

(a) DISCLOSURE REQUIREMENT.—Any person selling tangible personal property via the Internet who—

(1) delivers such property, or causes such property to be delivered, to a person in another State, and

(2) does not collect and remit all applicable State and local sales taxes pertaining to the sale and use of such property.

shall prominently display the notice described in subsection (b) on every other form available to a purchaser or prospective purchaser.

(b) DISCLOSURE NOTICE.—The notice described in this subsection is as follows:

''NOTICE REGARDING TAXES: You may be required by your State or local government to pay sales or use tax on this purchase. Such taxes are imposed in most States. Failure to pay such taxes could result in civil or criminal penalties. For information on your tax obligations, contact your State taxation department.''

(c) REGULATORY AUTHORITY.—The Secretary of Commerce shall issue and enforce such regulations as are necessary to ensure compliance with this section, including regulations as to what constitutes prominently displaying a notice.

SEC. . PENALTIES.

Any person who willfully fails to include any notice under section ____ shall be fined not more than $100 for each such failure.

SEC. . DEFINITIONS.

For purposes of this title—

(1) the term ''use tax'' means a tax imposed on or incident to the use, storage, consumption, distribution, or other use within a State or local jurisdiction or other area of a State, of tangible personal property,

(2) the term ''local sales tax'' means a sales tax imposed in a local jurisdiction or area of a State and includes, but is not limited to—

(A) a sales tax or in-lieu fee imposed in a local jurisdiction or area of a State by the State on behalf of such jurisdiction or area, and

(B) a sales tax imposed by a local jurisdiction or other State-authorized entity pursuant to the authority of State law, local law, or both,

(3) the term ''person'' means an individual, a trust, estate, partnership, society, association, company (including a limited liability company), or corporation, whether or not acting in a fiduciary or representative capacity, and any combination thereof,

(4) the term ''sales tax'' means a tax, including use tax, that is—

(A) imposed on or incident to the sale, purchase, storage, consumption, distribution, or other use of tangible personal property as may be defined or specified under the laws imposing such tax, and

(B) measured by the amount of the sale price, cost, charge, or other value of or for such property, and

(5) the term ''State'' means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

SEC. . EFFECTIVE DATE.

This title shall take effect 180 days after the date of enactment of this Act. In no event shall this Act apply to any sale occurring before such effective date.

Mr. BUMPERS. Mr. President, this is a very simple amendment. Forty-five States have sales and use taxes on sales of merchandise coming into their State from another State. The problem is, they can't collect it because the people who are buying the merchandise don't know that there is a sales tax on the goods coming in. I think Maine collects about $1 million, and that is probably as much as any State collects.

People are always getting rude surprises. All of a sudden somebody knocks on the door and they say, ''We saw where you just bought $50,000 worth of furniture from North Carolina. You owe sales tax.'' They say, ''The ad said no sales tax.'' ''I don't care what the ad says. There is a North Carolina sales tax on merchandise brought in from out of State.''

My amendment says on Internet sales, if you sell into a State, you must notify people with a short notice that simply says, ''This merchandise may be subject to a sales or use tax in your State.'' You could be subject to a civil penalty or a criminal penalty—something like 100 bucks. If you want to check, you should check with your local revenue department to determine whether or not your State has a tax.

I want every Member in this body to ask this question: Why would you vote against this when your legislature has specifically provided that sale of goods from across the State lines are taxable? If you say they are not taxable, you are flying right into the face of the will of the people in your State who said they should be.

All I am saying, people should not be misled and should be told that when

they buy this merchandise it may be subject to a sales or use tax. It is just that simple. Why wouldn't you? If your State is one of the 45 States that have a tax, why would you not want a company selling goods on the Internet—not mail-order houses on the Internet—why would you not want to tell the customer he may be subject to it, instead of him getting a rude surprise and some auditor knocking on his door?

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Thank you, Mr. President.

I strongly oppose this amendment. This amendment specifically singles out those who sell goods over the Internet for discrimination. It applies to one class of people and that is those who sell goods on the Internet. The amendment would impose on those sellers of goods on the Internet a new requirement that would not be imposed on someone who sells goods over the phone or someone who mails the goods when they get a check.

Now, let's picture the kind of person who is going to be hurt by this amendment. My State, the State of the Presiding Officer of the Senate, has 100,000 home-based businesses. These are some of the most exciting businesses in the country coming up with new products. They are small. They are entrepreneurial. If this amendment passes, those 100,000 home-based businesses in Oregon—and there are thousands and thousands of other home-based businesses across the country in States that we all represent—they, and only they, will be subject to this new requirement.

This amendment seeks to do what the Internet tax freedom bill seeks to prevent. Our legislation is about technological neutrality. We should treat the Internet like we treat everything else. It shouldn't get a preference. It shouldn't be discriminated against. But if you read section (a) of this amendment, you will see that it applies requirements to one class of people, and one class of people only. Those are individuals who sell goods over the Internet.

This is discriminatory. This does what our legislation seeks to prevent. Those who vote for the amendment, in my view, in this Senator's view, are fostering the kind of policy that is going to lead to selective and discriminatory activity against those who sell goods through the World Wide Web.

I yield back my time, Mr. President.

Mr. BUMPERS. Mr. President, I ask unanimous consent that my amendment be expanded to include mail-order catalog sales.

The PRESIDING OFFICER. Is there an objection?

Mr. GREGG. I object.

Mr. BUMPERS. The reason there is an objection is because the Senator from New Hampshire and the Senator from Oregon do not come from the 45 States that have sales taxes.

They are opposed to this because their State is not one of the 45 States that do have a sales or use tax. Secondly, the unanimous consent agreement limits amendments to relevant amendments. If you put mail-order catalog sales in, it is not relevant. That is the reason I confined it to the Internet and asked consent to extend it. That is the reason they objected. They don't have to face a legislature or people back home who passed a sales or use tax on Internet sales coming in from out of State, because their States don't have a sales or use tax. My State does have that use tax, and we would like to collect it. Your revenue departments and your Governors would like to collect it, too.

All I am saying is, Internet sales simply ought to state a simple thing—that the goods you are buying could be subject to a use or sales tax in your State; if you want to know whether it does or not, contact your local revenue department. What is wrong with that? Who can oppose that? The taxes have already been passed by the legislature. It is just that they can't collect it unless they stand at the border and intercept every piece of merchandise that comes through the mail or on the highway. They can't do it.

So all I am saying is, if these 45 States have seen fit to levy taxes on out-of-State sales to make the playing field a little more level with the main street merchants, we ought to give them such help as we can. I am saying they ought to at least advise these people that these purchases might be subject to a use or sales tax.

Mr. President, I am prepared to yield back the remainder of my time if everybody else is, and we will go to a vote.

Mr. GREGG. Mr. President, I move to table the amendment of the Senator from Arkansas and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment of the Senator from Arkansas. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) and the Senator from New York (Mr. MOYNIHAN) are necessarily absent.

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

The result was announced—yeas 71, nays 27, as follows:

[Rollcall Vote No. 300 Leg.]

YEAS—71

Abraham	Biden	Burns
Akaka	Bingaman	Campbell
Allard	Bond	Chafee
Ashcroft	Boxer	Coats
Baucus	Brownback	Cochran
Collins	Hutchison	Reid
Coverdell	Jeffords	Robb
Craig	Kempthorne	Roberts
D'Amato	Kerrey	Roth
DeWine	Kerry	Santorum
Dodd	Kohl	Sessions
Domenici	Kyl	Shelby
Enzi	Lautenberg	Smith (NH)
Faircloth	Leahy	Smith (OR)
Feinstein	Lieberman	Snowe
Frist	Lott	Specter
Gramm	Lugar	Stevens
Grams	Mack	Thomas
Grassley	McCain	Thompson
Gregg	McConnell	Thurmond
Hagel	Moseley-Braun	Torricelli
Hatch	Murkowski	Warner
Helms	Murray	Wyden
Hutchinson	Nickles	

NAYS—27

Bennett	Durbin	Johnson
Breaux	Feingold	Kennedy
Bryan	Ford	Landrieu
Bumpers	Gorton	Levin
Byrd	Graham	Mikulski
Cleland	Harkin	Reed
Conrad	Hollings	Rockefeller
Daschle	Inhofe	Sarbanes
Dorgan	Inouye	Wellstone

NOT VOTING—2

Glenn	Moynihan

The motion to lay on the table the amendment (No. 3742) was agreed to.

The PRESIDING OFFICER (Ms. SNOWE). The Senator from Arizona.

UNANIMOUS CONSENT AGREEMENT

Mr. MCCAIN. Madam President, I ask unanimous consent that the Senate remain on S. 442 for the purposes of offering a nonrelevant amendment that has been agreed to by both sides, that the amendment be immediately agreed to, and that the Senate return to morning business under the previous order, except that the time be until 7:30 instead of 6:30, with no intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. Madam President, reserving the right to object. I will not object. My understanding is the amendment that is to be offered has been cleared with the authorizing committee, and we have no problem with the amendment.

Mr. BYRD. Madam President, reserving the right to object.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. I have no intention of objecting. I merely want a little clarification on the time. Will that mean we have to wait until 7:30 and then may have a rollcall vote or so after that?

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Madam President, it is my understanding that there will not be the likelihood of further votes, but we will have to clear that with the majority leader.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Madam President, who has the floor? The Senator from Arizona?

Mr. MCCAIN. I yield the floor.

Mr. LOTT. We are trying to get final clearance on the antinepotism bill. We think there is a probability that we would not have to have a recorded

vote. But that is what we are trying to do right now; we are trying to make sure everybody is satisfied with that. If we could get that cleared, move it on a voice vote, then we would have no further recorded votes tonight. We are not able to announce it at this moment, but we believe within the next 5 or 10 minutes we will be able to make that clear.

I see the Senator from Vermont just came on the floor. He was one of the ones we were wanting to get some information from about the antinepotism bill, being able to take it up, and whether or not a recorded vote was going to be necessary on that.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Madam President, I tell my friend from Mississippi, we discussed, last night, what we were trying to do, as he knows. The Senator from Arizona has been most helpful in trying to help this along, to get the antinepotism bill up, but also have the time to do the Fletcher nomination.

What I understand the Senator from Mississippi and the Senator from Arizona want to do is to get something locked in so we can take care of both those.

There were some who wanted a rollcall vote on the nepotism bill. Is the distinguished leader saying it would be easier for his scheduling if there was not one? I came to this conversation late; I apologize.

Mr. LOTT. I believe it will be better from a scheduling standpoint; therefore, we can advise Members what they can expect for the remainder of the evening and we can get this legislation completed. Then we will be able to go to the Fletcher nomination tomorrow.

Mr. LEAHY. I ask my good friend, the distinguished leader—and we have been friends for a long time—do I detect a hint in that suggestion of being able to tell Members there may not be further votes if we voice vote the nepotism bill?

Mr. LOTT. That was very much an implied hint.

Mr. LEAHY. I think I can tell my friend from Mississippi we can overcome those who are requesting a rollcall vote on this side. But we do want a specific time for a vote on the Fletcher nomination, and I rely on the distinguished leader to work this to a time convenient for scheduling. It is, of course, with the understanding that there will be a time set down for a vote on Mr. Fletcher that we would be able to reach an agreement.

Mr. LOTT. That is my intent, and, as the Senator knows, I had made a commitment earlier we were going to do that. I will keep that commitment. It is my intent to have that vote tomorrow, or the next day at the latest. We will have a vote on that nomination.

I thank Senator KYL also for his effort. I say to all Members, if they will bear with us just another 5 or 10 minutes, we will be able to make it official that we won't have a recorded vote.

I yield the floor.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Madam President, I withdraw my reservation.

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

AMENDMENT NO. 3743

(Purpose: To provide support for certain institutes and schools)

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for Mr. FRIST, for himself, Mr. THOMPSON, Mr. DEWINE, Mr. JEFFORDS, Mr. SMITH of Oregon and Mr. WYDEN proposes an amendment numbered 3743.

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

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

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. MCCAIN. Madam President, I ask unanimous consent to add Senator SMITH of Oregon and Senator WYDEN as original cosponsors of this amendment.

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

Mr. MCCAIN. Madam President, I ask unanimous consent that Senators GREGG and LIEBERMAN be considered original cosponsors of amendment No. 3722.

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

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

The amendment (No. 3743) was agreed to.

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

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

The motion to lay on the table was agreed to.

MORNING BUSINESS

Mr. MCCAIN. Madam President, according to the previous order, we are in a period for morning business.

The PRESIDING OFFICER. That is correct.

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

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

UNANIMOUS CONSENT AGREEMENT—S. 1892

Mr. LOTT. Madam President, I ask unanimous consent that the majority leader, after consultation with the Democratic leader, may proceed to Calendar No. 381, S. 1892, which is the antinepotism language with regard to judicial appointments, under the following limitations: No amendments in order to the bill, and debate limited on the bill to 15 minutes under the control of Senator KYL and 30 minutes under the control of Senator LEAHY or his designee.

I further ask unanimous consent that following the expiration or yielding back of any debate time, the bill be read the third time and the Senate proceed to a vote on passage, with no intervening action or debate.

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

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. LOTT. Madam President, as in executive session, I ask unanimous consent that the majority leader shall, no later than the close of business Thursday, October 8, proceed to executive session for the consideration of Executive Calendar No. 619, the nomination of William Fletcher. I further ask consent there be 90 minutes equally divided between the proponents and opponents of the nomination. I further ask consent that following that debate time, the Senate proceed to a vote on the confirmation of the nomination and, immediately following that vote, Executive Calendar Nos. 803, 804, and 808—that is, H. Dean Buttram, to be U.S. District Judge for the Northern District of Alabama; Inge Johnson, also to be a U.S. District Judge for the Northern District of Alabama; and Robert Bruce King, to be a U.S. Circuit Judge for the Fourth Circuit of West Virginia—and that they be confirmed, the motions 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.

Mr. LEAHY. Reserving the right to object. Would the majority leader consider amending that to add that if he were to bring these up on Wednesday—I know the agreement says no later than Thursday—but if he were to bring it up on Wednesday, that would be notwithstanding the provisions of Rule XXII.

Mr. LOTT. I don't see any problem with that. I believe we probably should have asked that. I will amend it to include that.

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

Mr. LOTT. Mr. President, to clarify, we will have not more than 45 minutes of debate on the anti-nepotism bill. There will not be a recorded vote on that, and then not later than Thursday—but hopefully Wednesday—we can move these judicial nominations—the three I mentioned, plus William Fletcher of the Ninth Circuit court. So we have had the last vote for the day, and we will have this debate and perhaps some other wrap-up business. But

there will be no further recorded votes during the day.

Mr. KYL addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. KYL. Madam President, might I inquire, is it appropriate to begin debate on the subject of the unanimous consent request, S. 1892? And is it correct that the time would be under my control and then Senator LEAHY would have time on the other side?

The PRESIDING OFFICER. Yes, that's the order.

JUDICIAL ANTINEPOTISM ACT

The PRESIDING OFFICER. The clerk will report the bill.

The legislative clerk read as follows:

A bill (S. 1892) to provide that a person closely related to a judge of a court exercising judicial power under article III of the United States Constitution (other than the Supreme Court) may not be appointed as a judge of the same court, and for other purposes.

The Senate proceeded to consider the bill.

Mr. KYL addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, let me thank Senator LEAHY for his cooperation in allowing us to get this bill up at this time and deal with it in an expedited fashion. I will describe briefly the reason for the legislation, what it does. I will ask unanimous consent to submit further remarks for the RECORD.

Under existing law, section 458 of title 28 of the U.S. Code reads: ''No person shall be appointed to, or employed in, any office or duty in any court who is related by affinity or consanguinity within the degree of first cousin to any justice or judge of such court.''

I will read the words that pertain to judges: ''no person shall be appointed . . . to any court who is related . . . to any justice or judge of such court.'' That language seems pretty straightforward on its face—that you can't have relations on the same court, nominated by the President or appointed by the Senate. Notwithstanding that relatively clear language, there has arisen a controversy over whether it means what I suggest it says. The administration has actually interpreted it in a way that could mean that it applies only to employees of the court, not to judges of the court themselves.

This bill clarifies that it applies to both, which I think was both the original intent and the best public policy. I note that the issue has arisen because of the nomination of Professor Fletcher to be a judge on the Ninth Circuit, since his mother sits on the circuit currently. Frankly, most people were not aware of the statute, Madam President. But, in my view, we should not do something that is not permitted under the law. Therefore, while I acknowledge that the administration has raised a question about the interpretation of the statute, I think the statute is pretty clear. This bill makes it crystal clear that it applies to both employees of the court and judges of the court.

In effect, what the legislation would do is to say that on the same court, like the same circuit or the same district court, you would not be able to have a father and son, two brothers, two sisters, that sort of thing. But you could have people related on different circuits or different Federal district courts. For example, you could have a brother in the Fifth Circuit and a brother in the Second Circuit. You could have two sisters serving in different circuits or different districts in the State of Maine, or of the State of Pennsylvania, or of the State of Vermont. But you would not be able to have two close relatives in the very same court.

The public policy reasons for that are fairly obvious. When a litigant is before the court, the litigant wants to know that he or she is being treated fairly. When a relative who is that close to a judge that may have decided a case on a panel of judges is then being called upon to review the decision of that close relative, the litigant clearly is going to have a question as to whether his or her case can be treated fairly. Here is an example: A circuit court judge sits on a panel of three judges who decide against a plaintiff. That case is then given to the en banc panel of the circuit court in which the father, or the brother, or the sister of that judge is also a member of the panel; the litigant might well be a little skeptical that the brother, sister, father, or whoever it is, is going to be treating him fairly, given the fact that the question is whether or not he will overturn the decision of his brother, or his son, or whoever the relative is.

So it is historic that we have tried to avoid that kind of conflict of interest. In most cases, it can be avoided. The kinds of situations in which this will arise are very rare. But since it has arisen in the context of this particular nominee, and since we think we can make the statute crystal clear to apply to both judges and employees, it seemed like a good thing to do.

I have two final points. One, this does not apply to the U.S. Supreme Court. Constitutionally, we have the ability to set the criteria or qualifications for circuit and district courts, but we don't have that ability for the Supreme Court. That is fixed in the Constitution. We could not apply it there.

Secondly, it only applies to nominations made after the effective date of the statute. For those interested in the nomination of Professor Fletcher, this statute or change would not adversely affect his nomination or confirmation by the Senate.

With that explanation, I yield to Senator LEAHY for such comment as he may want to make. I know he is in opposition to the bill.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. I thank my friend from Arizona. As he knows, I have opposition to this bill coming forward. I am not in favor of the bill. It will pass, I understand, but I am not in favor of it. I know of no problem created by the appointment of judges who are from the same family. Indeed, the three historical example of which I am aware lead me to the opposite conclusion. Justice David Brewer served with his uncle Justice Stephen Field on the United States Supreme Court after being appointed by President Harrison in 1890. Learned and his cousin Augustus Hand served together in the Southern District of New York and on the Court of Appeals for the Second Circuit. Richard and Morris Arnold are brothers currently serving on the Court of Appeals for the Eighth Circuit. All served with distinction.

I do not know why the country should be deprived of the judgment and wisdom of someone because a relative proceeded him or her to the bench. We have had relatives serve simultaneously in government before and now. Should one of the LEVIN brothers or HUTCHINSON brothers not serve in Congress? Should one of the Breyer brothers be barred from the federal bench? For that matter, should federal judges be prohibited who are related to Senators who recommend them to the President and then voted for their confirmation?

I believe that S. 1892 is an unnecessary and unwise bill. Moreover, it could lead to appointment barriers against daughters and nieces of current judges. With people living longer and women as well as men having been practicing law and entered public service in the last decades, I fear that the prohibition envisioned by the bill will serve as yet another barrier to keep qualified women from being appointed to the bench. This may be an unintentional consequence of the bill, but a likely consequence nonetheless.

Senator KYL's bill is intended to do what section 458 of title 28, United States Code, does not; namely, prohibit the appointment to a federal court of a relative of a judge already serving on that court. The bill would amend the law to add a prohibition against the appointment of a person to a federal court on which a first cousin or closer relative of that nominee was an active or senior judge.

In 1914 President Woodrow Wilson appointed Augustus Hand to the United States District Court for the Southern District of New York where he joined his distinguished first cousin and close friend Judge Learned Hand. In 1927, President Calvin Coolidge elevated Judge Augustus Hand to the United States Court of Appeals for the Second Circuit, where he rejoined his cousin Judge Learned Hand, who had been elevated three years before. Had the Kyl bill been in force, neither of these appointments would have been in accordance with law.

The service of the Hand cousins on the Second Circuit was central to the development of the law in our Circuit

and to its reputation as the finest federal appellate court in the country.

More recently, just six years ago in 1992, President George Bush appointed Judge Morris Arnold to the United States Court of Appeals for the Sixth Circuit, where he joined his brother Judge Richard Arnold on that court. In our confirmation proceedings, a number of Senators commented favorably on the fact that Judge Arnold was joining his distinguished brother.

When it was a brother being nominated by a Republican President, the familial relationship was seen as a plus, a benefit for the public. Now that we have a Democratic President nominating a son to join a bench that has included his mother, a new danger of possible appearance of conflict of interest is being conjured up as an excuse to delay and oppose confirmation of a distinguished scholar and decent person.

I worry that we are raising something that we don't need to raise. I realize this affects Professor Fletcher's appointment. But I think we may have legislated beyond where we need to legislate.

There are problems with the appointment of judges to the federal judiciary, but nepotism in the appointment of judges does not appear to be one of them. After all, it is the President who nominates and the Senate that consents. If we really wanted to do something about the evils of nepotism, we would prohibit Presidents from nominating their relatives or the Senate from confirming theirs. Other judges, relatives or not, do not have a role in the appointment process.

The bigger problem with respect to the judiciary is the assault on the judiciary by the Republican majority and its unwillingness to work to fill longstanding vacancies with the qualified people being nominated by the President. Professor Fletcher's nomination has been a casualty of the Republican majority's efforts. Forty-one months and two confirmation hearings have not been enough time and examination to bring the Fletcher nomination to a vote.

Professor Fletcher is a fine person and an outstanding nominee has had to endure years of delay and demagoguery as some choose to play politics with our independent judiciary. The Ninth Circuit continues to function with multiple vacancies among its authorized judgeships, although we have five nominees to the Ninth Circuit pending before the Senate for periods ranging from four to 41 months. Two await hearings, one awaits a Committee vote, and two have been on the Senate calendar awaiting final action for many months.

This is too reminiscent of the government shutdown only a couple of years ago and the numerous times of late when the Republican congressional leadership has recessed without completing work on emergency supplemental and disaster relief legislation, on the federal budget, campaign finance reform, comprehensive tobacco legislation, the patient bill of rights and HMO reform.

In his most recent Report on the Judiciary the Chief Justice of the United States Supreme Court warned that vacancies would harm the administration of justice. The Chief Justice of the United States Supreme Court pointedly declared: ''Vacancies cannot remain at such high levels indefinitely without eroding the quality of justice that traditionally has been associated with the federal judiciary.''

Once this bill is acted upon by the Senate, the Senate will finally be allowed to turn its attention to the longstanding nomination of Professor Fletcher. I have said from the outset of Senator KYL's effort that I would not hold up consideration of his bill but that I wanted an opportunity to note my opposition to it and to vote against it. Indeed, it was Senator KYL who held his bill over for a week before it was considered before the Judiciary Committee.

Despite the Committee reporting of the bill on May 21, 1998, the majority did not propose consideration of S. 1892 until Monday of this week, October 5, 1998. I responded without delay that I was prepared, as I had been all along, to enter into a short time agreement to be followed by a vote on the bill. Consistent with that undertaking I have noted my opposition and am prepared to vote.

Madam President, I am willing to yield the remainder of the time and go to a vote.

Mr. KYL. Madam President, I am happy to yield the remainder of my time and am prepared to vote.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1892) was ordered to be engrossed for a third reading, was read the third time, and passed as follows:

S. 1892

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

SECTION 1. LIMITATION ON CLOSELY RELATED PERSONS SERVING AS FEDERAL JUDGES ON THE SAME COURT.

(a) IN GENERAL.—Section 458 of title 28, United States Code, is amended—

(1) by inserting ''(a)(1)'' before ''No person''; and

(2) by adding at the end the following:

''(2) With respect to the appointment of a judge of a court exercising judicial power under article III of the United States Constitution (other than the Supreme Court), subsection (b) shall apply in lieu of this subsection.

''(b)(1) In this subsection, the term—

''(A) 'same court' means—

''(i) in the case of a district court, the court of a single judicial district; and

''(ii) in the case of a court of appeals, the court of appeals of a single circuit; and

''(B) 'member'—

''(i) means an active judge or a judge retired in senior status under section 371(b); and

''(ii) shall not include a retired judge, except as described under clause (i).

''(2) No person may be appointed to the position of judge of a court exercising judicial power under article III of the United States Constitution (other than the Supreme Court) who is related by affinity or consanguinity within the degree of first cousin to any judge who is a member of the same court.''.

(b) EFFECTIVE DATE.—This Act shall take effect on the date of enactment of this Act and shall apply only to any individual whose nomination is submitted to the Senate on or after such date.

Mr. KYL. Madam President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. LEAHY. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

SECTION 371 OF THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1999

Mr. GRASSLEY. Mr. President, I would like to take a moment to clarify one section of the Strom Thurmond National Defense Authorization Act with my colleague, Senator THURMOND.

I want to clarify further the intent of the language in section 371. This section deals with the ability of the children of U.S. Customs employees living in Puerto Rico to attend the Department of Defense school in Puerto Rico. It is my understanding that the Customs Service will not be required to reimburse the Department of Defense for the cost of dependents attending the DOD school in Puerto Rico. Is this the Senator's understanding?

Mr. THURMOND. I appreciate the opportunity to clarify the intent of this provision. The Conference Report authorizes children of Customs Service employees to attend the Department of Defense school in Puerto Rico during the period of their assignment in Puerto Rico. Our intent was to remove the five-year limit on the eligibility for children of non-Department of Defense personnel to attend the DOD school in Puerto Rico since Customs employees are routinely stationed in locations like Puerto Rico longer than five years. The provision does not require the Customs Service to pay tuition costs for these children to attend the DOD school; however, the Secertary of Defense may work with the Secretary of the Treasury to provide reimbursement for the tuition costs for children of Customs Service employees.

Mr. GRASSLEY. That was my understanding as well. I would like to make one additional point which I believe

you just made in your comments. I understand that the intention of the Conference was that the children of all Customs Service employees would be eligible to attend the DOD school in Puerto Rico. The Conferees did not intend to limit this eligibility to a single category of Customs Service employee. The Statement of Managers language in the Conference Report refers to Customs Agents. Some may interpret this to mean that only children of agents were eligible to attend the DOD school.

Mr. THURMOND. The Senator is correct in pointing this out. The term ''agent'' in the Statement of Managers is not used in the technical sense, but was intended to be a generic reference to all Customs Service employees stationed in Puerto Rico.

Mr. GRASSLEY. I thank my colleague for clarifying the intent of this provision.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday, October 5, 1998, the federal debt stood at $5,527,218,225,445.49 (Five trillion, five hundred twenty-seven billion, two hundred eighteen million, two hundred twenty-five thousand, four hundred forty-five dollars and forty-nine cents).

Five years ago, October 5, 1993, the federal debt stood at $4,407,913,000,000 (Four trillion, four hundred seven billion, nine hundred thirteen million).

Ten years ago, October 5, 1988, the federal debt stood at $2,621,612,000,000 (Two trillion, six hundred twenty-one billion, six hundred twelve million).

Fifteen years ago, October 5, 1983, the federal debt stood at $1,385,519,000,000 (One trillion, three hundred eighty-five billion, five hundred nineteen million).

Twenty-five years ago, October 5, 1973, the federal debt stood at $458,006,000,000 (Four hundred fifty-eight billion, six million) which reflects a debt increase of more than $5 trillion—$5,069,212,225,445.49 (Five trillion, sixty-nine billion, two hundred twelve million, two hundred twenty-five thousand, four hundred forty-five dollars and forty-nine cents) during the past 25 years.

NATIONAL HISTORIC SITE STUDY ACT OF 1998

Mr. CAMPBELL. Mr. President, Tuesday, October 6, 1998, will always hold a spot dear to my heart. I hope that today will also be dear to the hearts of the Cheyenne and Arapaho people, dear to Coloradans, and dear to Americans everywhere.

Today, S. 1695, the Sand Creek Massacre National Historic Site Study Act of 1998, a bill I was proud to introduce, was signed into law at a special White House ceremony. Under this new law, our nation takes a major step toward honoring the memory of the many innocent Cheyenne and Arapahoe people massacred there by instructing the National Park Service to locate the site of the Sand Creek Massacre once and for all.

Somewhere along the banks of Sand Creek in Southeastern Colorado is a killing field where many innocent Cheyenne and Arapaho, many of my ancestors, fell on the cold morning of November 29, 1864. On that day, in the month known by the Cheyenne and Arapaho people as the Month of the Freezing Moon, this ground was sanctified when the blood of hundreds of innocent Cheyenne and Arapaho women, children and elderly noncombatants was needlessly and brutally spilt.

Once this sacred ground is located, I hope it will be acquired and preserved with honor and dignity and in a way that takes into account the concerns of the Cheyenne and Arapaho decedents of those who died there. This ground should also be open to all people as a reminder of the national tragedy that occurred at Sand Creek.

On this special day, I would like to take a moment to thank a few people who helped S. 1695 become law. I want to thank my colleague from Colorado, Congressman BOB SCHAFFER, who introduced the companion bill and shepherded this legislation through the House of Representatives. I also want to thank Senator CRAIG THOMAS, who as the Chairman of the National Parks Subcommittee, was gracious and helpful in getting this bill through the Senate.

I especially want to thank my friends William Walksalong, Steve Brady and Laird Cometsevah, who all spoke with such eloquence as witnesses during the March 24th, 1998, hearing on S. 1695, that many in the room, including myself, were deeply moved. I also want to thank LaForce Lonebear who sent in his testimony even though he could not attend the hearing. Finally, I want to thank David Halaas of the Colorado State Historical Society and Roger Walke of the Congressional Research Service for their dedication along the way.

Many of these and other friends joined me at the White House earlier today as S. 1695 was signed into law.

Finally, on this occasion I want to pay a long overdue tribute to one young Coloradan, Captain Silas S. Soule, whose actions over one hundred and thirty years ago saved many innocent Cheyenne and Arapaho lives on that fateful day at Sand Creek.

When Captain Soule, who was under Colonel Chivington's command, heard of Chivington's plan to attack a peaceful Cheyenne and Arapaho winter encampment at Sand Creek, he vigorously tried to persuade Chivington to abandon the plan. However, Colonel Chivington, who was known to say ''Nits make Lice'' as a justification for killing innocent Cheyenne and Arapaho women and children, could not be dissuaded.

When Chivington ordered his men to attack the peaceful Sand Creek encampment, the vast majority of which were women, children, and elderly noncombatants, Captain Soule steadfastly refused to order his Company to open fire. Captain Soule's refusal allowed many, perhaps hundreds, of innocent Cheyenne and Arapaho to flee the bloody killing field through his Company's line.

While the Sand Creek Massacre was at first hailed as a great victory, Captain Soule was determined to make the horrific truth of the massacre known. Even though he was jailed, intimidated, threatened, and even shot at, Soule refused to compromise himself and made his voice heard through reports that reached all the way from Colorado to Washington, and even to the floor of the U.S. Senate. Even with the bloody carnage of the Civil War, the brutal atrocities at Sand Creek shocked the nation.

During hearings in Denver, Captain Soule's integrity and unwavering testimony turned the tide against the once popular Chivington and the other men who participated in the massacre and mutilations at Sand Creek. Captain Soule fully realized that telling the truth about the massacre could cost him his life, even telling a good friend that he fully expected to be killed for his testimony. He was right. Walking home with his new bride a short time later, Silas Soule was ambushed and shot in the head by an assassin who had participated in the Sand Creek Massacre. Silas Soule's funeral, held just a few weeks after his wedding, was one of the most attended in Denver up until that time.

While Captain Silas Soule's name has largely faded into history, he stands out as one of the few bright rays of light in the moral darkness that surrounds the Sand Creek Massacre. He should be remembered.

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

MESSAGES FROM THE HOUSE

At 11:55 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 563, An act to establish a toll free number in the Department of Commerce to assist consumers in determining if products are American-made.

H.R. 633. An act to amend the Foreign Service Act of 1980 to provide that the annuities of certain special agents and security personnel of the Department of State be computed in the same way as applies generally with respect to Federal law enforcement officers, and for other purposes.

H.R. 1756. An act to amend chapter 53 of title 31, United States Code, to require the development and implementation by the Secretary of the Treasury of a national money laundering and related financial crimes strategy to combat money laundering and related financial crimes, and for other purposes.

H.R. 1833. An act to amend the Indian Self-Determination and Education Assistance Act to provide for further self-governance by Indian tribes, and for other purposes.

H.R. 2370. An act to amend the Organic Act of Guam to clarify local executive and legislative provisions in such Act, and for other purposes.

H.R. 2742. An act to provide for the transfer of public lands to certain California Indian Tribes.

H.R. 2943. An act to amend title 5, United States Code, to increase the amount of leave time available to a Federal employee in any year in connection with serving as an organ donor, and for other purposes.

H.R. 3864. An act to designate the post office located at 203 West Paige Street, in Tompkinsville, Kentucky, as the ''Tim Lee Carter Post Office Building.''

H.R. 4000. An act to designate the United States Postal Service building located at 400 Edgmont Avenue, Chester, Pennsylvania, as the ''Thomas M. Foglietta Post Office Building.''

H.R. 4001. An act to designate the United States Postal Service building located at 2601 North 16th Street, Philadelphia, Pennsylvania, as the ''Roxanne H. Jones Post Office Building.''

H.R. 4005. An act to amend titles 18 and 31, United States Code, to improve methods for preventing money laundering and other financial crimes, and for other purposes.

H.R. 4148. An act to amend the Export Apple and Pear Act to limit the applicability of the act to apples.

H.R. 4280. An act to provide for greater access to child care services for Federal Employees.

H.R. 4647. An act to amend the Agricultural Trade Act of 1978 to require the President to report to Congress on any selective embargo on agricultural commodities, to provide a termination date for the embargo, to provide greater assurances for contract sanctity, and for other purposes.

H.R. 4655. An act to establish a program to support a transition to democracy in Iraq.

The message also announced that the House has passed the following bill, without amendment.

S. 314. An act to provide a process for identifying the functions of the Federal Government that are not inherently governmental functions, and for other purposes.

The message further announced that the House agrees to the amendments of the Senate bill (H.R. 930) to require Federal employees to use Federal travel charge cards for all payments of expenses of official Government travel, to amend title 31, United States Code, to establish requirements for prepayment audits of Federal agency transportation expenses, to authorize reimbursement of Federal agency employees for taxes incurred on travel or transportation reimbursements, and to authorize test programs for the payment of Federal employee travel expenses and relocation expenses.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 1702) to encourage the development of a commercial space industry in the United States, and for other purposes, with an amendment, in which it requests the concurrence of the Senate.

The message further announced that the House agrees to the amendments of the Senate to the bill (H.R. 1836) to amend chapter 89 of title 5, United States Code, to improve administration of sanctions against unfit health care providers under the Federal Employees Health Benefits Program, and for other purposes.

The message also announced that pursuant to clause 6(f) of rule X, the Chair removes Mr. CASTLE and Mr. SOUDER, as conferees on the bill (S. 2073) to authorize appropriations for the National Center for missing and Exploited Children, and appoints Mr. RIGGS and Mr. GREENWOOD, to fill the vacancies thereon.

ENROLLED BILLS SIGNED

At 12:08 p.m., a message from the House of Representatives, delivered by Mr. Hanrahan one of its reading clerks, announced that the Speaker has signed the following enrolled bills.

S. 414. An act to amend the Shipping Act of 1984 to encourage competition in international shipping and growth of United States exports, and for other purposes.

H.R. 3007. An act to establish the Commission on the Advancement of Women and Minorities in Sciences, Engineering, and Technology Development Act.

H.R, 4068. An act to make certain corrections in laws relating to Native Americans, and for other purposes.

The enrolled bills were signed subsequently by the President pro tempore (Mr. THURMOND).

MESSAGES FROM THE HOUSE RECEIVED DURING RECESS

Under the authority of the order of the Senate of January 7, 1997, the Secretary of the Senate, on October 6, 1998, during the recess of the Senate, received a message from the House of Representatives announcing that House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4194) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes.

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 5:57 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

H.R. 4101. An act making appropriations for Agriculture, Rural Development, Food and Drug Administrations, and Related Agencies programs of the fiscal year ending September 30, 1999, and for other purposes.

H.R. 4103. An act making appropriations for the Department of Defense for the fiscal year ending September 30, 1999, and for other purposes.

The enrolled bills were signed subsequently by the President pro tempore (Mr. THURMOND).

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on October 6, 1998, he had presented to the President of the United States, the following enrolled bill:

S. 414. An act to amend the Shipping Act of 1984 to encourage competition in international shipping and growth of United States exports, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THOMPSON, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

S. 1404: A bill to establish a Federal Commission on Statistical Policy to study the reorganization of the Federal statistical system, to provide uniform safeguards for the confidentiality of information acquired for exclusively statistical purposes, and to improve the efficiency of Federal statistical programs and the quality of Federal statistics by permitting limited sharing of records among designated agencies for statistical purposes under strong safeguards (Rept. No. 105–367).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources: Report to accompany the bill (S. 2117) to authorize the construction of the Perkins County Rural Water System and authorize financial assistance to the Perkins County Rural Water System, Inc., a nonprofit corporation, in the planning and construction of the water supply system, and for other purposes (Rept. No. 105–368).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources: Report to accompany the bill (S. 744) to authorize the construction of the Fall River Water Users District Rural Water System and authorize financial assistance to the Fall River Water Users District, a non-profit corporation, in the planning and construction of the water supply system, and for other purposes (Rept. No. 105–369).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources: Report to accompany the bill (S. 736) to convey certain real property within the Carlsbad Project in New Mexico to the Carlsbad Irrigation District (Rept. No. 105–370).

By Mr. HATCH, from the Committee on the Judiciary: Report to accompany the bill (S. 2151) to clarify Federal law to prohibit the dispensing or distribution of a controlled substance for the purpose of causing, or assisting in causing, the suicide, euthanasia, or mercy killing of any individual (Rept. No. 105–371).

By Mr. MCCAIN, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 2238: A bill to reform unfair and anticompetitive practices in the professional boxing industry (Rept. No. 105–371).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute and an amendment to the title:

S. 2402: A bill to direct the Secretary of Agriculture to convey certain lands in San Juan County, New Mexico, to San Juan College.

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with amendments and an amendment to the title:

S. 2413: A bill to provide for the development of a management plan for the Woodland Lake Park tract in Apache-Sitgreaves National Forest in the State of Arizona reflecting the current use of the tract as a public park.

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

S. 2458: A bill to amend the Act entitled ''An Act to provide for the creation of the Morristown National Historical Park in the State of New Jersey, and for other purposes'' to authorize the acquisition of property known as the ''Warren Property.''

S. 2513: A bill to transfer administrative jurisdiction over certain Federal land located within or adjacent to Rogue River National Forest and to clarify the authority of the Bureau of Land Management to sell and exchange other Federal land in Oregon.

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of committees were submitted:

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources:

David Michaels, of New York, to be an Assistant Secretary of Energy (Environment, Safety and Health).

Rose Eilene Gottemoeller, of Virginia, to be an Assistant Secretary of Energy (Non-Proliferation and National Security).

By Mr. SPECTER, from the Committee on Veterans' Affairs:

Eligah Dane Clark, of Alabama, to be Chairman of the Board of Veterans' Appeals for a term of six years.

Edward A. Powell, Jr., of Virginia, to be an Assistant Secretary of Veterans Affairs (Management).

Leigh A. Bradley, of Virginia, to be General Counsel, Department of Veterans' Affairs.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

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. GRAMS:

S. 2552. A bill to reform Social Security by creating personalized retirement accounts, and for other purposes; to the Committee on Finance.

By Mr. BYRD:

S. 2553. A bill to amend the Safe and Drug-Free Schools and Communities Act of 1994 to provide for the establishment of school violence prevention hotlines; to the Committee on Labor and Human Resources.

By Mr. DEWINE:

S. 2554. A bill to amend Public Law 90–419 to repeal a limitation on the consent of Congress to the Great Lakes Basin Compact; to the Committee on the Judiciary.

By Mr. DASCHLE:

S. 2555. A bill to deauthorize the Blunt Reservoir feature of the Oahe Irrigation Project, South Dakota, and direct the Secretary of the Interior to convey certain parcels of land acquired for the reservoir to the Commission of Schools and Public Lands of the State of South Dakota, on the condition that the current preferential leaseholders shall have an option to purchase the parcels from the Commission; to the Committee on Energy and Natural Resources.

By Mr. DEWINE:

S. 2556. A bill to amend the Internal Revenue Code of 1986, the Social Security Act, the Wagner-Peyser Act, and the Federal-State Extended Unemployment Compensation Act of 1970 to improve the method by which Federal unemployment taxes are collected and to improve the method by which funds are provided from Federal unemployment tax revenue for employment security administration, and for other purposes; to the Committee on Finance.

By Mr. SPECTER (for himself and Mr. SANTORUM):

S. 2557. A bill to authorize construction and operation of the Valley Forge Museum of the American Revolution at Valley Forge National Historical Park, and for other purposes; to the Committee on Environment and Public Works.

By Mrs. MURRAY (for herself and Mr. WELLSTONE):

S. 2558. A bill to provide economic security for battered women, and for other purposes; to the Committee on the Judiciary.

By Mr. REED:

S. 2559. A bill to provide for certain inspections with respect to small farms; to the Committee on Labor and Human Resources.

By Mr. BREAUX (for himself and Mr. COCHRAN):

S. 2560. A bill to authorize electronic issuance and recognition of migratory bird hunting and conservation stamps; to the Committee on Environment and Public Works.

By Mr. NICKLES (for himself and Mr. BRYAN):

S. 2561. A bill to amend the Fair Credit Reporting Act with respect to furnishing and using consumer reports for employment purposes; considered and passed.

By Mr. DODD (for himself, Mr. DASCHLE, and Mr. WELLSTONE):

S. 2562. A bill to amend title XVIII of the Social Security Act to extend for 6 months the contracts of certain managed care organizations under the medicare program; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MCCONNELL:

S. Res. 288. A resolution authorizing the printing of the Report of the Task Force on Economic Sanctions; to the Committee on Rules and Administration.

By Mr. LAUTENBERG (for himself, Mr. HATCH, Mr. GRAHAM, Mr. GRASSLEY, Mr. HELMS, Mrs. BOXER, Mr. BINGAMAN, and Mr. MACK):

S. Con. Res. 124. A concurrent resolution expressing the sense of Congress regarding the denial of benefits under the Generalized System of Preferences to developing countries that violate the intellectual property rights of United States persons, particularly those that have not implemented their obligations under the Agreement on Trade-Related Aspects of Intellectual Property; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DASCHLE:

S. 2555. A bill to deauthorize the Blunt Reservoir feature of the Oahe Irrigation Project, South Dakota, and direct the Secretary of the Interior to convey certain parcels of land acquired for the reservoir to the Commission of Schools and Public Lands of the State of South Dakota, on the condition that the current preferential leaseholders shall have an option to purchase the parcels from the Commission; to the Committee on Energy and Natural Resources.

THE BLUNT RESERVOIR LAND TRANSFER ACT

Mr. DASCHLE. Mr. President, today, I am introducing legislation to restore to the original owners and operators, the Blunt Reservoir lands in Sully County, South Dakota. The time has come for Congress finally to return these lands to those who owned them and worked them before they were acquired for the Oahe project. It is clear the lands will never be used for their intended purpose and it makes no sense for the Bureau of Reclamation to continue to manage them with the expectation that someday this project ever will be constructed.

The history of this project has been one of contention and debate within South Dakota and the federal government. One of the promises made to South Dakota when the Pick-Sloan dams were authorized was that we would be compensated for hosting the dams with the development of abundant irrigation. The centerpiece of that promise was the Oahe Irrigation project, which was to have expanded the agricultural potential of central South Dakota. In anticipation of constructing the Oahe Irrigation project, the Bureau of Reclamation acquired about 25,000 acres of land in Sully County to be used as a reservoir to store water for the irrigation project and for a canal from Pierre to carry the water. Despite taking this initial step, the project became very controversial and, as a result, has never been built. Consequently, instead of constructing the Blunt Reservoir feature of the project, the Bureau of Reclamation has leased these lands to the original owners and operators on a preferential basis and to others on a non-preferential basis, while waiting to see if Congress and the Administration would ever provide the funding necessary to build the project.

What has become clear during that time is that the Blunt Reservoir feature of the Oahe project never will be completed. It is senseless to continue to ask the Bureau of Reclamation to manage these lands. We should recognize this fact and take the steps necessary to return the lands to the county tax rolls by restoring them to their former owners and operators.

Those who have sacrificed their lands to this ill-fated project should no longer be forced to live with the uncertainty of wondering if they will be forever renting the lands they once owned. One farmer whose family owned Blunt Reservoir land for four generations recently visited me in Washington and told me that under their current circumstances there is little incentive to invest in improving the land. Without the security of ownership, farmers feel more like hired hands than permanent stewards. At times like these, when the very act of

farming is a precarious pursuit, we should pursue every means of providing stability to our producers.

That is why today I am introducing legislation to deauthorize the Blunt Reservoir feature of the Oahe Irrigation Project in South Dakota, and to transfer to the South Dakota School and Public Lands Commission the preferentially-leased lands. The Commission, in turn, will be required to offer the lands for sale to the original landowners or operators, or their heirs. The legislation also will transfer to the South Dakota Game, Fish and Parks Department the lands associated with this project that are currently leased on a non-preferential basis. The Department will use the lands to help mitigate the wildlife habitat that was inundated by the Pick-Sloan project.

Under my legislation, the preferential lessees will be able to purchase the Blunt Reservoir lands they currently are leasing for cash, at a 10% discount from the assessed value, or for a contract-for-deed at the full assessed value. The land also could be purchased with a contract-for-deed if the purchaser makes a down payment of 20% of the value of the land, and pays the balance over 30 years at 3% interest per year. Existing preferential lessees would have 10 years from the date of enactment to decide to purchase the lands, during which time they could continue to lease the lands from the School and Public Lands Commission at the current lease rates. Money gained from the sale of these lands by the School and Public Lands Commission will support education in South Dakota, which has been adversely affected by the replacement of property tax revenue with the perennially inadequate federal payments-in-lieu-of-taxes for these lands and for the Pick-Sloan project lands. It is my hope that in the near future, similar legislation can be developed for the lessees using the Pierre Canal lands that addresses their objectives to purchase the land and the objectives of those who hope to maintain the option of someday developing an irrigation project for the area.

Thank you, Mr. President, for the opportunity to present this legislation to the Senate. I urge my colleagues to join me in supporting its enactment. I ask unanimous consent that the full text of the bill appear in the RECORD.

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

S. 2555

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

SECTION 1. DEAUTHORIZATION OF THE BLUNT RESERVOIR FEATURE OF THE OAHE IRRIGATION PROJECT, SOUTH DAKOTA; CONVEYANCE.

(a) DEFINITIONS.—In this section:

(1) BLUNT RESERVOIR FEATURE.—The term ''Blunt Reservoir feature'' means the Blunt Reservoir feature of the Oahe Irrigation Project authorized by section 9 of the Act of December 22, 1944 (58 Stat. 891, chapter 665), as part of the Pick-Sloan Missouri River Basin Program.

(2) COMMISSION.—The term ''Commission'' means the Commission of Schools and Public Lands of the State of South Dakota.

(3) PREFERENTIAL LEASEHOLDER.—The term ''preferential leaseholder'' means a leaseholder of a parcel of land who is—

(A) the person from whom the Secretary purchased the parcel for use in connection with the Blunt Reservoir feature;

(B) the original operator of the parcel at the time of acquisition; or

(C) a descendant of a person described in subparagraph (A) or (B).

(4) PREFERENTIAL LEASE PARCEL.—The term ''preferential lease parcel'' means a parcel of land that—

(A) was purchased by the Secretary for use in connection with the Blunt Reservoir feature; and

(B) is under lease to a preferential leaseholder as of the date of enactment of this Act.

(5) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior, acting through the Commissioner of Reclamation.

(b) DEAUTHORIZATION.—The Blunt Reservoir feature is deauthorized.

(c) CONVEYANCE.—The Secretary shall convey all of the preferential lease parcels to the Commission, without consideration, on the condition that the Commission honor the purchase option provided to preferential leaseholders under subsection (d).

(d) PURCHASE OPTION.—

(1) IN GENERAL.—A preferential leaseholder shall have an option to purchase from the Commission the preferential lease parcel that is the subject of the lease.

(2) TERMS.—A preferential leaseholder may elect to purchase a parcel on 1 of the following terms:

(A) Cash purchase for the amount that is equal to—

(i) the value of the parcel determined under paragraph (4); minus

(ii) 10 percent of that value.

(B) Installment purchase, with 20 percent of the value of the parcel determined under paragraph (4) to be paid on the date of purchase and the remainder to be paid over 30 years at 3 percent annual interest.

(3) OPTION EXERCISE PERIOD.—

(A) IN GENERAL.—A preferential leaseholder shall have until the date that is 10 years after the date of the conveyance under subsection (c) to exercise the option under paragraph (1).

(B) CONTINUATION OF LEASES.—Until the date specified in subparagraph (A), a preferential leaseholder shall be entitled to continue to lease from the Commission, under the same terms and conditions as under the lease as in effect as of the date of conveyance, the parcel leased by the preferential leaseholder.

(4) VALUATION.—

(A) IN GENERAL.—The value of a preferential lease parcel shall be determined to be, at the election of the preferential leaseholder—

(i) the amount that is equal to 110 percent of the amount that is equal to—

(I) the number of acres of the preferential lease parcel; multiplied by

(II) the amount of the per-acre assessment of adjacent parcels made by the Director of Equalization of the county in which the preferential lease parcel is situated; or

(ii) the amount of a valuation of the preferential lease parcel for agricultural use made by an independent appraiser.

(B) COST OF APPRAISAL.—If a preferential leaseholder elects to use the method of valuation described in subparagraph (A)(ii), the cost of the valuation shall be paid by the preferential leaseholder.

(e) CONVEYANCE OF NONPREFERENTIALLY LEASED PARCELS.—The Secretary shall convey to the South Dakota Department of Game, Fish, and Parks the Blunt Reservoir parcels that are leased on a nonpreferential basis. These lands shall be used by the South Dakota Department of Game, Fish, and Parks for the purpose of mitigating the wildlife habitat that was lost as a result of the development of the Pick-Sloan project.

By Mr. DEWINE:

S. 2556. A bill to amend the Internal Revenue Code of 1986, the Social Security Act, the Wagner-Peyser Act, and the Federal-State Extended Unemployment Compensation Act of 1970 to improve the method by which Federal unemployment taxes are collected and to improve the method by which funds are provided from Federal unemployment tax revenue for employment security administration, and for other purposes; to the Committee on Finance.

EMPLOYMENT SECURITY FINANCING ACT OF 1998

● Mr. DEWINE. Mr. President, today I introduce the Employment Security Financing Act of 1998, a bill which seeks to reform the unemployment insurance program by giving states greater control over the management of their unemployment insurance system.

Specifically, under this legislation, beginning January 1, 2000, states would begin to collect Federal unemployment taxes, or ''FUTA taxes,'' in addition to the state unemployment taxes that they currently collect. The legislation also repeals the ''temporary'' 0.2 percent FUTA surtax in 2004, restructures the accounts in the Unemployment Trust Fund and reduces paperwork for employers. Most importantly, this legislation will return to the states the funding necessary to effectively operate their employment security systems and services.

Reform of the unemployment insurance program is essential to a state like Ohio which receives less than 39 cents of each employer FUTA dollar. This shortfall in funding has led to the closing of 22 local employment service offices during the past four years. In order to make up for the shortfall of FUTA dollars, the Ohio legislature has appropriated more than $50 million during the last four years to pay for employment services, something that should be funded by FUTA dollars. This appropriation of state tax dollars forces Ohio taxpayers to pay twice to fund unemployment services.

Ohio is not alone—since 1990, less than 59 cents of every employer FUTA tax dollar has been returned to the states for funding employment security. As a result, $2 billion sits in Federal accounts rather than being used as it was intended—to help put people back to work.

This is an important issue that Congress needs to consider. While this legislation obviously will not be considered before adjournment, I look forward to working with Representative CLAY SHAW, the House sponsor of this bill, on legislation that can meet the budget rules, yet still achieve necessary reform of the unemployment insurance program.●

By Mr. SPECTER (for himself and Mr. SANTORUM):

S. 2557. A bill to authorize construction and operation of the Valley Forge Museum of the American Revolution at Valley Forge National Historical Park, and for other purposes; to the Committee on Environment and Public Works.

VALLEY FORGE MUSEUM OF THE AMERICAN REVOLUTION ACT OF 1998

• Mr. SPECTER. Mr. President, today I introduce the Valley Forge Museum of the American Revolution Act of 1998, which authorizes the Secretary of Interior to enter into an agreement with the private, non-profit Valley Forge Historical Society to construct and operate this museum and visitor center within the boundaries of Valley Forge National Historical Park.

I have worked closely with Congressman WELDON on this legislation, and the Valley Forge Museum of the American Revolution Act included in the Omnibus National Parks and Public lands Act currently being considered in the House of Representatives.

This museum will combine the holdings of the Valley Forge National Historical Park and the Valley Forge Historical Society, making it the largest collection of Revolutionary War era artifacts in the world. The Valley Forge Historical Society, established in 1918, has a long history of service to the park, and has amassed one of the best collections of artifacts, art, books, and documents relating to the 1777–1778 encampment of George Washington's Continental Army at Valley Forge, the American Revolution, and the American colonial era. Their collection is currently housed in a facility that is inadequate to properly maintain, preserve, and display the Society's ever-growing collection. Construction of a new facility will rectify this situation.

This project is supported by local officials, and a new facility is part of Valley Forge National Historical Park's General Management Plan, which has identified inadequacies in the park's current visitor center and calls for the development of a new or significantly renovated museum and visitor center. The museum will educate an estimated 500,000 visitors a year about the critical events surrounding the birth of our nation. Currently, there is no museum in the United States dedicated to the American Revolution, and I believe it is important that Congress provide the authorization to bring this worthwhile project to fruition.

This legislation authorizes the Valley Forge Historical Society to operate the museum in cooperation with the Secretary of Interior. This project will directly support the historical, educational, and interpretive activities and needs of Valley Forge National Historical Park and the Valley Forge Historical Society while combining two outstanding museum collections.

Mr. President, this legislation holds enormous potential for visitors, scholars, and researchers to the park. I therefore urge my colleagues to support this bill.•

By Mrs. MURRAY (for herself and Mr. WELLSTONE):

S. 2558. A bill to provide economic security for battered women, and for other purposes; to the Committee on the Judiciary.

BATTERED WOMEN'S ECONOMIC SECURITY ACT

• Mrs. MURRAY. Mr. President, today, Senator WELLSTONE and I are introducing the Battered Women's Economic Security Act. This legislation was developed in order to address the numerous economic obstacles facing victims of domestic and family violence as they try to escape this violence.

I know that Senator WELLSTONE joins me in applauding Senator BIDEN's efforts in crafting legislation to reauthorize the Violence Against Women Act programs. Senator BIDEN developed a bipartisan bill to build on the success of VAWA and expand those programs aimed at the immediate needs of victims of domestic violence.

The legislation we are introducing today takes the next step. As a result of VAWA and the increased federal commitment to addressing the domestic violence crisis, we now have an infrastructure in place that helps the community respond to this violence. VAWA has been a success in helping local law enforcement, and the courts, prosecute those who batter and abuse women. VAWA provides a strong law enforcement component as well as services to provide immediate and emergency assistance to victims. But, the road to recovery is much longer and much harder because of economic barriers.

As I learned last year in my efforts to maintain a safety net for victims of family violence, often times it is basic economics that trap women and children in violent homes and relationships. Economic barriers threaten the success of VAWA and work to maintain the threat of violence.

We all know the cost of domestic and family violence. But, there is a much greater cost to the community that is often overlooked. How many police officers have been caught in the cross fire when responding to domestic and family violence calls? How many innocent children grow up in a violent home and bring this violence into the classroom or future relationships? We have made a commitment to ending domestic violence, however, in order to succeed we must tear down the economic barriers.

We have insurance policies that discriminate against victims of domestic violence. Some insurance companies think that victims of domestic violence are engaging in high risk behavior similar to a race car driver or sky diver. Life, homeowners, auto and health insurance are essential elements of economic security. Eliminating this protection for victims of domestic violence threatens their ability to achieve economic independence. It also discourages women from coming forward and reporting this violence and abuse for fear that their insurance company will use it against them.

Don't let anyone tell you this does not happen. I can give many examples of insurance discrimination faced by victims of domestic violence. Just ask Kaddas Bolduc from Washington, whose estranged husband burned down her home. Her insurance company refused to honor her homeowner's policy as they decided this was not arson, but a violent response to the break up of a relationship. Her husband had been released from jail shortly before the fire. She was told that she had no claim and no way to rebuild her home. I would have to say that this is a serious economic barrier that must come down.

I have met with many domestic violence advocates in Washington and have listen to their concerns about finding long term security for victims. I have heard horror stories about the lack of affordable housing or the inability of victims to secure safe housing. Many landlords refuse to rent to a victim for fear that the violence will follow her. Many women do not have a lease or mortgage in their name. They have no real credit history and certainly cannot prove that they were reliable tenants. As a result they have a difficult time finding housing. Shelters are simply temporary solutions and in many communities the need far outweighs the availability of emergency shelter space.

We need to expand Section 8 opportunities for victims of domestic violence in order to ensure that they can find long term housing. A safe, affordable home is often a goal that many battered women are unable to achieve. Many women end up back in violent homes or relationships as they have no where else to go. In order to end domestic and family violence we must provide greater housing assistance and opportunities to those who have suffered this violence.

Currently, there are many barriers to work for victims of domestic violence. Safe, affordable child care would be the greatest barrier and I believe the bonus provisions included in this bill will provide the incentives to the states to address this problem. We need to expand child care options and benefits for victims of domestic violence, but we cannot do it at the expense of other low income women an families struggling to stay off of welfare. I believe we need to work with the states in addressing the unique needs of victims of domestic violence.

Unfortunately, the violence can follow women into the work place which jeopardizes their health and safety as well as their job. Many women are unable to take leave to seek relief in the courts. They do not have the luxury of taking time off to file for a restraining order or to testify against their abuser. They cannot take sick leave to seek medical attention or treatment. Many employers simply do not offer or provide the flexibility that these women

need. Included in this legislation we are introducing today is the Employment Protection for Battered Women introduced by Senator WELLSTONE. I believe these provisions will help battered women maintain their jobs without jeopardizing their safety.

But when the threat of violence becomes so great as to jeopardize the woman and her coworkers she must be able to leave the job immediately. Unfortunately, many states refuse to allow these women the ability to collect unemployment compensation as they rule that she left on her own accord. However, many women are forced to leave a job and should not be penalized because they are being harassed and have been subjected to abuse in the past. Our legislation includes provisions that would allow a victim of domestic violence to collect unemployment compensation when they are forced to leave their job due to the thereat of continued violence.

I have also heard first hand from advocates who have been working with women in an effort to change their Social Security number in order to flee a violent abuser. It is impossible to secure employment without giving out one's Social Security number. It is impossible to rent an apartment or even establish credit without a Social Security number. Yet giving out this number can make it easier for an abusive husband or boyfriend to track a woman down. The ability to change their Social Security number becomes the difference between economic dependency and economic independence. Yet it is easier to change one's number based on superstition than it is because one is trying to flee a violent relationship.

The Office of Victims Advocacy at the Washington State AG's office told me that it can take as long as six months to change a Social Security number and that is in a case where there was a clear need to change the victim's identity. But, in most cases it takes more than 12 months and for some it may never happen. The Social Security Administration must work to correct this threat. Included in our legislation is a requirement that the Social Security Administration expedite requests from victims of domestic violence for a change in their Social Security number in order to achieve economic independency faster and safer.

The legislation is the result of months of drafting and working with domestic violence advocactes to address the many economic barriers facing victims. In working to strengthen the Family Violence Option in welfare reform, I became painfully aware of the barriers that punitive welfare reform provisions had created. But I realized that this was only one of many barriers.

VAWA took the first step in dedicating federal resources to addressing the domestic violence crisis, but its whole focus is law enforcement and emergency response. We need to go to the next level to truly end violence against women. We need to address these economic needs and problems. I believe our legislation meets this test and will eliminate many of the economic barriers that trap women and children in violent homes and relationships.

I urge my colleagues to join us in support of this important legislation.●

By Mr. BREAUX (for himself and Mr. COCHRAN):

S. 2560. A bill to authorize electronic issuance and recognition of migratory bird hunting and conservation stamps; to the Committee on Environment and Public Works.

ELECTRONIC DUCK STAMP ACT

● Mr. BREAUX. Mr. President, I am pleased to join with the distinguished senior Senator from the State of Mississippi and my colleague on the Migratory Bird Conservation Commission, Senator COCHRAN, in introducing the Electronic Duck Stamp Act. I believe it is legislation all of our colleagues should support.

The Electronic Duck Stamp Act would authorize electronic issuance of the federal migratory bird hunting and conservation stamp. A number of states are setting up electronic licensing systems so their hunters can purchase all their state hunting licenses at one time and in one location. This bill will help coordinate federal and state licensing systems and provide sportsmen and sportswomen the convenience of getting all their hunting licenses, federal and state, in one location. I believe this added convenience will increase ''duck stamp'' sales. This, in turn, will increase the total funds deposited into the Migratory Bird Conservation Fund for the purchase of suitable habitat for migratory birds. These funds are essential to the long-term survival of our migratory bird populations.

Mr. President, I urge my colleagues to join us in supporting this worthwhile legislation, and I ask unanimous consent that the full text of this legislation be printed in the RECORD.

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

S. 2560

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Electronic Duck Stamp Act of 1998''.

SEC. 2. ELECTRONIC ISSUANCE OF MIGRATORY BIRD HUNTING AND CONSERVATION STAMPS.

Section 2 of the Act of March 16, 1934 (16 U.S.C. 718b), is amended by adding at the end the following:

''(c) ELECTRONIC ISSUANCE OF STAMPS.—

''(1) DEFINITIONS.—In this subsection:

''(A) ACTUAL STAMP.—The term 'actual stamp' means a printed paper stamp that is issued and sold through a means in use on the day before the date of enactment of this subsection.

''(B) ELECTRONIC STAMP.—The term 'electronic stamp' means a representation of a stamp issued electronically under paragraph (2).

''(C) STAMP.—The term 'stamp' means a migratory bird hunting and conservation stamp required by the first section.

''(2) AUTHORIZATION.—The Department of the Interior, the Postal Service, or, subject to paragraph (7), a State or person authorized under subsection (a) to sell stamps, may issue representations of stamps electronically by endorsement affixed to licenses issued at points of sale or through other electronic media.

''(3) SIZE OF ELECTRONIC STAMPS.—An electronic stamp shall be of an area that is less than ¾, or more than 1½, of the area of an actual stamp.

''(4) CONFIRMATION NUMBER AND OTHER IDENTIFYING INFORMATION.—

''(A) CONFIRMATION NUMBER.—An electronic stamp shall be assigned a unique confirmation number.

''(B) OTHER IDENTIFYING INFORMATION.—Each issuer of an electronic stamp and unique confirmation number shall print on the electronic stamp appropriate information that is sufficient to permit Federal, State, and other law enforcement officers to verify the electronic stamp, confirmation number, and sales transaction with the licensee.

''(5) DELIVERY OF ACTUAL STAMPS.—An entity that issues electronic stamps shall have financial responsibility for the sale, delivery, and mailing of the corresponding actual stamp to the licensee within 14 calendar days after the date of issuance of the electronic stamp.

''(6) RECOGNITION OF ELECTRONIC STAMPS.—

''(A) IN GENERAL.—An electronic stamp and its unique confirmation number shall—

''(i) subject to the requirements of the first section, be given full recognition during the period beginning on the date of issuance of the electronic stamp until the date on which the corresponding actual stamp is received; and

''(ii) expire and be replaced by the actual stamp upon receipt of the actual stamp, but not later than 14 calendar days after the date of issuance of the electronic stamp, if the licensee complies with the requirements of the first section.

''(7) PLAN.—

''(A) SUBMISSION TO SECRETARY OF THE INTERIOR.—A State or person may participate in the issuance of an electronic stamp under this subsection only if the Secretary of the Interior has approved a plan submitted by the State or person that provides for—

''(i) a satisfactory accounting process for the collection and transfer of revenue;

''(ii) distribution and law enforcement verification of the electronic transaction; and

''(iii) the subsequent distribution of the actual stamp.

''(B) ACTION BY THE SECRETARY.—Not later than 60 days after the date of submission of a plan under subparagraph (A), the Secretary of the Interior shall—

''(i) review the request of the State or person and all accompanying documentation and other information available to the Secretary; and

''(ii) make a determination to approve or disapprove the plan.

''(8) ELECTRONIC COLLECTION OF ELECTRONIC STAMP SALES REVENUE.—Not later than 14 days after the date of issuance of an electronic stamp under this subsection, a State or person shall transfer to the Department of the Interior or a designated agent the revenue collected from the issuance by means of an electronic fund transfer method approved by, and compatible with, the accounting system of the Department of the Interior or the designated agent.''.●

ADDITIONAL COSPONSORS

S. 1137

At the request of Mr. DURBIN, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 1137, a bill to amend section 258 of the Communications Act of 1934 to establish additional protections against the unauthorized change of subscribers from one telecommunications carrier to another.

S. 1326

At the request of Mr. DASCHLE, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 1326, a bill to amend title XIX of the Social Security Act to provide for medicaid coverage of all certified nurse practitioners and clinical nurse specialists services.

S. 1720

At the request of Mr. ROBB, his name was added as a cosponsor of S. 1720, a bill to amend title 17, United States Code, to reform the copyright law with respect to satellite retransmissions of broadcast signals, and for other purposes.

S. 1881

At the request of Mr. LIEBERMAN, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 1881, a bill to amend title 49, United States Code, relating to the installation of emergency locator transmitters on aircraft.

S. 2013

At the request of Mrs. FEINSTEIN, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 2013, a bill to amend title XIX of the Social Security Act to permit children covered under private health insurance under a State children's health insurance plan to continue to be eligible for benefits under the vaccine for children program.

S. 2024

At the request of Mr. ASHCROFT, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 2024, a bill to increase the penalties for trafficking in methamphetamine in order to equalize those penalties with the penalties for trafficking in crack cocaine.

S. 2119

At the request of Mr. STEVENS, the name of the Senator from Rhode Island (Mr. CHAFEE) was added as a cosponsor of S. 2119, a bill to amend the Amateur Sports Act to strengthen provisions protecting the right of athletes to compete, recognize the Paralympics and growth of disabled sports, improve the U.S. Olympic Committee's ability to resolve certain disputes, and for other purposes.

S. 2213

At the request of Mr. FRIST, the name of the Senator from Arizona (Mr. MCCAIN) was added as a cosponsor of S. 2213, a bill to allow all States to participate in activities under the Education Flexibility Partnership Demonstration Act.

S. 2217

At the request of Mr. FRIST, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. 2217, a bill to provide for continuation of the Federal research investment in a fiscally sustainable way, and for other purposes.

S. 2364

At the request of Mr. CHAFEE, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 2364, a bill to reauthorize and make reforms to programs authorized by the Public Works and Economic Development Act of 1965.

S. 2520

At the request of Mr. MOYNIHAN, the name of the Senator from Illinois (Ms. MOSELEY-BRAUN) was added as a cosponsor of S. 2520, a bill to exclude from Federal taxation any portion of any reward paid to David R. Kaczynski and Linda E. Patrik which is donated to the victims in the Unabomber case or their families or which is used to pay Mr. Kaczynski's and Ms. Patrik's attorneys' fees.

SENATE CONCURRENT RESOLUTION 83

At the request of Mr. WARNER, the name of the Senator from Tennessee (Mr. FRIST) was added as a cosponsor of Senate Concurrent Resolution 83, a concurrent resolution remembering the life of George Washington and his contributions to the Nation.

SENATE CONCURRENT RESOLUTION 108

At the request of Mr. DORGAN, the names of the Senator from Idaho (Mr. CRAIG), the Senator from Washington (Mrs. MURRAY), and the Senator from New Hampshire (Mr. SMITH) were added as cosponsors of Senate Concurrent Resolution 108, a concurrent resolution recognizing the 50th anniversary of the National Heart, Lung, and Blood Institute, and for other purposes.

SENATE CONCURRENT RESOLUTION 121

At the request of Mr. SPECTER, the names of the Senator from Ohio (Mr. GLENN), the Senator from Illinois (Mr. DURBIN), the Senator from Georgia (Mr. COVERDELL), and the Senator from Wisconsin (Mr. KOHL) were added as cosponsors of Senate Concurrent Resolution 121, a concurrent resolution expressing the sense of Congress that the President should take all necessary measures to respond to the increase in steel imports resulting from the financial crises in Asia, the independent States of the former Soviet Union, Russia, and other areas of the world, and for other purposes.

SENATE RESOLUTION 264

At the request of Mrs. MURRAY, the name of the Senator from Arkansas (Mr. BUMPERS) was added as a cosponsor of Senate Resolution 264, a resolution to designate October 8, 1998 as the Day of Concern About Young People and Gun Violence.

AMENDMENT NO. 3722

At the request of Mr. MCCAIN the names of the Senator from New Hampshire (Mr. GREGG) and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of Amendment No. 3722 intended to be proposed to S. 442, a bill to establish a national policy against State and local government interference with interstate commerce on the Internet or interactive computer services, and to exercise Congressional jurisdiction over interstate commerce by establishing a moratorium on the imposition of exactions that would interfere with the free flow of commerce via the Internet, and for other purposes.

SENATE CONCURRENT RESOLUTION 124—EXPRESSING THE SENSE OF CONGRESS ON INTELLECTUAL PROPERTY PROTECTION

Mr. LAUTENBERG (for himself, Mr. HATCH, Mr. GRAHAM, Mr. GRASSLEY, Mr. HELMS, Mrs. BOXER, Mr. BINGAMAN, and Mr. MACK) submitted the following concurrent resolution; which was referred to the Committee on Finance:

S. CON. RES. 124

Whereas intellectual property-dependent industries include businesses that depend on protection of trademarks, trade secrets, trade names, copyrights, and patents;

Whereas intellectual property-dependent industries have become primary drivers of the United States economy, contributing over $500,000,000,000 to the United States economy in 1997;

Whereas the foreign sales and exports of United States intellectual property-dependent goods totaled at least $100,000,000,000 in 1997, exceeded sales of every other industrial sector, and helped the United States balance of trade;

Whereas international piracy of United States intellectual property, which the Department of Commerce estimates costs United States companies nearly $50,000,000,000 annually, poses the greatest threat to the continued success of United States intellectual property-dependent industries;

Whereas goods from many developing countries receive preferential duty treatment under the Generalized System of Preferences even though those countries do not protect intellectual property rights of United States persons;

Whereas piracy of United States intellectual property is so rampant in some developing countries that receive benefits under the Generalized System of Preferences that it effectively prevents United States intellectual property-dependent industries from selling products in those countries;

Whereas the Agreement on Trade-Related Aspects of Intellectual Property Rights requires its signatories to provide a minimum of essential protections to the intellectual property of citizens from all signatory nations;

Whereas the United States has fully implemented its obligations under the Agreement on Trade-Related Aspects of Intellectual Property Rights, and in fact in many cases offers stronger protection of intellectual property rights than required in the Agreement;

Whereas it appears that at the current rate many developing countries that receive benefits under the Generalized System of Preferences may not be in compliance with their obligations under the Agreement on Trade-Related Aspects of Intellectual Property Rights on January 1, 2000, as required; and

Whereas many of the developing countries that receive benefits under the Generalized System of Preferences and that are not on track in complying with their obligations under the Agreement on Trade-Related Aspects of Intellectual Property Rights are responsible for substantial trade losses suffered by United States intellectual property-dependent industries: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) the United States should not give special trade preferences to goods originating from a country that does not adequately and effectively protect United States intellectual property rights, particularly a developing country that has not met its obligations under the Agreement on Trade-Related Aspects of Intellectual Property Rights by January 1, 2000;

(2) Congress should monitor the progress of developing countries in meeting their obligations under the Agreement on Trade-Related Aspects of Intellectual Property Rights by January 1, 2000; and

(3) Congress should consider legislation that would deny the benefits of the Generalized System of Preferences to developing countries that are not in compliance with their obligations under the Agreement on Trade-Related Aspects of Intellectual Property Rights beginning on January 1, 2000.

● Mr. LAUTENBERG. Mr. President, today I submit a resolution expressing the sense of the Congress that the United States should not extend preferential duty-free treatment on products to countries who do not comply with their treaty obligations regarding the protection of intellectual property.

The United States leads the world in the production of intellectual property. Intellectual property-based industries, including those that rely on patents, copyrights, trademarks, trade secrets, and trade names, contribute over $500 billion annually to the U.S. economy. However, the current global reach of information is making it much easier for pirates to gain access to intellectual property. It is vitally important that we take adequate steps to discourage, and ultimately prevent, other nations from allowing the rampant piracy of the work of Americans.

Members of the World Trade Organization signed an agreement on Trade-Related aspects of Intellectual Property Rights, or TRIPS, in 1995. That agreement establishes minimum standards of intellectual property protection and requires the signatory developing nations to be compliant with their TRIPS obligations by January 1, 2000. Regardless of this, piracy continues in GSP beneficiary nations and around the world, costing the U.S. intellectual property-dependent industries approximately $50 billion a year.

The United States has recognized the importance of protecting American intellectual property and encouraging the growth of its related industries. The Administration has actively pressed other nations to engage in adequate protections, particularly through the use of the Special 301 ''watch'' list. However, this is not enough. We need to do more to remove the incentives for piracy. Linking GSP benefits to TRIPS obligations is an important first step, and a powerful way to send a clear message to these and other nations that there is a price to pay for continuing to permit rampant piracy of American-made products.

Mr. President, this sense of the Congress does send an important message to these countries that the United States is watching, and that legislation to implement the denial of duty-free treatment is imminent unless they take the necessary steps to respect and protect the intellectual capital of Americans.

At this point, Mr. President, I ask unanimous consent that letters in support of this resolution be inserted into the RECORD.

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

INTERNATIONAL INTELLECTUAL PROPERTY ALLIANCE,
Washington, DC, October 1, 1998.

Hon. ORRIN HATCH,
U.S. Senate, Russell Senate Office Building, Washington, DC.

Hon. FRANK LAUTENBERG,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATORS HATCH AND LAUTENBERG: On behalf of the International Intellectual Property Alliance and its members (listed below), we convey our strong support for your ''Sense of the Congress'' resolution designed to warn developing countries around the world that they cannot expect preferential trade benefits under the Generalized System of Preferences (GSP) program while, at the same time, condoning the theft of U.S. intellectual property (in our case, movies, business and entertainment software, music and sound recording, and books and journals—products protected by copyright laws).

Your resolution rightly sets, as the minimum standard of IP protection, the TRIPS agreement negotiated during the Uruguay Round and set to go into effect for most developing countries on January 1, 2000. It warns these countries that they must bring their statutory laws and, most importantly, their enforcement systems into compliance with those standards if they expect to receive these trade benefits. While the current GSP provisions give the President discretion to deny such benefits where U.S. intellectual property is inadequately protected, we welcome the message you are sending—that the Congress will consider tougher legislation which would increase the risk of these benefits being denied if these countries do not bring their IPR regimes into compliance with their international obligations.

Piracy levels in developing countries often hover at or above 90% of the marketplace. Rates at these levels simply deny our copyright-based industries the ability to enter and survive in many of these markets effectively. In total, IIPA estimates that the copyright industries lose over $20 billion to piracy worldwide, with a significant portion of this loss coming from developing countries. IIPA and the Administration have been working diligently to lower these piracy levels and global losses and to a great extent we have achieved success in obtaining improved legislation, the first step in this process. Now we face the challenge of improving enforcement systems and we welcome your resolution in the fight to meet this next objective.

We also applaud the resolution's acknowledgment of the importance of the intellectual property industries to the U.S. economy and to our international trade. As we announced last May before Senator Hatch's Judiciary Committee, the copyright industries accounted for $278.4 billion in value added to the U.S. economy, or approximately 3.65% of the Gross Domestic Product (GDP) in 1996 (the last year for which complete data is available). With respect to employment and job growth, the core copyright industries grew at more than twice the annual growth rate of the U.S. economy as a whole between 1977 and 1996 (5.5% vs. 2.6%). Employment in the core copyright industries grew at nearly three times the employment growth in the economy as a whole between 1977 and 1996 (4.6% vs. 1.6%). More than 6.5 million workers were employed by the total copyright industries in 1996, about 5.15% of the total U.S. work force. In 1996, the core copyright industries achieved foreign sales and exports of $60.18 billion, a 13% gain over the $53.25 billion generated in 1995, for the first time leading all major industry sectors including agriculture, automobiles and auto parts and the aircraft industry. In the future, the copyright industries will assume ever greater importance to revenue growth, job creation and international trade. Your resolution is right on target to ensure that these industries continue to remain healthy and vibrant.

Thank you for your attention to these important matters. Again, the nearly 1,400 companies represented by IIPA members strongly support this resolution.

Sincerely,

ERIC H. SMITH,
President.

INTELLECTUAL PROPERTY COMMITTEE,
Washington, DC, October 1, 1998.

Hon. FRANK R. LAUTENBERG
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR LAUTENBERG: The Intellectual Property Committee (IPC), whose members represent the broad spectrum of private sector intellectual property interests, strongly endorses the concurrent resolution on worldwide intellectual property protection that you are about to introduce.

The concurrent resolution demonstrates a clear understanding that strong worldwide protection of U.S. intellectual property is critical to the continued competitiveness of U.S. industry and to our nation's ability to create good jobs here in the United States. The intellectual property (TRIPS) agreement, which developing country members of the World Trade Organization (WTO) will be required to implement on January 1, 2000, provides international standards of protection and enforcement across a broad range of intellectual property elements.

The concurrent resolution expresses the sense of Congress that the United States should not give special trade preferences, under the U.S. Generalized System of Preferences (GSP), to goods originating from countries that will have failed to meet their obligations on January 1, 2000 under the TRIPS Agreement. It also expresses the sense of Congress that Congress should consider legislation that would deny GSP benefits to developing countries that will not be in compliance with their TRIPS obligations beginning on January 1, 2000.

Through such linkage, your concurrent resolution and the legislation that it envisages will provide the United States with the leverage necessary to ensure that GSP-beneficiary countries will live up to their WTO obligations. (These countries have had a five year transition period to comply with their WTO intellectual property obligations; the transition period will expire as of January 1, 2000.) In the absence of this type of leverage, the United States will face real difficulty in achieving the critical goal of improved

worldwide intellectual property protection in a timely manner. In addition, your concurrent resolution will underscore the importance of adequate and effective intellectual property protection in stimulating economic growth in GSP-beneficiary countries, which will lead to expanded export opportunities for U.S. goods and services.

The IPC commends your continued efforts on behalf of strong intellectual property protection and economic growth in the United States.

Sincerely,

CHARLES S. LEVY,
Counsel.

JACQUES J. GORLIN,
Director.

INTERACTIVE DIGITAL SOFTWARE ASSOCIATION,
Washington, DC, October 1, 1998.

Hon. ORRIN HATCH,
U.S. Senate, Russell Office Building, Washington, DC.

Hon. FRANK LAUTENBERG,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATORS HATCH AND LAUTENBERG: I write to thank you for your leadership on the issue of protecting intellectual property, and in particular to express the support of the Interactive Digital Software Association (IDSA), which represents the United States entertainment software publishers, for your decision to introduce a ''Sense of the Congress'' resolution on this issue. The IDSA believe this resolution will provide developing nations an incentive to meet pre-existing obligations to offer adequate and effective protection to intellectual property rights (IPR), and in particular to take all necessary steps to implement the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs Agreement.) Because the United States leads the world in intellectual property production and experiences a tremendous positive balance of trade in this area, better global protection for IPR will directly benefit the United States economy.

Piracy of intellectual property is a severe problem for U.S. industries. In 1997, the U.S. entertainment software industry, which had revenues of $5.6 billion in the United States, experienced global piracy losses of approximately $3.2 billion (not including online piracy losses.) Perhaps more troubling, $894 million of those losses occurred in developing nations that receive special trade preference from the U.S. under the Generalized Systems of Preferences (GSP) program. As a result, the U.S. provides special trade preferences to the goods of nations whose inadequate protection for IPR effectively bars many U.S. companies from doing business therein.

Piracy losses in GSP beneficiary nations continue to mount though many of these nations have signed the TRIPs Agreement and are required to meet its obligations by January 1, 2000. In fact, many of these nations have yet to begin the long process of passing legislation to implement the TRIPs Agreement, much less to demonstrate a willingness to enforce such laws once enacted. Due to this lack of progress, it appears that the vast majority of developing nations will not be in full compliance with the TRIPs Agreement as required on January 1, 2000.

Your resolution will, in a variety of ways, help to address the problem of inadequate protection for IPR rights by developing nations. Your resolution will send a powerful message that the United States Congress places a high priority on global IPR protection. By expressing a congressional willingness to deny GSP benefits to nations that do not meet their TRIPs Agreement obligations, your resolution will provide developing nations a powerful incentive to get serious about TRIPs Agreement implementation. Furthermore, your resolution will supplement and support the efforts of the United States Government, particularly the Office of the United States Trade Representative (USTR), and United States intellectual property owners to convince developing nations to provide at least the minimum of IPR protection required under the TRIPs Agreement.

Therefore, I again express the full support of the IDSA for your resolution, and offer any assistance we may provide in seeing this resolution to passage.

Sincerely,

DOUG LOWENSTEIN,
President.

PHARMACEUTICAL RESEARCH AND MANUFACTURERS OF AMERICA,
Washington, DC, October 6, 1998.

Hon. FRANK LAUTENBERG,
U.S. Senate, Washington, DC.

DEAR SENATOR LAUTENBERG: I am writing to express PhRMA's support for the Concurrent Resolution regarding GSP and intellectual property you are introducing today. The denial of intellectual property rights protection abroad is one of the American research-based pharmaceutical industry's most serious challenges. Billions of dollars are lost annually to patent pirates in such countries as Argentina, India, Egypt, and many others.

By withholding GSP privileges from countries that refuse to respect the intellectual property rights of American biomedical inventors, your Resolution sends an important signal to the world trading community. American foreign trade policy is based on the fundamental principle of reciprocity, and denial of intellectual property rights is, in fact, a de facto denial of market access since the innovator cannot enjoy the limited period of marketing exclusivity granted by a patent. Since many pirating countries on the one hand deny market access to American companies, but on the other hand enjoy not only market access but GSP treatment on trade with the United States, your Resolution is quite appropriate and necessary.

PhRMA is pleased to offer its support for the Concurrent Resolution expressing the sense of the Senate that GSP benefits should be withheld from developing countries that violate American intellectual property rights.

Respectfully,

BARRY H. CALDWELL,
Vice President.●

AMENDMENTS SUBMITTED

READING EXCELLENCE ACT

JEFFORDS AMENDMENT NO. 3740

Mr. JEFFORDS proposed an amendment to the bill (H.R. 2614) to improve the reading and literacy skills of children and families by improving in-service instructional practices for teachers who teach reading, to stimulate the development of more high-quality family literacy programs, to support extended learning-time opportunities for children, to ensure that children can read well and independently not later than third grade, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Reading Excellence Act''.

TITLE I—READING AND LITERACY GRANTS

SEC. 101. AMENDMENT TO ESEA FOR READING AND LITERACY GRANTS.

(a) IN GENERAL.—Title II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6601 et seq.) is amended—

(1) by redesignating parts C and D as parts D and E, respectively; and

(2) by inserting after part B the following:

''PART C—READING AND LITERACY GRANTS

''SEC. 2251. PURPOSES.

''The purposes of this part are as follows:

''(1) To provide children with the readiness skills they need to learn to read once they enter school.

''(2) To teach every child to read in the child's early childhood years—

''(A) as soon as the child is ready to read; or

''(B) as soon as possible once the child enters school, but not later than 3d grade.

''(3) To improve the reading skills of students, and the instructional practices for current teachers (and, as appropriate, other instructional staff) who teach reading, through the use of findings from scientifically based reading research, including findings relating to phonemic awareness, systematic phonics, fluency, and reading comprehension.

''(4) To expand the number of high-quality family literacy programs.

''(5) To provide early literacy intervention to children who are experiencing reading difficulties in order to reduce the number of children who are incorrectly identified as a child with a disability and inappropriately referred to special education.

''SEC. 2252. DEFINITIONS.

''For purposes of this part:

''(1) ELIGIBLE PROFESSIONAL DEVELOPMENT PROVIDER.—The term 'eligible professional development provider' means a provider of professional development in reading instruction to teachers that is based on scientifically based reading research.

''(2) FAMILY LITERACY SERVICES.—The term 'family literacy services' means services provided to participants on a voluntary basis that are of sufficient intensity in terms of hours, and of sufficient duration, to make sustainable changes in a family, and that integrate all of the following activities:

''(A) Interactive literacy activities between parents and their children.

''(B) Training for parents regarding how to be the primary teacher for their children and full partners in the education of their children.

''(C) Parent literacy training that leads to economic self-sufficiency.

''(D) An age-appropriate education to prepare children for success in school and life experiences.

''(3) INSTRUCTIONAL STAFF.—The term 'instructional staff'—

''(A) means individuals who have responsibility for teaching children to read; and

''(B) includes principals, teachers, supervisors of instruction, librarians, library school media specialists, teachers of academic subjects other than reading, and other individuals who have responsibility for assisting children to learn to read.

''(4) READING.—The term 'reading' means a complex system of deriving meaning from print that requires all of the following:

''(A) The skills and knowledge to understand how phonemes, or speech sounds, are connected to print.

''(B) The ability to decode unfamiliar words.

''(C) The ability to read fluently.

''(D) Sufficient background information and vocabulary to foster reading comprehension.

''(E) The development of appropriate active strategies to construct meaning from print.

''(F) The development and maintenance of a motivation to read.

''(5) SCIENTIFICALLY BASED READING RESEARCH.—The term 'scientifically based reading research'—

''(A) means the application of rigorous, systematic, and objective procedures to obtain valid knowledge relevant to reading development, reading instruction, and reading difficulties; and

''(B) shall include research that—

''(i) employs systematic, empirical methods that draw on observation or experiment;

''(ii) involves rigorous data analyses that are adequate to test the stated hypotheses and justify the general conclusions drawn;

''(iii) relies on measurements or observational methods that provide valid data across evaluators and observers and across multiple measurements and observations; and

''(iv) has been accepted by a peer-reviewed journal or approved by a panel of independent experts through a comparably rigorous, objective, and scientific review.

''SEC. 2253. READING AND LITERACY GRANTS TO STATE EDUCATIONAL AGENCIES.

''(a) PROGRAM AUTHORIZED.—

''(1) IN GENERAL.—Subject to the provisions of this part, the Secretary shall award grants to State educational agencies to carry out the reading and literacy activities authorized under this section and sections 2254 through 2256.

''(2) LIMITATIONS.—

''(A) SINGLE GRANT PER STATE.—A State educational agency may not receive more than one grant under paragraph (1).

''(B) 3-YEAR TERM.—A State educational agency that receives a grant under paragraph (1) may expend the funds provided under the grant only during the 3-year period beginning on the date on which the grant is made.

''(b) APPLICATION.—

''(1) IN GENERAL.—A State educational agency that desires to receive a grant under this part shall submit an application to the Secretary at such time and in such form as the Secretary may require. The application shall contain the information described in paragraph (2).

''(2) CONTENTS.—An application under this subsection shall contain the following:

''(A) An assurance that the Governor of the State, in consultation with the State educational agency, has established a reading and literacy partnership described in subsection (d), and a description of how such partnership—

''(i) assisted in the development of the State plan;

''(ii) will be involved in advising on the selection of subgrantees under sections 2255 and 2256; and

''(iii) will assist in the oversight and evaluation of such subgrantees.

''(B) A description of the following:

''(i) How the State educational agency will ensure that professional development activities related to reading instruction and provided under this part are—

''(I) coordinated with other State and local level funds and used effectively to improve instructional practices for reading; and

''(II) based on scientifically based reading research.

''(ii) How the activities assisted under this part will address the needs of teachers and other instructional staff, and will effectively teach students to read, in schools receiving assistance under section 2255 and 2256.

''(iii) The extent to which the activities will prepare teachers in all the major components of reading instruction (including phonemic awareness, systematic phonics, fluency, and reading comprehension).

''(iv) How the State educational agency will use technology to enhance reading and literacy professional development activities for teachers, as appropriate.

''(v) How parents can participate in literacy-related activities assisted under this part to enhance their children's reading.

''(vi) How subgrants made by the State educational agency under sections 2255 and 2256 will meet the requirements of this part, including how the State educational agency will ensure that subgrantees will use practices based on scientifically based reading research.

''(vii) How the State educational agency will, to the extent practicable, make grants to subgrantees in both rural and urban areas.

''(viii) The process that the State used to establish the reading and literacy partnership described in subsection (d).

''(C) An assurance that each local educational agency to which the State educational agency makes a subgrant—

''(i) will provide professional development for the classroom teacher and other appropriate instructional staff on the teaching of reading based on scientifically based reading research;

''(ii) will provide family literacy services based on programs such as the Even Start family literacy model authorized under part B of title I, to enable parents to be their child's first and most important teacher;

''(iii) will carry out programs to assist those kindergarten students who are not ready for the transition to first grade, particularly students experiencing difficulty with reading skills; and

''(iv) will use supervised individuals (including tutors), who have been appropriately trained using scientifically based reading research, to provide additional support, before school, after school, on weekends, during noninstructional periods of the school day, or during the summer, for children preparing to enter kindergarten and students in kindergarten through grade 3 who are experiencing difficulty reading.

''(D) An assurance that instruction in reading will be provided to children with reading difficulties who—

''(i) are at risk of being referred to special education based on these difficulties; or

''(ii) have been evaluated under section 614 of the Individuals with Disabilities Education Act but, in accordance with section 614(b)(5) of such Act, have not been identified as being a child with a disability (as defined in section 602 of the such Act).

''(E) A description of how the State educational agency—

''(i) will build on, and promote coordination among, literacy programs in the State (including federally funded programs such as the Adult Education and Family Literacy Act and the Individuals with Disabilities Education Act), in order to increase the effectiveness of the programs in improving reading for adults and children and to avoid duplication of the efforts of the programs;

''(ii) will promote reading and library programs that provide access to engaging reading material;

''(iii) will make local educational agencies described in sections 2255(a)(1) and 2256(a)(1) aware of the availability of subgrants under sections 2255 and 2256; and

''(iv) will assess and evaluate, on a regular basis, local educational agency activities assisted under this part, with respect to whether they have been effective in achieving the purposes of this part.

''(F) A description of the evaluation instrument the State educational agency will use for purposes of the assessments and evaluations under subparagraph (E)(iv).

''(c) APPROVAL OF APPLICATIONS.—

''(1) IN GENERAL.—The Secretary shall approve an application of a State educational agency under this section only—

''(A) if such application meets the requirement of this section; and

''(B) after taking into account the extent to which the application furthers the purposes of this part and the overall quality of the application.

''(2) PEER REVIEW.—

''(A) IN GENERAL.—The Secretary, in consultation with the National Institute for Literacy, shall convene a panel to evaluate applications under this section. At a minimum, the panel shall include—

''(i) representatives of the National Institute for Literacy, the National Research Council of the National Academy of Sciences, and the National Institute of Child Health and Human Development;

''(ii) 3 individuals selected by the Secretary;

''(iii) 3 individuals selected by the National Institute for Literacy;

''(iv) 3 individuals selected by the National Research Council of the National Academy of Sciences; and

''(v) 3 individuals selected by the National Institute of Child Health and Human Development.

''(B) EXPERTS.—The panel shall include experts who are competent, by virtue of their training, expertise, or experience, to evaluate applications under this section, and experts who provide professional development to teachers of reading to children and adults, and experts who provide professional development to other instructional staff, based on scientifically based reading research.

''(C) PRIORITY.—The panel shall recommend grant applications from State educational agencies under this section to the Secretary for funding or for disapproval. In making such recommendations, the panel shall give priority to applications from State educational agencies whose States have modified, are modifying, or provide an assurance that not later than 18 months after receiving a grant under this section the State educational agencies will increase the training and the methods of teaching reading required for certification as an elementary school teacher to reflect scientifically based reading research, except that nothing in this Act shall be construed to establish a national system of teacher certification.

''(D) MINIMUM GRANT AMOUNTS.—

''(i) STATES.—Each State educational agency selected to receive a grant under this section shall receive an amount for the grant period that is not less than $500,000.

''(ii) OUTLYING AREAS.—The Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands selected to receive a grant under this section shall receive an amount for the grant period that is not less than $100,000.

''(E) LIMITATION.—The Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau shall not be eligible to receive a grant under this part.

''(d) READING AND LITERACY PARTNERSHIPS.—

''(1) REQUIRED PARTICIPANTS.—In order for a State educational agency to receive a grant under this section, the Governor of the State, in consultation with the State educational agency, shall establish a reading and literacy partnership consisting of at least the following participants:

''(A) The Governor of the State.

''(B) The chief State school officer.

''(C) The chairman and the ranking member of each committee of the State legislature that is responsible for education policy.

''(D) A representative, selected jointly by the Governor and the chief State school officer, of at least one local educational agency that is eligible to receive a subgrant under section 2255.

''(E) A representative, selected jointly by the Governor and the chief State school officer, of a community-based organization working with children to improve their reading skills, particularly a community-based organization using tutors and scientifically based reading research.

''(F) State directors of appropriate Federal or State programs with a strong reading component.

''(G) A parent of a public or private school student or a parent who educates their child or children in their home, selected jointly by the Governor and the chief State school officer.

''(H) A teacher who successfully teaches reading and an instructional staff member, selected jointly by the Governor and the chief State school officer.

''(I) A family literacy service provider jointly by the Governor and the Chief State School Officer.

''(2) OPTIONAL PARTICIPANTS.—A reading and literacy partnership may include additional participants, who shall be selected jointly by the Governor and the chief State school officer, and who may include a representative of—

''(A) an institution of higher education operating a program of teacher preparation based on scientifically based reading research in the State;

''(B) a local educational agency;

''(C) a private nonprofit or for-profit eligible professional development provider providing instruction based on scientifically based reading research;

''(D) an adult education provider;

''(E) a volunteer organization that is involved in reading programs; or

''(F) a school library or a public library that offers reading or literacy programs for children or families.

''(3) PREEXISTING PARTNERSHIP.—If, before the date of the enactment of the Reading Excellence Act, a State established a consortium, partnership, or any other similar body, that includes the Governor and the chief State school officer and has, as a central part of its mission, the promotion of literacy for children in their early childhood years through the 3d grade and family literacy services, but that does not satisfy the requirements of paragraph (1), the State may elect to treat that consortium, partnership, or body as the reading and literacy partnership for the State notwithstanding such paragraph, and it shall be considered a reading and literacy partnership for purposes of the other provisions of this part.

''SEC. 2254. USE OF AMOUNTS BY STATE EDUCATIONAL AGENCIES.

''A State educational agency that receives a grant under section 2253—

''(1) shall use not more than 5 percent of the funds made available under the grant for the administrative costs of carrying out this part (excluding section 2256), of which not more than 2 percent may be used to carry out section 2259; and

''(2) shall use not more than 15 percent of the funds made available under the grant to solicit applications for, award, and oversee the performance of, not less than one subgrant pursuant to section 2256.

''SEC. 2255. LOCAL READING IMPROVEMENT SUBGRANTS.

''(a) IN GENERAL.—

''(1) SUBGRANTS.—A State educational agency that receives a grant under section 2253 shall make subgrants, on a competitive basis, to local educational agencies that either—

''(A) have at least one school that is identified for school improvement under section 1116(c) in the geographic area served by the agency;

''(B) have the largest, or second largest, number of children who are counted under section 1124(c), in comparison to all other local educational agencies in the State; or

''(C) have the highest, or second highest, school-age child poverty rate, in comparison to all other local educational agencies in the State.

For purposes of subparagraph (C), the term 'school-age child poverty rate' means the number of children counted under section 1124(c) who are living within the geographic boundaries of the local educational agency, expressed as a percentage of the total number of children aged 5-17 years living within the geographic boundaries of the local educational agency.

''(2) SUBGRANT AMOUNT.—A subgrant under this section shall consist of an amount sufficient to enable the subgrant recipient to operate a program for a 2-year period and may not be revoked or terminated on the grounds that a school ceases, during the grant period, to meet the requirements of subparagraph (A), (B), or (C) of paragraph (1).

''(b) APPLICATIONS.—A local educational agency that desires to receive a subgrant under this section shall submit an application to the State educational agency at such time, in such manner, and including such information as the agency may require. The application—

''(1) shall describe how the local educational agency will work with schools selected by the agency to receive assistance under subsection (d)(1)—

''(A) to select one or more programs of reading instruction, developed using scientifically based reading research, to improve reading instruction by all academic teachers for all children in each of the schools selected by the agency under such subsection and, where appropriate, for their parents; and

''(B) to enter into an agreement with a person or entity responsible for the development of each program selected under subparagraph (A), or a person with experience or expertise about the program and its implementation, under which the person or entity agrees to work with the local educational agency and the schools in connection with such implementation and improvement efforts;

''(2) shall include an assurance that the local educational agency—

''(A) will carry out professional development for the classroom teacher and other instructional staff on the teaching of reading based on scientifically based reading research;

''(B) will provide family literacy services based on programs such as the Even Start family literacy model authorized under part B of title I, to enable parents to be their child's first and most important teacher;

''(C) will carry out programs to assist those kindergarten students who are not ready for the transition to first grade, particularly students experiencing difficulty with reading skills; and

''(D) will use supervised individuals (including tutors), who have been appropriately trained using scientifically based reading research, to provide additional support, before school, after school, on weekends, during noninstructional periods of the school day, or during the summer, for children preparing to enter kindergarten and students in kindergarten through grade 3 who are experiencing difficulty reading;

''(3) shall describe how the applicant will ensure that funds available under this part, and funds available for reading instruction for kindergarten through grade 6 from other appropriate sources, are effectively coordinated, and, where appropriate, integrated with funds under this Act in order to improve existing activities in the areas of reading instruction, professional development, program improvement, parental involvement, technical assistance, and other activities that can help meet the purposes of this part;

''(4) shall describe, if appropriate, how parents, tutors, and early childhood education providers will be assisted by, and participate in, literacy-related activities receiving financial assistance under this part to enhance children's reading fluency;

''(5) shall describe how the local educational agency—

''(A) provides instruction in reading to children with reading difficulties who—

''(i) are at risk of being referred to special education based on these difficulties; or

''(ii) have been evaluated under section 614 of the Individuals with Disabilities Education Act but, in accordance with section 614(b)(5) of such Act, have not been identified as being a child with a disability (as defined in section 602 of the such Act); and

''(B) will promote reading and library programs that provide access to engaging reading material; and

''(6) shall include an assurance that the local educational agency will make available, upon request and in an understandable and uniform format, to any parent of a student attending any school selected to receive assistance under subsection (d)(1) in the geographic area served by the local educational agency, information regarding the professional qualifications of the student's classroom teacher to provide instruction in reading.

''(c) SPECIAL RULE.—To the extent feasible, a local educational agency that desires to receive a grant under this section shall form a partnership with one or more community-based organizations of demonstrated effectiveness in early childhood literacy, and reading readiness, reading instruction, and reading achievement for both adults and children, such as a Head Start program, family literacy program, public library, or adult education program, to carry out the functions described in paragraphs (1) through (6) of subsection (b). In evaluating subgrant applications under this section, a State educational agency shall consider whether the applicant has satisfied the requirement in the preceding sentence. If not, the applicant must provide information on why it would not have been feasible for the applicant to have done so.

''(d) USE OF FUNDS.—

''(1) IN GENERAL.—Subject to paragraph (2), a local educational agency that receives a subgrant under this section shall use amounts from the subgrant to carry out activities to advance reform of reading instruction in any school that (A) is described in subsection (a)(1)(A), (B) has the largest, or second largest, number of children who are counted under section 1124(c), in comparison to all other schools in the local educational agency, or (C) has the highest, or second highest, school-age child poverty rate (as defined in the second sentence of subsection (a)(1)), in comparison to all other schools in the local educational agency. Such activities shall include the following:

''(A) Securing technical and other assistance from—

''(i) a program of reading instruction based on scientifically based reading research;

''(ii) a person or entity with experience or expertise about such program and its implementation, who has agreed to work with the recipient in connection with its implementation; or

''(iii) a program providing family literacy services.

''(B) Providing professional development activities to teachers and other instructional staff (including training of tutors), using scientifically based reading research and purchasing of curricular and other supporting materials.

''(C) Promoting reading and library programs that provide access to engaging reading material.

''(D) Providing, on a voluntary basis, training to parents of children enrolled in a school selected to receive assistance under subsection (d)(1) on how to help their children with school work, particularly in the development of reading skills. Such training may be provided directly by the subgrant recipient, or through a grant or contract with another person. Such training shall be consistent with reading reforms taking place in the school setting. No parent shall be required to participate in such training.

''(E) Carrying out family literacy services based on programs such as the Even Start family literacy model authorized under part B of title I, to enable parents to be their child's first and most important teacher.

''(F) Providing instruction for parents of children enrolled in a school selected to receive assistance under subsection (d)(1), and others who volunteer to be reading tutors for such children, in the instructional practices based on scientifically based reading research used by the applicant.

''(G) Programs to assist those kindergarten students enrolled in a school selected to receive assistance under subsection (d)(1) who are not ready for the transition to first grade, particularly students experiencing difficulty with reading skills.

''(H) Providing additional support for children preparing to enter kindergarten and students in kindergarten through grade 3 who are enrolled in a school selected to receive assistance under subsection (d)(1), who are experiencing difficulty reading, before school, after school, on weekends, during noninstructional periods of the school day, or during the summer, using supervised individuals (including tutors), who have been appropriately trained using scientifically based reading research.

''(I) Providing instruction in reading to children with reading difficulties who—

''(i) are at risk of being referred to special education based on these difficulties; or

''(ii) have been evaluated under section 614 of the Individuals with Disabilities Education Act but, in accordance with section 614(b)(5) of such Act, have not been identified as being a child with a disability (as defined in section 602 of the such Act).

''(J) Providing coordination of reading, library, and literacy programs within the local educational agency to avoid duplication and increase the effectiveness of reading, library, and literacy activities.

''(2) LIMITATION ON ADMINISTRATIVE EXPENSES.—A recipient of a subgrant under this section may use not more than 5 percent of the subgrant funds for administrative costs.

''(e) TRAINING NONRECIPIENTS.—A recipient of a subgrant under this section may train, on a fee-for-service basis, personnel from schools, or local educational agencies, that are not a beneficiary of, or receiving, such a subgrant, in the instructional practices based on scientifically based reading research used by the recipient. Such a nonrecipient school or agency may use funds received under title I of this Act, and other appropriate Federal funds used for reading instruction, to pay for such training, to the extent consistent with the law under which such funds were received.

''SEC. 2256. TUTORIAL ASSISTANCE SUBGRANTS.

''(a) IN GENERAL.—

''(1) SUBGRANTS.—Except as provided in paragraph (4), a State educational agency that receives a grant under section 2253 shall make at least one subgrant on a competitive basis to—

''(A) local educational agencies that have at least one school in the geographic area served by the agency that—

''(i) is located in an area designated as an empowerment zone under part I of subchapter U of chapter 1 of the Internal Revenue Code of 1986; or

''(ii) is located in an area designated as an enterprise community under part I of subchapter U of chapter 1 of the Internal Revenue Code of 1986;

''(B) local educational agencies that have at least one school that is identified for school improvement under section 1116(c) in the geographic area served by the agency;

''(C) local educational agencies with the largest, or second largest, number of children who are counted under section 1124(c), in comparison to all other local educational agencies in the State; or

''(D) local educational agencies with the highest, or second highest, school-age child poverty rate, in comparison to all other local educational agencies in the State.

For purposes of subparagraph (D), the term 'school-age child poverty rate' means the number of children counted under section 1124(c) who are living within the geographic boundaries of the local educational agency, expressed as a percentage of the total number of children aged 5-17 years living within the geographic boundaries of the local educational agency.

''(2) NOTIFICATION.—

''(A) TO LOCAL EDUCATIONAL AGENCIES.—A State educational agency shall provide notice to all local educational agencies within the State regarding the availability of the subgrants under this section.

''(B) TO PROVIDERS AND PARENTS.—Not later than 30 days after the date on which the State educational agency provides notice under subparagraph (A), each eligible local educational agency shall provide public notice to potential providers of tutorial assistance and parents within the eligible local educational agency regarding the availability of the subgrants under this section.

''(3) APPLICATION.—A local educational agency that desires to receive a subgrant under this section shall submit an application to the State educational agency at such time, in such manner, and including such information as the agency may require. The application shall include an assurance that the local educational agency will use the subgrant funds to carry out the duties described in subsection (b) for children enrolled in any school selected by the agency that (A) is described in paragraph (1)(A), (B) is described in paragraph (1)(B), (C) has the largest, or second largest, number of children who are counted under section 1124(c), in comparison to all other schools in the local educational agency, or (D) has the highest, or second highest, school-age child poverty rate (as defined in the second sentence of paragraph (1)), in comparison to all other schools in the local educational agency.

''(4) EXCEPTION.—If no local educational agency within the State submits an application to receive a subgrant under this section within the 6-month period beginning on the date on which the State educational agency provided notice to the local educational agencies regarding the availability of the subgrants, the State educational agency may use funds otherwise reserved under 2254(2) for the purpose of providing local reading improvement subgrants under section 2255 if the State educational agency certifies to the Secretary that the requirements of paragraph (2) have been met and each local educational agency has demonstrated to the State educational agency that no providers of tutorial assistance requested a local educational agency within the State to submit an application for a tutorial assistance subgrant under paragraph (3).

''(b) USE OF FUNDS.—

''(1) IN GENERAL.—A local educational agency that receives a subgrant under this section shall carry out, using the funds provided under the subgrant, each of the duties described in paragraph (2).

''(2) DUTIES.—The duties described in this paragraph are the provision of tutorial assistance in reading, before school, after school, on weekends, or during the summer, to children who have difficulty reading, using instructional practices based on scientifically based reading research, through the following:

''(A) The creation and implementation of objective criteria to determine in a uniform manner the eligibility of tutorial assistance providers and tutorial assistance programs desiring to provide tutorial assistance under the subgrant. Such criteria shall include the following:

''(i) A record of effectiveness with respect to reading readiness, reading instruction for children in kindergarten through 3d grade, and early childhood literacy, as appropriate.

''(ii) Location in a geographic area convenient to the school or schools attended by the children who will be receiving tutorial assistance.

''(iii) The ability to provide tutoring in reading to children who have difficulty reading, using instructional practices based on scientifically based reading research and consistent with the reading instructional methods and content used by the school the child attends.

''(B) The provision, to parents of a child eligible to receive tutorial assistance pursuant to this section, of multiple choices among tutorial assistance providers and tutorial assistance programs determined to be eligible under the criteria described in subparagraph (A). Such choices shall include a school-based program and at least one tutorial assistance program operated by a provider pursuant to a contract with the local educational agency.

''(C) The development of procedures—

''(i) for the provision of information to parents of an eligible child regarding such parents' choices for tutorial assistance for the child;

''(ii) for considering children for tutorial assistance who are identified under subparagraph (D) and for whom no parent has selected a tutorial assistance provider or tutorial assistance program that give such parents additional opportunities to select a tutorial assistance provider or tutorial assistance program referred to in subparagraph (B); and

''(iii) that permit a local educational agency to recommend a tutorial assistance provider or tutorial assistance program in a case where a parent asks for assistance in the making of such selection.

''(D) The development of a selection process for providing tutorial assistance in accordance with this paragraph that limits the provision of assistance to children identified, by the school the child attends, as having difficulty reading, including difficulty mastering phonemic awareness, systematic phonics, fluency, and reading comprehension.

''(E) The development of procedures for selecting children to receive tutorial assistance, to be used in cases where insufficient funds are available to provide assistance with respect to all children identified by a school under subparagraph (D), that—

''(i) give priority to children who are determined, through State or local reading assessments, to be most in need of tutorial assistance; and

''(ii) give priority, in cases where children are determined, through State or local reading assessments, to be equally in need of tutorial assistance, based on a random selection principle.

''(F) The development of a methodology by which payments are made directly to tutorial assistance providers who are identified and selected pursuant to this section and selected for funding. Such methodology shall include the making of a contract, consistent with State and local law, between the provider and the local educational agency. Such contract shall satisfy the following requirements:

''(i) It shall contain specific goals and timetables with respect to the performance of the tutorial assistance provider.

''(ii) It shall require the tutorial assistance provider to report to the local educational agency on the provider's performance in meeting such goals and timetables.

''(iii) It shall specify the measurement techniques that will be used to evaluate the performance of the provider.

''(iv) It shall require the provider to meet all applicable Federal, State, and local health, safety, and civil rights laws.

''(v) It shall ensure that the tutorial assistance provided under the contract is consistent with reading instruction and content used by the local educational agency.

''(vi) It shall contain an agreement by the provider that information regarding the identity of any child eligible for, or enrolled in the program, will not be publicly disclosed without the permission of a parent of the child.

''(vii) It shall include the terms of an agreement between the provider and the local educational agency with respect to the provider's purchase and maintenance of adequate general liability insurance.

''(viii) It shall contain provisions with respect to the making of payments to the provider by the local educational agency.

''(G) The development of procedures under which the local educational agency carrying out this paragraph—

''(i) will ensure oversight of the quality and effectiveness of the tutorial assistance provided by each tutorial assistance provider that is selected for funding;

''(ii) will provide for the termination of contracts with ineffective and unsuccessful tutorial assistance providers (as determined by the local educational agency based upon the performance of the provider with respect to the goals and timetables contained in the contract between the agency and the provider under subparagraph (F));

''(iii) will provide to each parent of a child identified under subparagraph (D) who requests such information for the purpose of selecting a tutorial assistance provider for the child, in a comprehensible format, information with respect to the quality and effectiveness of the tutorial assistance referred to in clause (i);

''(iv) will ensure that each school identifying a child under subparagraph (D) will provide upon request, to a parent of the child, assistance in selecting, from among the tutorial assistance providers who are identified pursuant to subparagraph (B) the provider who is best able to meet the needs of the child;

''(v) will ensure that parents of a child receiving tutorial assistance pursuant to this section are informed of their child's progress in the tutorial program; and

''(vi) will ensure that it does not disclose the name of any child who may be eligible for tutorial assistance pursuant to this section, the name of any parent of such a child, or any other personally identifiable information about such a parent or child, to any tutorial assistance provider (excluding the agency itself), without the prior written consent of such parent.

''SEC. 2257. NATIONAL EVALUATION.

''From funds reserved under section 2260(b)(1), the Secretary, through grants or contracts, shall conduct a national assessment of the programs under this part. In developing the criteria for the assessment, the Secretary shall receive recommendations from the peer review panel convened under section 2253(c)(2).

''SEC. 2258. INFORMATION DISSEMINATION.

''(a) IN GENERAL.—From funds reserved under section 2260(b)(2), the National Institute for Literacy shall disseminate information on scientifically based reading research and information on subgrantee projects under section 2255 or 2256 that have proven effective. At a minimum, the institute shall disseminate such information to all recipients of Federal financial assistance under titles I and VII of this Act, the Head Start Act, the Individuals with Disabilities Education Act, and the Adult Education and Family Literacy Act.

''(b) COORDINATION.—In carrying out this section, the National Institute for Literacy—

''(1) shall use, to the extent practicable, information networks developed and maintained through other public and private persons, including the Secretary, the National Center for Family Literacy, and the Readline Program;

''(2) shall work in conjunction with any panel convened by the National Institute of Child Health and Human Development and the Secretary and any panel convened by the Office of Educational Research and Improvement to assess the current status of research-based knowledge on reading development, including the effectiveness of various approaches to teaching children to read, with respect to determining the criteria by which the National Institute for Literacy judges scientifically based reading research and the design of strategies to disseminate such information; and

''(3) may assist any State educational agency selected to receive a grant under section 2253, and that requests such assistance—

''(A) in determining whether applications submitted under section 2253 meet the requirements of this title relating to scientifically based reading research; and

''(B) in the development of subgrant application forms.

''SEC. 2259. STATE EVALUATIONS; PERFORMANCE REPORTS.

''(a) STATE EVALUATIONS.—

''(1) IN GENERAL.—Each State educational agency that receives a grant under section 2253 shall evaluate the success of the agency's subgrantees in meeting the purposes of this part. At a minimum, the evaluation shall measure the extent to which students who are the intended beneficiaries of the subgrants made by the agency have improved their reading skills.

''(2) CONTRACT.—A State educational agency shall carry out the evaluation under this subsection by entering into a contract with an entity that conducts scientifically based reading research, under which contract the entity will perform the evaluation.

''(3) SUBMISSION.—A State educational agency shall submit the findings from the evaluation under this subsection to the Secretary. The Secretary shall submit a summary of the findings from the evaluations under this subsection and the national assessment conducted under section 2257 to the appropriate committees of the Congress, including the Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

''(b) PERFORMANCE REPORTS.—A State educational agency that receives a grant under section 2253 shall submit performance reports to the Secretary pursuant to a schedule to be determined by the Secretary, but not more frequently than annually. Such reports shall include—

''(1) with respect to subgrants under section 2255, the program or programs of reading instruction, based on scientifically based reading research, selected by subgrantees;

''(2) the results of use of the evaluation referred to in section 2253(b)(2)(E)(iv); and

''(3) a description of the subgrantees receiving funds under this part.

''SEC. 2260. AUTHORIZATIONS OF APPROPRIATIONS; RESERVATIONS FROM APPROPRIATIONS; SUNSET.

''(a) AUTHORIZATIONS.—

''(1) FY 1999.—If the amount appropriated to carry out the Individuals with Disabilities Education Act for fiscal year 1999 exceeds by at least $500,000,000 the amount appropriated to carry out such Act for fiscal year 1998, there are authorized to be appropriated to carry out this part and section 1202(c) $260,000,000 for fiscal year 1999.

''(2) FY 2000.—If the amount appropriated to carry out the Individuals with Disabilities Education Act for fiscal year 2000 exceeds by at least $500,000,000 the amount appropriated to carry out such Act for fiscal year 1999, there are authorized to be appropriated to carry out this part and section 1202(c) $260,000,000 for fiscal year 2000.

''(b) RESERVATIONS.—From each of the amounts appropriated under subsection (a) for a fiscal year, the Secretary—

''(1) shall reserve 1.5 percent to carry out section 2257(a);

''(2) shall reserve $5,000,000 to carry out section 2258; and

''(3) shall reserve $10,000,000 to carry out section 1202(c).

''(c) SUNSET.—Notwithstanding section 422(a) of the General Education Provisions Act, this part is not subject to extension under such section.''.

(b) CONFORMING AMENDMENTS.—

(1) AUTHORIZATION OF APPROPRIATIONS.—Section 2003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6603) is amended—

(A) in subsection (a), by striking ''title,'' and inserting ''title (other than part C),''; and

(B) in subsection (b)(3), by striking ''part C'' and inserting ''part D''.

(2) PRIORITY FOR PROFESSIONAL DEVELOPMENT IN MATHEMATICS AND SCIENCE.—Section 2206 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6646) is amended by inserting ''(other than part C)'' after ''for this title'' each place such term appears.

(3) REPORTING AND ACCOUNTABILITY.—Section 2401 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6701) is amended by striking ''under this part'' each place such term appears and inserting ''under this title (other than part C)''.

(4) DEFINITIONS.—Section 2402 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6701) is amended by striking ''this part—'' and inserting ''this title (other than part C)—''.

(5) GENERAL DEFINITIONS.—Section 14101(10)(C) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(10)(C)) is

amended by striking ''part C'' and inserting ''part D''.

TITLE II—AMENDMENTS TO EVEN START FAMILY LITERACY PROGRAMS

SEC. 201. RESERVATION FOR GRANTS.

Section 1202(c) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6362(c)) is amended to read as follows:

''(c) RESERVATION FOR GRANTS.—

''(1) GRANTS AUTHORIZED.—From funds reserved under section 2260(b)(3), the Secretary shall award grants, on a competitive basis, to States to enable such States to plan and implement statewide family literacy initiatives to coordinate and, where appropriate, integrate existing Federal, State, and local literacy resources consistent with the purposes of this part. Such coordination and integration shall include funds available under the Adult Education and Family Literacy Act, the Head Start Act, this part, part A of this title, and part A of title IV of the Social Security Act.

''(2) CONSORTIA.—

''(A) ESTABLISHMENT.—To receive a grant under this subsection, a State shall establish a consortium of State-level programs under the following laws:

''(i) This title (other than part D).

''(ii) The Head Start Act.

''(iii) The Adult Education and Family Literacy Act.

''(iv) All other State-funded preschool programs and programs providing literacy services to adults.

''(B) PLAN.—To receive a grant under this subsection, the consortium established by a State shall create a plan to use a portion of the State's resources, derived from the programs referred to in subparagraph (A), to strengthen and expand family literacy services in such State.

''(C) COORDINATION WITH PART C OF TITLE II.—The consortium shall coordinate its activities with the activities of the reading and literacy partnership for the State established under section 2253(d), if the State educational agency receives a grant under section 2253.

''(3) READING INSTRUCTION.—Statewide family literacy initiatives implemented under this subsection shall base reading instruction on scientifically based reading research (as such term is defined in section 2252).

''(4) TECHNICAL ASSISTANCE.—The Secretary shall provide, directly or through a grant or contract with an organization with experience in the development and operation of successful family literacy services, technical assistance to States receiving a grant under this subsection.

''(5) MATCHING REQUIREMENT.—The Secretary shall not make a grant to a State under this subsection unless the State agrees that, with respect to the costs to be incurred by the eligible consortium in carrying out the activities for which the grant was awarded, the State will make available non-Federal contributions in an amount equal to not less than the Federal funds provided under the grant.''.

SEC. 202. DEFINITIONS.

Section 1202(e) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6362(e)) is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(2) by inserting after paragraph (2) the following:

''(3) the term 'family literacy services' means services provided to participants on a voluntary basis that are of sufficient intensity in terms of hours, and of sufficient duration, to make sustainable changes in a family, and that integrate all of the following activities:

''(A) Interactive literacy activities between parents and their children.

''(B) Training for parents regarding how to be the primary teacher for their children and full partners in the education of their children.

''(C) Parent literacy training that leads to economic self-sufficiency.

''(D) An age-appropriate education to prepare children for success in school and life experiences.

SEC. 203. EVALUATION.

Section 1209 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6369) is amended—

(1) in paragraph (1), by striking ''and'' at the end;

(2) in paragraph (2), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(3) to provide States and eligible entities receiving a subgrant under this part, directly or through a grant or contract with an organization with experience in the development and operation of successful family literacy services, technical assistance to ensure local evaluations undertaken under section 1205(10) provide accurate information on the effectiveness of programs assisted under this part.''.

SEC. 204. INDICATORS OF PROGRAM QUALITY.

(a) IN GENERAL.—The Elementary and Secondary Education Act of 1965 is amended—

(1) by redesignating section 1210 as section 1212; and

(2) by inserting after section 1209 the following:

''SEC. 1210. INDICATORS OF PROGRAM QUALITY.

''Each State receiving funds under this part shall develop, based on the best available research and evaluation data, indicators of program quality for programs assisted under this part. Such indicators shall be used to monitor, evaluate, and improve such programs within the State. Such indicators shall include the following:

''(1) With respect to eligible participants in a program who are adults—

''(A) achievement in the areas of reading, writing, English language acquisition, problem solving, and numeracy;

''(B) receipt of a high school diploma or a general equivalency diploma;

''(C) entry into a postsecondary school, job retraining program, or employment or career advancement, including the military; and

''(D) such other indicators as the State may develop.

''(2) With respect to eligible participants in a program who are children—

''(A) improvement in ability to read on grade level or reading readiness;

''(B) school attendance;

''(C) grade retention and promotion; and

''(D) such other indicators as the State may develop.''.

(b) STATE LEVEL ACTIVITIES.—Section 1203(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6363(a)) is amended—

(1) in paragraph (1), by striking ''and'' at the end;

(2) in paragraph (2), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(3) carrying out section 1210.''.

(c) AWARD OF SUBGRANTS.—Paragraphs (3) and (4) of section 1208(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6368) are amended to read as follows:

''(3) CONTINUING ELIGIBILITY.—In awarding subgrant funds to continue a program under this part for the second, third, or fourth year, the State educational agency shall evaluate the program based on the indicators of program quality developed by the State under section 1210. Such evaluation shall take place after the conclusion of the start-up period, if any.

''(4) INSUFFICIENT PROGRESS.—The State educational agency may refuse to award subgrant funds if such agency finds that the eligible entity has not sufficiently improved the performance of the program, as evaluated based on the indicators of program quality developed by the State under section 1210, after—

''(A) providing technical assistance to the eligible entity; and

''(B) affording the eligible entity notice and an opportunity for a hearing.''.

SEC. 205. RESEARCH.

The Elementary and Secondary Education Act of 1965, as amended by section 204 of this Act, is further amended by inserting after section 1210 the following:

''SEC. 1211. RESEARCH.

''(a) IN GENERAL.—The Secretary shall carry out, through grant or contract, research into the components of successful family literacy services, to use—

''(1) to improve the quality of existing programs assisted under this part or other family literacy programs carried out under this Act or the Adult Education and Family Literacy Act; and

''(2) to develop models for new programs to be carried out under this Act or the Adult Education and Family Literacy Act.

''(b) DISSEMINATION.—The National Institute for Literacy shall disseminate, pursuant to section 2258, the results of the research described in subsection (a) to States and recipients of subgrants under this part.''.

TITLE III—REPEALS

SEC. 301. REPEAL OF CERTAIN UNFUNDED EDUCATION PROGRAMS.

(a) COMMUNITY SCHOOL PARTNERSHIPS.—The Community School Partnership Act (contained in part B of title V of the Improving America's Schools Act of 1994 (20 U.S.C. 1070 note) is repealed.

(b) EDUCATIONAL RESEARCH, DEVELOPMENT, DISSEMINATION, AND IMPROVEMENT ACT OF 1994.—Section 941(j) of the Educational Research, Development, Dissemination, and Improvement Act of 1994 (20 U.S.C. 6041(j)) is repealed.

(c) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—The following provisions are repealed:

(1) INNOVATIVE ELEMENTARY SCHOOL TRANSITION PROJECTS.—Section 1503 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6493).

(2) DE LUGO TERRITORIAL EDUCATION IMPROVEMENT PROGRAM.—Part H of title X of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8221 et seq.).

(3) EXTENDED TIME FOR LEARNING AND LONGER SCHOOL YEAR.—Part L of title X of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8351).

(4) TERRITORIAL ASSISTANCE.—Part M of title X of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8371).

(d) FAMILY AND COMMUNITY ENDEAVOR SCHOOLS.—The Family and Community Endeavor Schools Act (42 U.S.C. 13792) is repealed.

(e) GOALS 2000: EDUCATE AMERICA ACT.—Subsections (b) and (d)(1) of section 601 of the Goals 2000: Educate America Act (20 U.S.C. 5951) are repealed.

TITLE IV—TECHNICAL AND CONFORMING AMENDMENTS

SEC. 401. TECHNICAL AMENDMENTS TO THE WORKFORCE INVESTMENT ACT OF 1998.

(1) Section 111(c) of the Workforce Investment Act of 1998 is amended by striking ''CHAIRMAN'' and inserting ''CHAIRPERSON''.

(2) Section 112(c)(1) of such Act is amended by striking ''; and'' and inserting ''; or''.

(3) Section 116(a)(3)(D)(ii)(I)(aa) of such Act is amended by striking ''; or'' and inserting ''; and''.

(4) Section 117 of such Act is amended—

(A) in subsection (f)(1)(D), by striking ''State'' and inserting ''Governor''; and

(B) in subsection (i)(1)(D)(ii), by striking subclause (II), and inserting the following:

''(II) other representatives of employees in the local area (for a local area in which no employees are represented by such organizations).''.

(5) Section 134(d)(4)(F) of such Act is amended by adding at the end the following:

''(iii) INDIVIDUAL TRAINING ACCOUNTS.—An individual who seeks training services and who is eligible pursuant to subparagraph (A), may, in consultation with a case manager, select an eligible provider of training services from the list or identifying information for providers described in clause (ii)(I). Upon such selection, the one-stop operator involved shall, to the extent practicable, refer such individual to the eligible provider of training services, and arrange for payment for such services through an individual training account.''.

(6) Section 159 of such Act is amended—

(A) in subsections (c)(1)(G) and (d)(4), by striking ''post-secondary'' and inserting ''postsecondary''; and

(B) in subsection (c)(3), by striking ''containing'' and inserting ''containing,''.

(7) Section 166(h)(3)(A) of such Act is amended by striking ''paragraph (2)'' and inserting ''subparagraph (B)''.

(8) Section 167(d) of such Act is amended by inserting ''and section 127(b)(1)(A)(iii)'' after ''this section''.

(9) Section 170(a)(1) of such Act is amended by striking ''carry out'' and inserting ''carrying out''.

(10) Section 170(b)(2) of such Act is amended by striking ''174(b)'' and inserting ''173(b)''.

(11) Section 171(b)(2) of such Act is amended by striking ''only on a competitive'' and all that follows through the period and inserting ''in accordance with generally applicable Federal requirements.''.

(12) Section 173(a)(2) of such Act is amended by striking ''the Robert'' and inserting ''The Robert''.

(13) Section 189(i)(1) of such Act is amended by striking ''1997 (Public Law 104-208; 110 Stat. 3009-234)'' and inserting ''1998 (Public Law 105-78; 111 Stat. 1467).

(14) Paragraphs (2) and (3) of section 192(a) of such Act are amended by striking ''), to'' and inserting '') to''.

(15) Section 334(b) of such Act is amended by striking paragraph (2) and inserting the following:

''(2) DATE.—The appointments of the members of the Commission shall be made by February 1, 1999.''.

(16) Section 405 of such Act is amended by striking ''et seq.),'' and inserting ''et seq.)''.

(17) Section 501(b)(1) of such Act is amended by adding at the end the following: ''For purposes of this paragraph, the activities and programs described in subparagraphs (A) and (B) of paragraph (2) shall not be considered to be 2 or more activities or programs for purposes of the unified plan. Such activities or programs shall be considered to be 1 activity or program.''.

(18) Section 505 of such Act is amended—

(A) in subsection (a), by striking ''in this Act'' and inserting ''under title I, II, or III or this title''; and

(B) in subsection (b), by striking ''under this Act'' each place it appears and inserting ''under title I, II, or III or this title''.

(19) Section 506(d) of such Act is amended—

(A) in paragraph (1), by striking ''subsection (b)'' and inserting ''subsection (c)''; and

(B) in paragraph (2)—

(i) by inserting ''planning authorized under'' after ''carry out'' each place that such appears; and

(ii) by striking ''the purposes'' and inserting ''the planning purposes''.

SEC. 402. TECHNICAL AMENDMENTS TO THE REHABILITATION ACT OF 1973.

(a) REDESIGNATION.—

(1) The Rehabilitation Act of 1973 (as amended by title IV of the Workforce Investment Act of 1998) is further amended by redesignating sections 6 through 19 as sections 7, 8, and 10 through 21, respectively.

(2) The table of contents for the Rehabilitation Act of 1973 (as amended by section 403 of the Workforce Investment Act of 1998) is further amended by striking the items relating to sections 6 through 19 and inserting the following:

''Sec. 7. Definitions.
''Sec. 8. Allotment percentage.
''Sec. 10. Nonduplication.
''Sec. 11. Application of other laws.
''Sec. 12. Administration of the Act.
''Sec. 13. Reports.
''Sec. 14. Evaluation.
''Sec. 15. Information clearinghouse.
''Sec. 16. Transfer of funds.
''Sec. 17. State administration.
''Sec. 18. Review of applications.
''Sec. 19. Carryover.
''Sec. 20. Client assistance information.
''Sec. 21. Traditionally underserved populations.''.

(b) SECTION HEADINGS.—

(1) Section 1 of such Act (as so amended) is further amended by striking the section heading and all that follows through ''SHORT TITLE.—'' and inserting the following:

''SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

''(a) SHORT TITLE.—''.

(2) Section 2 of such Act (as so amended) is further amended by striking the section heading and all that follows through ''FINDINGS.—'' and inserting the following:

''SEC. 2. FINDINGS; PURPOSE; POLICY.

''(a) FINDINGS.—''.

(3) Section 7 of such Act (as so amended and redesignated in subsection (a)) is further amended by striking the section heading and all that follows through ''(1) The term'' and inserting the following:

''SEC. 7. DEFINITIONS.

''For the purposes of this Act:

''(1) ADMINISTRATIVE COSTS.—The term''.

(4) Section 19 of such Act (as so amended and redesignated in subsection (a)) is further amended by striking the section heading and all that follows through ''IN GENERAL.—'' and inserting the following:

''SEC. 19. CARRYOVER.

''(a) IN GENERAL.—''.

(5) Section 20 of such Act (as so amended and redesignated in subsection (a)) is further amended by striking the section heading and all that follows through ''All'' and inserting the following:

''SEC. 20. CLIENT ASSISTANCE INFORMATION.

''All''.

(6) Section 21 of such Act (as so amended and redesignated in subsection (a)) is further amended by striking the section heading and all that follows through ''FINDINGS.—'' and inserting the following:

''SEC. 21. TRADITIONALLY UNDERSERVED POPULATIONS.

''(a) FINDINGS.—''.

(7) Section 110 of such Act (as so amended) is further amended by striking the section heading and all that follows through ''(a)(1) Subject'' and inserting the following:

''STATE ALLOTMENTS

''SEC. 110. (a)(1) Subject''.

(8) Section 111 of such Act (as so amended) is further amended by striking the section heading and all that follows through ''(a)(1) Except'' and inserting the following:

''PAYMENTS TO STATES

''SEC. 111. (a)(1) Except''.

(9) Section 112 of such Act (as so amended) is further amended by striking the section heading and all that follows through ''(a) From'' and inserting the following:

''CLIENT ASSISTANCE PROGRAM

''SEC. 112. (a) From''.

(10) Section 121 of such Act (as so amended) is further amended by striking the section heading and all that follows through ''(a) The'' and inserting the following:

''VOCATIONAL REHABILITATION SERVICES GRANTS

''SEC. 121. (a) The''.

(11) Section 205 of such Act (as so amended) is further amended by striking the section heading and all that follows through ''ESTABLISHMENT.—'' and inserting the following:

''SEC. 205. REHABILITATION RESEARCH ADVISORY COUNCIL.

''(a) ESTABLISHMENT.—''.

(12) Section 621 of such Act (as so amended) is further amended by striking the section heading and all that follows through ''It'' and inserting the following:

''SEC. 621. PURPOSE.

''It''.

(13) Section 622 of such Act (as so amended) is further amended by striking the section heading and all that follows through ''IN GENERAL.—'' and inserting the following:

''SEC. 622. ALLOTMENTS.

''(a) IN GENERAL.—''.

(14) Section 623 of such Act (as so amended) is further amended by striking the section heading and all that follows through ''Funds provided under this part may'' and inserting the following:

''SEC. 623. AVAILABILITY OF SERVICES.

''Funds provided under this part may''.

(15) Section 624 of such Act (as so amended) is further amended by striking the section heading and all that follows through ''An'' and inserting the following:

''SEC. 624. ELIGIBILITY.

''An''.

(16) Section 625 of such Act (as so amended) is further amended by striking the section heading and all that follows through ''STATE PLAN SUPPLEMENTS.—'' and inserting the following:

''SEC. 625. STATE PLAN.

''(a) STATE PLAN SUPPLEMENTS.—''.

(17) Section 626 of such Act (as so amended) is further amended by striking the section heading and all that follows through ''Each'' and inserting the following:

''SEC. 626. RESTRICTION.

''Each''.

(18) Section 627 of such Act (as so amended) is further amended by striking the section heading and all that follows through ''SUPPORTED EMPLOYMENT SERVICES.—'' and inserting the following:

''SEC. 627. SAVINGS PROVISION.

''(a) SUPPORTED EMPLOYMENT SERVICES.—''.

(19) Section 628 of such Act (as so amended) is further amended by striking the section heading and all that follows through ''There'' and inserting the following:

''SEC. 628. AUTHORIZATION OF APPROPRIATIONS.

''There''.

(c) OTHER AMENDMENTS.—

(1) Section 7 of such Act (as so amended and redesignated in subsection (a)) is further amended—

(A) in paragraph (2)(B), by striking ''objectives, nature,'' and inserting ''nature'';

(B) by striking paragraph (7);

(C) in paragraph (16)(A)(iii), by striking ''client'' and inserting ''eligible individual''; and

(D) in paragraph (36)(C), by striking ''rehabilitation objectives'' and inserting ''employment outcome''.

(2) Section 10 of such Act (as so amended and redesignated in subsection (a)) is further amended—

(A) by striking ''disregarded: (1)'' and inserting the following: ''disregarded—

''(1)'';

(B) by striking ''(2)'' and inserting the following:

''(2)''; and

(C) by striking ''No payment'' and inserting the following:

''No payment''.

(3) The second and third sentences of section 21(a)(3) of such Act (as so amended and redesignated in subsection (a)) are further amended by striking ''are'' and inserting ''is''.

(4) Section 101(a) of such Act (as so amended) is further amended—

(A) in paragraph (18)(C), by striking ''will be utilized'' and inserting ''were utilized during the preceding year''; and

(B) in paragraph (21)(A)(i)(II)(bb), by striking ''Commission'' and inserting ''commission''.

(5) Section 102(c)(5)(F) (as so amended) is further amended—

(A) in clause (ii), by striking ''and'' at the end thereof;

(B) in clause (iii), by striking the period and inserting ''; and''; and

(C) by adding at the end the following:

''(iv) not delegate the responsibility for making the final decision to any officer or employee of the designated State unit.''.

(6) Section 105(b) of such Act (as so amended) is further amended—

(A) in paragraph (3)—

(i) by striking ''Governor'' the first place it appears and inserting ''Governor or, in the case of a State that, under State law, vests authority for the administration of the activities carried out under this Act in an entity other than the Governor (such as one or more houses of the State legislature or an independent board), the chief officer of that entity''; and

(ii) in the second and third sentences, by striking ''Governor'' and inserting ''appointing authority'';

(B) in paragraph (4)(A)(i), by striking ''section 7(20)(A)'' and inserting ''section 7(20)(B)'';

(C) in paragraph (5)(B)—

(i) in the subparagraph heading, by striking ''GOVERNOR'' and inserting ''CHIEF EXECUTIVE OFFICER''; and

(ii) by striking ''Governor shall'' and inserting ''appointing authority described in paragraph (3) shall''; and

(D) in paragraphs (6)(A)(ii) and (7)(B), by striking ''Governor'' and inserting ''appointing authority described in paragraph (3)''.

(7) Section 705(b) of such Act (as so amended) is further amended—

(A) in paragraph (1)—

(i) by striking ''Governor'' the first place it appears and inserting ''Governor or, in the case of a State that, under State law, vests authority for the administration of the activities carried out under this Act in an entity other than the Governor (such as one or more houses of the State legislature or an independent board), the chief officer of that entity''; and

(ii) in the second sentence, by striking ''Governor'' and inserting ''appointing authority'';

(B) in paragraph (5)(B)—

(i) in the subparagraph heading, by striking ''GOVERNOR'' and inserting ''CHIEF EXECUTIVE OFFICER''; and

(ii) by striking ''Governor shall'' and inserting ''appointing authority described in paragraph (3) shall''; and

(C) in paragraphs (6)(A)(ii) and (7)(B), by striking ''Governor'' and inserting ''appointing authority described in paragraph (3)''.

SEC. 403. TECHNICAL AMENDMENTS TO OTHER ACTS.

(a) WAGNER-PEYSER ACT.—Section 15 of the Wagner-Peyser Act (as added by section 309 of the Workforce Investment Act of 1998) is amended—

(1) in subsection (a)(2)(A)(i), by striking ''of this section''; and

(2) in subsection (e)(2)(G), by striking ''complementary'' and inserting ''complementarity''.

(b) OLDER AMERICANS ACT OF 1965.—Subparagraph (Q) of section 502(b)(1) of the Older Americans Act of 1965 (42 U.S.C. 3056(b)(1)) (as added by section 323 of the Workforce Investment Act of 1998) is amended by aligning the margins of the subparagraph with the margins of subparagraph (P) of such section.

SEC. 404. TECHNICAL AMENDMENTS REGARDING ADULT EDUCATION.

(a) REFERENCES TO TITLE.—The matter preceding paragraph (1) of section 203, and sections 204 and 205, of the Adult Education and Family Literacy Act (20 U.S.C. 9202, 9203, and 9204) are each amended by striking ''this subtitle'' and inserting ''this title''.

(b) QUALIFYING ADULT.—Section 211(d)(1) of the Adult Education and Family Literacy Act (20 U.S.C. 9211(d)(1)) is amended by striking '', but less than 61 years of age''.

(c) LEVELS OF PERFORMANCE.—Section 212(b)(3)(A)(vi) of the Adult Education and Family Literacy Act (20 U.S.C. 9212(b)(3)(A)(vi)) is amended by striking ''136(j)'' and inserting ''136(i)(1)''.

(d) CORRECTIONS EDUCATION.—Section 225(a) of the Adult Education and Family Literacy Act (20 U.S.C. 9225) is amended—

(1) in subsection (a), by striking ''or education'' and inserting ''and education''; and

(2) in subsection (c), by striking ''with'' and inserting ''within''.

(e) NATIONAL LEADERSHIP ACTIVITIES.—Section 243(2)(B) of the Adult Education and Family Literacy Act (20 U.S.C. 9253(2)(B)) is amended by striking ''qualify'' and inserting ''quality''.

(f) INCENTIVE GRANTS.—Section 503(a) of the Workforce Investment Act of 1998 (20 U.S.C. 9273(a)) is amended by striking ''expected'' and inserting ''adjusted''.

SEC. 405. CONFORMING AMENDMENTS.

(a) REFERENCES TO SECTION 204 OF THE IMMIGRATION REFORM AND CONTROL ACT OF 1986.—The table of contents for the Immigration Reform and Control Act of 1986 is amended by striking the item relating to section 204 of such Act.

(b) REFERENCES TO TITLE II OF PUBLIC LAW 95–250.—Section 103 of Public Law 95–250 (16 U.S.C. 79l) is amended—

(1) by striking the second sentence of subsection (a); and

(2) by striking the second sentence of subsection (b).

(c) REFERENCES TO SUBTITLE C OF TITLE VII OF THE STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT.—

(1) TABLE OF CONTENTS RELATING TO SUBTITLE C OF TITLE VII.—The table of contents of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11421 et seq.) is amended by striking the items relating to sections 731 through 737, and sections 739 through 741, of such Act.

(2) TITLE VII.—Title VII of such Act is amended by inserting before section 738 the following:

''Subtitle C—Job Training for the Homeless''.

(3) TITLE 31, UNITED STATES CODE.—Section 6703(a) of title 31, United States Code, is amended—

(A) by striking paragraph (15); and

(B) by redesignating paragraphs (16) through (19) as paragraphs (15) through (18), respectively.

(d) REFERENCES TO JOB TRAINING PARTNERSHIP ACT PRIOR TO REPEAL.—

(1) TITLE 5, UNITED STATES CODE.—Section 3502(d) of title 5, United States Code, is amended—

(A) in paragraph (3)—

(i) in subparagraph (A), by striking clause (i) and inserting the following:

''(i) the appropriate State dislocated worker unit or office (referred to in section 311(b)(2) of the Job Training Partnership Act), or the State or entity designated by the State to carry out rapid response activities under section 134(a)(2)(A) of the Workforce Investment Act of 1998; and''; and

(ii) in subparagraph (B)(iii), by striking ''other services under the Job Training Partnership Act'' and inserting ''other services under the Job Training Partnership Act or under title I of the Workforce Investment Act of 1998''; and

(B) in paragraph (4), in the second sentence, by striking ''Secretary of Labor on matters relating to the Job Training Partnership Act'' and inserting ''Secretary of Labor on matters relating to the Job Training Partnership Act or title I of the Workforce Investment Act of 1998''.

(2) FOOD STAMP ACT OF 1977.—

(A) SECTION 5.—Section 5(l) of the Food Stamp Act of 1977 (7 U.S.C. 2014(l)) is amended by striking ''Notwithstanding section 142(b) of the Job Training Partnership Act (29 U.S.C. 1552(b)), earnings to individuals participating in on-the-job training programs under section 204(b)(1)(C) or section 264(c)(1)(A) of the Job Training Partnership Act'' and inserting ''Notwithstanding section 142(b) of the Job Training Partnership Act or section 181(a)(2) of the Workforce Investment Act of 1998, earnings to individuals participating in on-the-job training programs under section 204(b)(1)(C) or 264(c)(1)(A) of the Job Training Partnership Act or in on-the-job training under title I of the Workforce Investment Act of 1998''.

(B) SECTION 6.—Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015) is amended—

(i) in subsection (d)(4)(M), by striking ''the State public employment offices and agencies operating programs under the Job Training Partnership Act'' and inserting ''the State public employment offices and agencies operating programs under the Job Training Partnership Act or of the State public employment offices and other State agencies and providers carrying out activities under title I of the Workforce Investment Act of 1998'';

(ii) in subsection (e)(3), by striking subparagraph (A) and inserting the following:

''(A) a program under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998;''; and

(iii) in subsection (o)(1)(A), by striking ''Job Training Partnership Act (29 U.S.C. 1501 et seq.)'' and inserting ''Job Training Partnership Act or title I of the Workforce Investment Act of 1998''.

(C) SECTION 17.—The second sentence of section 17(b)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2026(b)(2)) is amended—

(i) by striking ''to accept an offer of employment from a political subdivision or a prime sponsor pursuant to the Comprehensive Employment and Training Act of 1973, as amended (29 U.S.C. 812),'' and inserting ''to accept an offer of employment from a political subdivision or provider pursuant to a program carried out under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998,''; and

(ii) by striking '': *Provided*, That all of the political subdivision's'' and all that follows and inserting '', if all of the jobs supported under the program have been made available

to participants in the program before the political subdivision or provider providing the jobs extends an offer of employment under this paragraph, and if the political subdivision or provider, in employing the person, complies with the requirements of Federal law that relate to the program.''.

(3) PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996.—

(A) Section 403(c)(2)(K) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613(c)(2)(K)) is amended by striking ''Job Training Partnership Act'' and inserting ''Job Training Partnership Act or title I of the Workforce Investment Act of 1998''.

(B) Section 423(d)(11) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1183a note) is amended by striking ''Job Training Partnership Act'' and inserting ''Job Training Partnership Act or title I of the Workforce Investment Act of 1998''.

(4) IMMIGRATION AND NATIONALITY ACT.—Section 245A(h)(4)(F) of the Immigration and Nationality Act (8 U.S.C. 1255a(h)(4)(F)) is amended by striking ''The Job Training Partnership Act.'' and inserting ''The Job Training Partnership Act or title I of the Workforce Investment Act of 1998.''.

(5) REFUGEE EDUCATION ASSISTANCE ACT OF 1980.—Section 402(a)(4) of the Refugee Education Assistance Act of 1980 (8 U.S.C. 1522 note) is amended by striking ''the Comprehensive Employment and Training Act of 1973'' and inserting ''the Job Training Partnership Act or title I of the Workforce Investment Act of 1998''.

(6) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1991.—Section 4003(5)(C) of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2391 note) is amended by inserting before the period the following: '', as in effect on the day before the date of enactment of the Workforce Investment Act of 1998''.

(7) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1993.—

(A) SECTION 3161.—Section 3161(c)(6) of the National Defense Authorization Act for Fiscal Year 1993 (42 U.S.C. 7274h(c)(6)) is amended by striking subparagraph (A) and inserting the following:

''(A) programs carried out by the Secretary of Labor under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998;''.

(B) SECTION 4461.—Section 4461(1) of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1143 note) is amended by striking ''The Job Training Partnership Act (29 U.S.C. 1501 et seq.).'' and inserting ''The Job Training Partnership Act or title I of the Workforce Investment Act of 1998.''.

(C) SECTION 4471.—Section 4471 of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 2501 note) is amended—

(i) in subsection (c)(2), by striking ''the State dislocated'' and all that follows through ''and the chief'' and inserting ''the State dislocated worker unit or office referred to in section 311(b)(2) of the Job Training Partnership Act, or the State or entity designated by the State to carry out rapid response activities under section 134(a)(2)(A) of the Workforce Investment Act of 1998, and the chief'';

(ii) in subsection (d)—

(I) in the first sentence, by striking ''for training, adjustment assistance, and employment services'' and all that follows through ''except where'' and inserting ''for training, adjustment assistance, and employment services under section 325 or 325A of the Job Training Partnership Act or to participate in employment and training activities carried out under title I of the Workforce Investment Act of 1998, except in a case in which''; and

(II) by striking the second sentence; and

(iii) in subsection (e), by striking ''for training,'' and all that follows through ''beginning'' and inserting '', on the basis of any related reduction in funding under the contract, for training, adjustment assistance, and employment services under section 325 or 325A of the Job Training Partnership Act or to participate in employment and training activities under title I of the Workforce Investment Act of 1998, beginning''.

(D) SECTION 4492.—Section 4492(b) of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1143 note) is amended by striking ''the Job Training Partnership Act'' and inserting ''the Job Training Partnership Act or title I of the Workforce Investment Act of 1998''.

(8) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1994.—Section 1333(c)(2)(B) of the National Defense Authorization Act for Fiscal Year 1994 (10 U.S.C. 2701 note) is amended by striking ''Private industry councils (as described in section 102 of the Job Training Partnership Act (29 U.S.C. 1512)).'' and inserting ''Private industry councils as described in section 102 of the Job Training Partnership Act or local workforce investment boards established under section 117 of the Workforce Investment Act of 1998.''.

(9) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1998.—Section 2824(c)(5) of the National Defense Authorization Act for Fiscal Year 1998 (10 U.S.C. 2687 note) is amended by striking ''Job Training Partnership Act'' and inserting ''Job Training Partnership Act or title I of the Workforce Investment Act of 1998''.

(10) SMALL BUSINESS ACT.—The fourth sentence of section 7(j)(13)(E) of the Small Business Act (15 U.S.C. 636(j)(13)(E)) is amended by striking ''the Job Training Partnership Act (29 U.S.C. 1501 et seq.)'' and inserting ''the Job Training Partnership Act or title I of the Workforce Investment Act of 1998''.

(11) EMPLOYMENT ACT OF 1946.—Section 4(f)(2)(B) of the Employment Act of 1946 (15 U.S.C. 1022a(f)(2)(B)) is amended by striking ''and include these in the annual Employment and Training Report of the President required under section 705(a) of the Comprehensive Employment and Training Act of 1973 (hereinafter in this Act referred to as 'CETA')'' and inserting ''and prepare and submit to the President an annual report containing the recommendations''.

(12) FULL EMPLOYMENT AND BALANCED GROWTH ACT OF 1978.—

(A) SECTION 206.—Section 206 of the Full Employment and Balanced Growth Act of 1978 (15 U.S.C. 3116) is amended—

(i) in subsection (b)—

(I) in the matter preceding paragraph (1), by striking ''CETA'' and inserting ''the Job Training Partnership Act and title I of the Workforce Investment Act of 1998''; and

(II) in paragraph (1), by striking ''(including use of section 110 of CETA when necessary)''; and

(ii) in subsection (c)(1), by striking ''CETA'' and inserting ''activities carried out under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998''.

(B) SECTION 401.—Section 401(d) of the Full Employment and Balanced Growth Act of 1978 (15 U.S.C. 3151(d)) is amended by striking ''include, in the annual Employment and Training Report of the President provided under section 705(a) of CETA,'' and inserting ''include, in the annual report referred to in section 4(f)(2)(B) of the Employment Act of 1946 (15 U.S.C. 1022a(f)(2)(B)),''.

(13) TITLE 18, UNITED STATES CODE.—Subsections (a), (b), and (c) of section 665 of title 18, United States Code are amended by striking ''the Comprehensive Employment and Training Act or the Job Training Partnership Act'' and inserting ''the Job Training Partnership Act or title I of the Workforce Investment Act of 1998''.

(14) TRADE ACT OF 1974.—

(A) SECTION 236.—Section 236(a)(5)(B) of the Trade Act of 1974 (19 U.S.C. 2296(a)(5)(B)) is amended by striking ''section 303 of the Job Training Partnership Act'' and inserting ''section 303 of the Job Training Partnership Act or title I of the Workforce Investment Act of 1998''.

(B) SECTION 239.—Section 239(e) of the Trade Act of 1974 (19 U.S.C. 2311(e)) is amended by striking ''under title III of the Job Training Partnership Act'' and inserting ''under title III of the Job Training Partnership Act or title I of the Workforce Investment Act of 1998''.

(15) HIGHER EDUCATION ACT OF 1965.—

(A) SECTION 418A.—Subsections (b)(1)(B)(ii) and (c)(1)(A) of section 418A of the Higher Education Act of 1965 (20 U.S.C. 1070d–2) are amended by striking ''section 402 of the Job Training Partnership Act'' and inserting ''section 402 of the Job Training Partnership Act or section 167 of the Workforce Investment Act of 1998''.

(B) SECTION 480.—Section 480(b)(14) of the Higher Education Act of 1965 (20 U.S.C. 1087vv(b)(14)) is amended by striking ''Job Training Partnership Act noneducational benefits'' and inserting ''Job Training Partnership Act noneducational benefits or benefits received through participation in employment and training activities under title I of the Workforce Investment Act of 1998''.

(16) DEPARTMENT OF EDUCATION ORGANIZATION ACT.—Subsection (a) of section 302 of the Department of Education Organization Act (20 U.S.C. 3443(a)) is amended by striking ''under section 303(c)(2) of the Comprehensive Employment and Training Act'' and inserting ''relating to such education''.

(17) NATIONAL SKILL STANDARDS ACT OF 1994.—

(A) SECTION 504.—Section 504(c)(3) of the National Skill Standards Act of 1994 (20 U.S.C. 5934(c)(3)) is amended by striking ''the Capacity Building and Information and Dissemination Network established under section 453(b) of the Job Training Partnership Act (29 U.S.C. 1733(b)) and''.

(B) SECTION 508.—Section 508(1) of the National Skill Standards Act of 1994 (20 U.S.C. 5938(1)) is amended to read as follows:

''(1) COMMUNITY-BASED ORGANIZATION.—The term 'community-based organization' means a private nonprofit organization that is representative of a community or a significant segment of a community and that has demonstrated expertise and effectiveness in the field of workforce investment.''.

(18) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—

(A) SECTION 1205.—Section 1205(8)(B) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6365(8)(B)) is amended by striking ''the Job Training Partnership Act'' and inserting ''the Job Training Partnership Act and title I of the Workforce Investment Act of 1998''.

(B) SECTION 1414.—Section 1414(c)(8) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6434(c)(8)) is amended by striking ''programs under the Job Training Partnership Act,'' and inserting ''programs under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998,''.

(C) SECTION 1423.—Section 1423(9) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6453(9)) is amended by striking ''programs under the Job Training and Partnership Act'' and inserting ''programs under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998''.

(D) SECTION 1425.—Section 1425(9) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6455(9)) is amended by striking '', such as funds under the Job Training Partnership Act,'' and inserting '', such as funds made available under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998,''.

(19) DISTRICT OF COLUMBIA SCHOOL REFORM ACT OF 1995.—Section 2604(c)(2)(B)(ii) of the District of Columbia School Reform Act of 1995 (Public Law 104–134; 110 Stat. 1321–145) is amended by striking ''Job Training Partnership Act (29 U.S.C. 1501 et seq.)'' and inserting ''Job Training Partnership Act or title I of the Workforce Investment Act of 1998''.

(20) FREEDOM SUPPORT ACT.—The last sentence of section 505 of the FREEDOM Support Act (22 U.S.C. 5855) is amended by striking '', through the Defense Conversion'' and all that follows through ''or through'' and inserting ''or through''.

(21) EMERGENCY JOBS AND UNEMPLOYMENT ASSISTANCE ACT OF 1974.—

(A) SECTION 204.—Section 204(b) of the Emergency Jobs and Unemployment Assistance Act of 1974 (26 U.S.C. 3304 note) is amended by striking ''designate as an area'' and all that follows and inserting ''designate as an area under this section an area that is a service delivery area established under section 101 of the Job Training Partnership Act (except that after local workforce investment areas are designated under section 116 of the Workforce Investment Act of 1998 for the State involved, the corresponding local workforce investment area shall be considered to be the area designated under this section) or a local workforce investment area designated under section 116 of the Workforce Investment Act of 1998.''.

(B) SECTION 223.—Section 223 of the Emergency Jobs and Unemployment Assistance Act of 1974 (26 U.S.C. 3304 note) is amended—

(i) in paragraph (3), by striking ''assistance provided'' and all that follows and inserting ''assistance provided under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998;''; and

(ii) in paragraph (4), by striking ''funds provided'' and all that follows and inserting ''funds provided under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998;''.

(22) JOB TRAINING REFORM AMENDMENTS OF 1992.—Section 701 of the Job Training Reform Amendments of 1992 (29 U.S.C. 1501 note) is repealed.

(23) PUBLIC LAW 98–524.—Section 7 of Public Law 98–524 (29 U.S.C. 1551 note) is repealed.

(24) VETERANS' BENEFITS AND PROGRAMS IMPROVEMENT ACT OF 1988.—Section 402 of the Veterans' Benefits and Programs Improvement Act of 1988 (29 U.S.C. 1721 note) is amended—

(A) in subsection (a), by striking ''title III of the Job Training Partnership Act (29 U.S.C. 1651 et seq.)'' and inserting ''title III of the Job Training Partnership Act or title I of the Workforce Investment Act of 1998'';

(B) in subsection (c), by striking ''Training, in consultation with the office designated or created under section 322(b) of the Job Training Partnership Act,'' and inserting ''Training, in consultation with the unit or office designated or created under section 322(b) of the Job Training Partnership Act or any successor to such unit or office under title I of the Workforce Investment Act of 1998,''; and

(C) in subsection (d)—

(i) in paragraph (1)(A), by striking ''part C'' and all that follows through''; and'' and inserting ''part C of title IV of the Job Training Partnership Act or title I of the Workforce Investment Act of 1998; and''; and

(ii) in paragraph (2), by striking ''Employment and training'' and all that follows and inserting ''Employment and training activities for dislocated workers under title III of the Job Training Partnership Act or title I of the Workforce Investment Act of 1998.''.

(25) VETERANS' JOB TRAINING ACT.—

(A) SECTION 13.—Section 13(b) of the Veterans' Job Training Act (29 U.S.C. 1721 note) is amended by striking ''assistance under the Job Training Partnership Act (29 U.S.C. 1501 et seq.)'' and inserting ''assistance under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998''.

(B) SECTION 14.—Section 14(b)(3)(B)(i)(II) of the Veterans' Job Training Act (29 U.S.C. 1721 note) is amended by striking ''under part C of title IV of the Job Training Partnership Act (29 U.S.C. 1501 et seq.)'' and inserting ''under part C of title IV the Job Training Partnership Act or title I of the Workforce Investment Act of 1998''.

(C) SECTION 15.—Section 15(c)(2) of the Veterans' Job Training Act (29 U.S.C. 1721 note) is amended—

(i) in the second sentence, by striking ''part C of title IV of the Job Training Partnership Act (29 U.S.C. 1501 et seq.)'' and inserting ''part C of title IV of the Job Training Partnership Act or title I of the Workforce Investment Act of 1998''; and

(ii) in the third sentence, by striking ''title III of that Act'' and inserting ''title III of the Job Training Partnership Act or title I of the Workforce Investment Act of 1998''.

(26) WORKER ADJUSTMENT AND RETRAINING NOTIFICATION ACT.—Section 3(a)(2) of the Worker Adjustment and Retraining Notification Act (29 U.S.C. 2102(a)(2)) is amended by striking ''to the State'' and all that follows through ''and the chief'' and inserting ''to the State dislocated worker unit or office (referred to in section 311(b)(2) of the Job Training and Partnership Act), or the State or entity designated by the State to carry out rapid response activities under section 134(a)(2)(A) of the Workforce Investment Act of 1998, and the chief''.

(27) TITLE 31, UNITED STATES CODE.—Section 6703(a) of title 31, United States Code, is amended by striking paragraph (4) and inserting the following:

''(4) Programs under title II or IV of the Job Training Partnership Act or under title I of the Workforce Investment Act of 1998.''.

(28) VETERANS' REHABILITATION AND EDUCATION AMENDMENTS OF 1980.—Section 512 of the Veterans' Rehabilitation and Education Amendments of 1980 (38 U.S.C. 4101 note) is amended by striking ''the Comprehensive Employment and Training Act (29 U.S.C. et seq.),'' and inserting ''the Job Training Partnership Act or title I of the Workforce Investment Act of 1998,''.

(29) TITLE 38, UNITED STATES CODE.—

(A) SECTION 4102A.—Section 4102A(d) of title 38, United States Code, is amended by striking ''the Job Training Partnership Act'' and inserting ''the Job Training Partnership Act and title I of the Workforce Investment Act of 1998''.

(B) SECTION 4103A.—Section 4103A(c)(4) of title 38, United States Code, is amended by striking ''(including part C of title IV of the Job Training Partnership Act (29 U.S.C. 1501 et seq.))'' and inserting ''including part C of title IV of the Job Training Partnership Act and title I of the Workforce Investment Act of 1998''.

(C) SECTION 4213.—Section 4213 of title 38, United States Code, is amended by striking ''program assisted under the Job Training Partnership Act (29 U.S.C. 1501 et seq.),'' and inserting ''program carried out under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998,''.

(30) SOCIAL SECURITY ACT.—Section 403(a)(5) of Social Security Act (42 U.S.C. 603(a)(5)) is amended—

(A) in subparagraph (A)(vii)(I), by striking ''(as described in section 103(c) of the Job Training Partnership Act)'' and inserting ''(as described in section 103(c) of the Job Training Partnership Act or defined in section 101 of the Workforce Investment Act of 1998)''; and

(B) in subparagraph (D)—

(i) in clause (ii), by striking ''means, with respect to a service delivery area, the private industry council (or successor entity) established for the service delivery area pursuant to the Job Training Partnership Act'' and inserting ''means, with respect to a service delivery area, the private industry council or local workforce investment board established for the service delivery area pursuant to the Job Training Partnership Act or title I of the Workforce Investment Area of 1998, as appropriate''; and

(ii) in clause (iii), by striking ''shall have the meaning given such term (or the successor to such term) for purposes of the Job Training Partnership Act'' and inserting ''shall have the meaning given such term for purposes of the Job Training Partnership Act or shall mean a local area as defined in section 101 of the Workforce Investment Act of 1998, as appropriate''.

(31) UNITED STATES HOUSING ACT.—Section 23 of the United States Housing Act of 1937 (42 U.S.C. 1437u) is amended—

(A) in subsection (b)(2)(A), by striking ''the Job Training'' and all that follows through ''or the'' and inserting ''the Job Training Partnership Act or title I of the Workforce Investment Act of 1998 or the'';

(B) in the first sentence of subsection (f)(2), by striking ''programs under the'' and all that follows through ''and the'' and inserting ''programs under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998 or the''; and

(C) in subsection (g)—

(i) in paragraph (2), by striking ''programs under the'' and all that follows through ''and the'' and inserting ''programs under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998 or the''; and

(ii) in paragraph (3)(H), by striking ''program under'' and all that follows through ''and any other'' and inserting ''programs under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998 and any other''.

(32) HOUSING ACT OF 1949.—Section 504(c)(3) of the Housing Act of 1949 (42 U.S.C. 1474(c)(3)) is amended by striking ''pursuant to'' and all that follows through ''or the'' and inserting ''pursuant to the Job Training Partnership Act or title I of the Workforce Investment Act of 1998 or the''.

(33) OLDER AMERICANS ACT OF 1965.—

(A) SECTION 203.—Section 203 of the Older Americans Act of 1965 (42 U.S.C. 3013) is amended—

(i) in subsection (a)(2), by striking the last sentence and inserting the following: ''In particular, the Secretary of Labor shall consult and cooperate with the Assistant Secretary in carrying out the Job Training Partnership Act and title I of the Workforce Investment Act of 1998.''; and

(ii) in subsection (b), by striking paragraph (1) and inserting the following:

''(1) the Job Training Partnership Act or title I of the Workforce Investment Act of 1998,''.

(B) SECTION 502.—Section 502 of the Older Americans Act of 1965 (42 U.S.C. 3056) is amended—

(i) in subsection (b)(1)(N)(i), by striking ''the Job Training Partnership Act (29 U.S.C. 1501 et seq.)'' and inserting ''the Job Training Partnership Act and title I of the Workforce Investment Act of 1998''; and

(ii) in subsection (e)(2)(C), by striking ''programs carried out under section 124 of the Job Training Partnership Act (29 U.S.C. 1534)'' and inserting ''programs carried out under the Job Training Partnership Act and title I of the Workforce Investment Act of 1998''.

(C) SECTION 503.—Section 503(b)(1) of the Older Americans Act of 1965 (42 U.S.C. 3056a(b)(1)) is amended—

(i) in the first sentence, by striking ''the Job Training Partnership Act'' and inserting ''the Job Training Partnership Act and title I of the Workforce Investment Act of 1998''; and

(ii) in the first sentence, by striking ''the Job Training Partnership Act'' and inserting ''the Job Training Partnership Act or title I of the Workforce Investment Act of 1998''.

(D) SECTION 510.—Section 510 of the Older Americans Act of 1965 (42 U.S.C. 3056h) is amended by striking the matter following the section heading and inserting the following:

''In the case of projects under this title carried out jointly with programs carried out under the Job Training Partnership Act, eligible individuals shall be deemed to satisfy the requirements of sections 203 and 204(d)(5)(A) of such Act (29 U.S.C. 1603, 1604(d)(5)(A)) that are applicable to adults. In the case of projects under this title carried out jointly with programs carried out under subtitle B of title I of the Workforce Investment Act of 1998, eligible individuals shall be deemed to satisfy the requirements of section 134 of such Act.''.

(34) OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1968.—Section 1801(b)(3) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796ee(b)(3)) is amended by striking ''activities carried out under part B of title IV of the Job Training Partnership Act (relating to Job Corps) (29 U.S.C. 1691 et seq.)'' and inserting ''activities carried out under part B of title IV of the Job Training Partnership Act or subtitle C of title I of the Workforce Investment Act of 1998 (relating to Job Corps)''.

(35) ENVIRONMENTAL PROGRAMS ASSISTANCE ACT OF 1984.—The second sentence of section 2(a) of the Environmental Programs Assistance Act of 1984 (42 U.S.C. 4368a(a)) is amended by striking ''and title IV of the Job Training Partnership Act'' and inserting ''and title IV of the Job Training Partnership Act or subtitle D of title I of the Workforce Investment Act of 1998''.

(36) DOMESTIC VOLUNTEER SERVICE ACT OF 1973.—

(A) SECTION 103.—The second sentence of section 103(d) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4953(d)) is amended to read as follows: ''Whenever feasible, such efforts shall be coordinated with an appropriate private industry council established under the Job Training Partnership Act or local workforce investment board established under section 117 of the Workforce Investment Act of 1998.''.

(B) SECTION 109.—Subsections (c)(2) and (d)(2) of section 109 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4959) is amended by striking ''administrative entities designated to administer job training plans under the Job Training Partnership Act'' and inserting ''administrative entities designated to administer job training plans under the Job Training Partnership Act and eligible providers of employment and training activities under subtitle B of title I of the Workforce Investment Act of 1998''.

(37) AGE DISCRIMINATION ACT OF 1975.—Section 304(c)(1) of the Age Discrimination Act of 1975 (42 U.S.C. 6103(c)(1)) is amended by striking ''Except with'' and all that follows through ''nothing'' and inserting ''Nothing''.

(38) ENERGY CONSERVATION AND PRODUCTION ACT.—Section 414(b)(3) of the Energy Conservation and Production Act (42 U.S.C. 6864(b)(3)) is amended by striking ''the Comprehensive Employment and Training Act of 1973'' and inserting ''the Job Training Partnership Act or title I of the Workforce Investment Act of 1998''.

(39) NATIONAL ENERGY CONSERVATION POLICY ACT.—Section 233 of the National Energy Conservation Policy Act (42 U.S.C. 6873) is amended, in the matter preceding paragraph (1), by striking ''the Comprehensive Employment and Training Act of 1973'' and inserting ''the Job Training Partnership Act or title I of the Workforce Investment Act of 1998''.

(40) COMMUNITY ECONOMIC DEVELOPMENT ACT OF 1981.—Section 617(a)(3) of the Community Economic Development Act of 1981 (42 U.S.C. 9806(a)(3)) is amended by striking ''activities such as those described in the Comprehensive Employment and Training Act'' and inserting ''activities such as the activities described in the Job Training Partnership Act or title I of the Workforce Investment Act of 1998''.

(41) STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT.—Section 103(b)(2) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11302(b)(2)) is amended by striking ''the Job Training Partnership Act'' and inserting ''the Job Training Partnership Act or title I of the Workforce Investment Act of 1998''.

(42) NATIONAL AND COMMUNITY SERVICE ACT OF 1990.—

(A) SECTION 177.—Section 177(d) of the National and Community Service Act of 1990 (42 U.S.C. 12637(d)) is amended to read as follows:

''(d) TREATMENT OF BENEFITS.—Allowances, earnings, and payments to individuals participating in programs that receive assistance under this title shall not be considered to be income for the purposes of determining eligibility for and the amount of income transfer and in-kind aid furnished under any Federal or federally assisted program based on need, other than as provided under the Social Security Act (42 U.S.C. 301 et seq.).''.

(B) SECTION 198C.—Section 198C of the National and Community Service Act of 1990 (42 U.S.C. 12653c) is amended—

(i) in subsection (b)(1), by striking ''a military installation described in section 325(e)(1) of the Job Training Partnership Act (29 U.S.C. 1662d(e)(1)).'' and inserting ''a military installation being closed or realigned under—

''(A) the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of division B of Public Law 101–510; 10 U.S.C. 2687 note); and

''(B) title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note).''; and

(ii) in subsection (e)(1)(B), by striking clause (iii) and inserting the following:

''(iii) an eligible youth described in section 423 of the Job Training Partnership Act or an individual described in section 144 of the Workforce Investment Act of 1998.''.

(C) SECTION 199L.—Section 199L(a) of the National and Community Service Act of 1990 (42 U.S.C. 12655m(a)) is amended by striking ''the Job Training Partnership Act (29 U.S.C. 1501 et seq.)'' and inserting ''the Job Training Partnership Act and title I of the Workforce Investment Act of 1998''.

(43) CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT.—

(A) SECTION 454.—Subparagraphs (H) and (M) of subsection (c)(2), and subsection (d)(7), of section 454 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899c) are amended by striking ''the Job Training Partnership Act'' and inserting ''the Job Training Partnership Act and title I of the Workforce Investment Act of 1998''.

(B) SECTION 456.—The first sentence of section 456(e) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899e(e)) is amended by inserting ''(as in effect on the day before the date of enactment of the Workforce Investment Act of 1998)'' after ''the Job Training Partnership Act'' each place it appears.

(44) VIOLENT CRIME CONTROL AND LAW ENFORCEMENT ACT OF 1994.—Section 31113(a)(4)(C) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 13823(a)(4)(C)) is amended by striking ''authorized under the Job Training Partnership Act (29 U.S.C. 1501 et seq.)'' and inserting ''authorized under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998''.

(e) OTHER REFERENCES TO TITLE VII OF THE STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT.—

(1) TABLE OF CONTENTS.—The table of contents of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11421 et seq.) is amended by striking the items relating to title VII of such Act, except the items relating to the title heading, and subtitles B and C, of such title.

(2) TITLE VII.—The Stewart B. McKinney Homeless Assistance Act (as amended by section 199(b)(1) of the Workforce Investment Act of 1998) is further amended by inserting before subtitle B (relating to education for homeless children and families) the following:

''TITLE VII—EDUCATION AND TRAINING''.

(f) REFERENCES TO JOB TRAINING PARTNERSHIP ACT SUBSEQUENT TO REPEAL.—

(1) TITLE 5, UNITED STATES CODE.—Section 3502(d) of title 5, United States Code, is amended—

(A) in paragraph (3)—

(i) in subparagraph (A), by striking clause (i) and inserting the following:

''(i) the State or entity designated by the State to carry out rapid response activities under section 134(a)(2)(A) of the Workforce Investment Act of 1998; and''; and

(ii) in subparagraph (B)(iii), by striking ''under the Job Training Partnership Act or''; and

(B) in paragraph (4), in the second sentence, by striking ''the Job Training Partnership Act or''.

(2) FOOD STAMP ACT OF 1977.—

(A) SECTION 5.—Section 5(l) of the Food Stamp Act of 1977 (7 U.S.C. 2014(l)) is amended by striking ''Notwithstanding section 142(b) of the Job Training Partnership Act or section 181(a)(2) of the Workforce Investment Act of 1998, earnings to individuals participating in on-the-job training programs under section 204(b)(1)(C) or 264(c)(1)(A) of the Job Training Partnership Act or in on-the-job training under title I of the Workforce Investment Act of 1998'' and inserting ''Notwithstanding section 181(a)(2) of the Workforce Investment Act of 1998, earnings to individuals participating in on-the-job training under title I of the Workforce Investment Act of 1998''

(B) SECTION 6.—Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015) is amended—

(i) in subsection (d)(4)(M), by striking ''the State public employment offices and agencies operating programs under the Job Training Partnership Act or of'';

(ii) in subsection (e)(3), by striking subparagraph (A) and inserting the following:

''(A) a program under title I of the Workforce Investment Act of 1998;''; and

(iii) in subsection (o)(1)(A), by striking ''Job Training Partnership Act or''.

(C) SECTION 17.—The second sentence of section 17(b)(2) of the Food Stamp Act of 1977 (7

U.S.C. 2026(b)(2)) is amended by striking ''the Job Training Partnership Act or''.

(3) PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996.—

(A) Section 403(c)(2)(K) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613(c)(2)(K)) is amended by striking ''Job Training Partnership Act or''.

(B) Section 423(d)(11) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1183a note) is amended by striking ''Job Training Partnership Act or''.

(4) IMMIGRATION AND NATIONALITY ACT.—Section 245A(h)(4)(F) of the Immigration and Nationality Act (8 U.S.C. 1255a(h)(4)(F)) is amended by striking ''The Job Training Partnership Act or title'' and inserting ''Title''.

(5) REFUGEE EDUCATION ASSISTANCE ACT OF 1980.—Section 402(a)(4) of the Refugee Education Assistance Act of 1980 (8 U.S.C. 1522 note) is amended by striking ''the Comprehensive Employment and Training Act of 1973'' and inserting ''the Job Training Partnership Act or''.

(6) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1993.—

(A) SECTION 3161.—Section 3161(c)(6) of the National Defense Authorization Act for Fiscal Year 1993 (42 U.S.C. 7274h(c)(6)) is amended by striking subparagraph (A) and inserting the following:

''(A) programs carried out by the Secretary of Labor under title I of the Workforce Investment Act of 1998;''.

(B) SECTION 4461.—Section 4461(1) of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1143 note) is amended by striking ''The Job Training Partnership Act of title'' and inserting ''Title''.

(C) SECTION 4471.—Section 4471 of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 2501 note) is amended—

(i) in subsection (c)(2), by striking ''the State dislocated worker unit or office referred to in section 311(b)(2) of the Job Training Partnership Act, or'';

(ii) in subsection (d), in the first sentence, by striking ''for training, adjustment assistance, and employment services under section 325 or 325A of the Job Training Partnership Act or''; and

(iii) in subsection (e), by striking ''for training, adjustment assistance, and employment services under section 325 or 325A of the Job Training Partnership Act or''.

(D) SECTION 4492.—Section 4492(b) of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1143 note) is amended by striking ''the Job Training Partnership Act or''.

(7) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1994.—Section 1333(c)(2)(B) of the National Defense Authorization Act for Fiscal Year 1994 (10 U.S.C. 2701 note) is amended by striking ''Private industry councils as described in section 102 of the Job Training Partnership Act or local'' and inserting ''local''.

(8) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1998.—Section 2824(c)(5) of the National Defense Authorization Act for Fiscal Year 1998 (10 U.S.C. 2687 note) is amended by striking ''Job Training Partnership Act or''.

(9) SMALL BUSINESS ACT.—The fourth sentence of section 7(j)(13)(E) of the Small Business Act (15 U.S.C. 636(j)(13)(E)) is amended by striking ''the Job Training Partnership Act or''.

(10) FULL EMPLOYMENT AND BALANCED GROWTH ACT OF 1978.—Section 206 of the Full Employment and Balanced Growth Act of 1978 (15 U.S.C. 3116) is amended—

(A) in subsection (b), in the matter preceding paragraph (1), by striking ''CETA'' and inserting ''the Job Training Partnership Act and''; and

(B) in subsection (c)(1), by striking ''activities carried out under the Job Training Partnership Act or''.

(11) TRADE ACT OF 1974.—

(A) SECTION 236.—Section 236(a)(5)(B) of the Trade Act of 1974 (19 U.S.C. 2296(a)(5)(B)) is amended by striking ''section 303 of the Job Training Partnership Act or''.

(B) SECTION 239.—Section 239(e) of the Trade Act of 1974 (19 U.S.C. 2311(e)) is amended by striking ''title III of the Job Training Partnership Act or''.

(12) HIGHER EDUCATION ACT OF 1965.—

(A) SECTION 418A.—Subsections (b)(1)(B)(ii) and (c)(1)(A) of section 418A of the Higher Education Act of 1965 (20 U.S.C. 1070d–2) are amended by striking ''section 402 of the Job Training Partnership Act or''.

(B) SECTION 480.—Section 480(b)(14) of the Higher Education Act of 1965 (20 U.S.C. 1087vv(b)(14)) is amended by striking ''Job Training Partnership Act noneducational benefits or''.

(13) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—

(A) SECTION 1205.—Section 1205(8)(B) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6365(8)(B)) is amended by striking ''the Job Training Partnership Act and''.

(B) SECTION 1414.—Section 1414(c)(8) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6434(c)(8)) is amended by striking ''the Job Training Partnership Act or''.

(C) SECTION 1423.—Section 1423(9) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6453(9)) is amended by striking ''the Job Training Partnership Act or''.

(D) SECTION 1425.—Section 1425(9) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6455(9)) is amended by striking ''the Job Training Partnership Act or''.

(14) DISTRICT OF COLUMBIA SCHOOL REFORM ACT OF 1995.—Section 2604(c)(2)(B)(ii) of the District of Columbia School Reform Act of 1995 (Public Law 104–134; 110 Stat. 1321–145) is amended by striking ''Job Training Partnership Act or''.

(15) EMERGENCY JOBS AND UNEMPLOYMENT ASSISTANCE ACT OF 1974.—

(A) SECTION 204.—Section 204(b) of the Emergency Jobs and Unemployment Assistance Act of 1974 (26 U.S.C. 3304 note) is amended by striking ''service delivery area established'' and all that follows through ''this section) or a''.

(B) SECTION 223.—Section 223 of the Emergency Jobs and Unemployment Assistance Act of 1974 (26 U.S.C. 3304 note) is amended—

(i) in paragraph (3), by striking ''the Job Training Partnership Act or''; and

(ii) in paragraph (4), by striking ''the Job Training Partnership Act or''.

(16) VETERANS' BENEFITS AND PROGRAMS IMPROVEMENT ACT OF 1988.—Section 402 of the Veterans' Benefits and Programs Improvement Act of 1988 (29 U.S.C. 1721 note) is amended—

(A) in subsection (a), by striking ''title III of the Job Training Partnership Act or''; and

(B) in subsection (d)—

(i) in paragraph (1)(A), by striking ''part C of title IV of the Job Training Partnership Act or''; and

(ii) in paragraph (2), by striking ''title III of the Job Training Partnership Act or''.

(17) VETERANS' JOB TRAINING ACT.—

(A) SECTION 13.—Section 13(b) of the Veterans' Job Training Act (29 U.S.C. 1721 note) is amended by striking ''the Job Training Partnership Act or''.

(B) SECTION 14.—Section 14(b)(3)(B)(i)(II) of the Veterans' Job Training Act (29 U.S.C. 1721 note) is amended by striking ''part C of title IV the Job Training Partnership Act or''.

(C) SECTION 15.—Section 15(c)(2) of the Veterans' Job Training Act (29 U.S.C. 1721 note) is amended—

(i) in the second sentence, by striking ''part C of title IV of the Job Training Partnership Act or''; and

(ii) in the third sentence, by striking ''title III of the Job Training Partnership Act or''.

(18) WORKER ADJUSTMENT AND RETRAINING NOTIFICATION ACT.—Section 3(a)(2) of the Worker Adjustment and Retraining Notification Act (29 U.S.C. 2102(a)(2)) is amended by striking ''the State dislocated worker unit or office (referred to in section 311(b)(2) of the Job Training and Partnership Act), or''.

(19) TITLE 31, UNITED STATES CODE.—Section 6703(a) of title 31, United States Code, is amended by striking paragraph (4) and inserting the following:

''(4) Programs under title I of the Workforce Investment Act of 1998.''.

(20) VETERANS' REHABILITATION AND EDUCATION AMENDMENTS OF 1980.—Section 512 of the Veterans' Rehabilitation and Education Amendments of 1980 (38 U.S.C. 4101 note) is amended by striking ''the Job Training Partnership Act or''.

(21) TITLE 38, UNITED STATES CODE.—

(A) SECTION 4102A.—Section 4102A(d) of title 38, United States Code, is amended by striking ''the Job Training Partnership Act and''.

(B) SECTION 4103A.—Section 4103A(c)(4) of title 38, United States Code, is amended by striking ''part C of title IV of the Job Training Partnership Act and''.

(C) SECTION 4213.—Section 4213 of title 38, United States Code, is amended by striking ''the Job Training Partnership Act or''.

(22) SOCIAL SECURITY ACT.—Section 403(a)(5) of Social Security Act (42 U.S.C. 603(a)(5)) is amended—

(A) in subparagraph (A)(vii)(I), by striking ''described in section 103(c) of the Job Training Partnership Act or''; and

(B) in subparagraph (D)—

(i) in clause (ii), by striking ''the Job Training Partnership Act or''; and

(ii) in clause (iii), by striking ''shall mean a local area as defined in section 101 of the Workforce Investment Act of 1998, as appropriate''.

(23) UNITED STATES HOUSING ACT.—Section 23 of the United States Housing Act of 1937 (42 U.S.C. 1437u) is amended—

(A) in subsection (b)(2)(A), by striking ''the Job Training Partnership Act or'';

(B) in the first sentence of subsection (f)(2), by striking ''the Job Training Partnership Act or''; and

(C) in subsection (g)—

(i) in paragraph (2), by striking ''the Job Training Partnership Act or''; and

(ii) in paragraph (3)(H), by striking ''the Job Training Partnership Act or''.

(24) HOUSING ACT OF 1949.—Section 504(c)(3) of the Housing Act of 1949 (42 U.S.C. 1474(c)(3)) is amended by striking ''the Job Training Partnership Act or''.

(25) OLDER AMERICANS ACT OF 1965.—

(A) SECTION 203.—Section 203 of the Older Americans Act of 1965 (42 U.S.C. 3013) is amended—

(i) in subsection (a)(2), by striking ''the Job Training Partnership Act and''; and

(ii) in subsection (b), by striking paragraph (1) and inserting the following:

''(1) title I of the Workforce Investment Act of 1998,''.

(B) SECTION 502.—Section 502 of the Older Americans Act of 1965 (42 U.S.C. 3056) is amended—

(i) in subsection (b)(1)(N)(i), by striking ''the Job Training Partnership Act and''; and

(ii) in subsection (e)(2)(C), by striking ''the Job Training Partnership Act and''.

(C) SECTION 503.—Section 503(b)(1) of the Older Americans Act of 1965 (42 U.S.C. 3056a(b)(1)) is amended—

(i) in the first sentence, by striking ''the Job Training Partnership Act and''; and

(ii) in the first sentence, by striking ''the Job Training Partnership Act or''.

(D) SECTION 510.—Section 510 of the Older Americans Act of 1965 (42 U.S.C. 3056h) is amended by striking the matter following the section heading and inserting the following:

''In the case of projects under this title carried out jointly with programs carried out under subtitle B of title I of the Workforce Investment Act of 1998, eligible individuals shall be deemed to satisfy the requirements of section 134 of such Act.''.

(26) OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1968.—Section 1801(b)(3) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796ee(b)(3)) is amended by striking ''part B of title IV of the Job Training Partnership Act or''.

(27) ENVIRONMENTAL PROGRAMS ASSISTANCE ACT OF 1984.—The second sentence of section 2(a) of the Environmental Programs Assistance Act of 1984 (42 U.S.C. 4368a(a)) is amended by striking ''title IV of the Job Training Partnership Act or''.

(28) DOMESTIC VOLUNTEER SERVICE ACT OF 1973.—

(A) SECTION 103.—The second sentence of section 103(d) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4953(d)) is amended to read as follows: ''private industry council established under the Job Training Partnership Act or''.

(B) SECTION 109.—Subsections (c)(2) and (d)(2) of section 109 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4959) is amended by striking ''administrative entities designated to administer job training plans under the Job Training Partnership Act and''.

(29) ENERGY CONSERVATION AND PRODUCTION ACT.—Section 414(b)(3) of the Energy Conservation and Production Act (42 U.S.C. 6864(b)(3)) is amended by striking ''the Job Training Partnership Act or''.

(30) NATIONAL ENERGY CONSERVATION POLICY ACT.—Section 233 of the National Energy Conservation Policy Act (42 U.S.C. 6873) is amended, in the matter preceding paragraph (1), by striking ''the Job Training Partnership Act or''.

(31) COMMUNITY ECONOMIC DEVELOPMENT ACT OF 1981.—Section 617(a)(3) of the Community Economic Development Act of 1981 (42 U.S.C. 9806(a)(3)) is amended by striking ''the Job Training Partnership Act or''.

(32) STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT.—Section 103(b)(2) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11302(b)(2)) is amended by striking ''the Job Training Partnership Act or''.

(33) NATIONAL AND COMMUNITY SERVICE ACT OF 1990.—

(A) SECTION 198C.—Section 198C(e)(1)(B) of the National and Community Service Act of 1990 (42 U.S.C. 12653c(e)(1)(C)) is amended by striking clause (iii) and inserting the following:

''(iii) an individual described in section 144 of the Workforce Investment Act of 1998.''.

(B) SECTION 199L.—Section 199L(a) of the National and Community Service Act of 1990 (42 U.S.C. 12655m(a)) is amended by striking ''the Job Training Partnership Act and''.

(34) CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT.—Subparagraphs (H) and (M) of subsection (c)(2), and subsection (d)(7), of section 454 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899c) are amended by striking ''the Job Training Partnership Act and''.

(35) VIOLENT CRIME CONTROL AND LAW ENFORCEMENT ACT OF 1994.—Section 31113(a)(4)(C) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 13823(a)(4)(C)) is amended by striking ''the Job Training Partnership Act or''.

(g) EFFECTIVE DATES.—

(1) IMMEDIATELY EFFECTIVE AMENDMENTS.—The amendments made by subsections (a) through (d) shall take effect on the date of the enactment of this Act.

(2) SUBSEQUENTLY EFFECTIVE AMENDMENTS.—

(A) STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT.—The amendments made by subsection (e) shall take effect on July 1, 1999.

(B) JOB TRAINING PARTNERSHIP ACT.—The amendments made by subsection (f) shall take effect on July 1, 2000.

(h) REFERENCES.—

(1) IN GENERAL.—Section 190 of the Workforce Investment Act of 1998 is amended to read as follows:

''SEC. 190. REFERENCES.

''(a) REFERENCES TO COMPREHENSIVE EMPLOYMENT AND TRAINING ACT.—Except as otherwise specified, a reference in a Federal law (other than a reference in a provision amended by the Reading Excellence Act) to a provision of the Comprehensive Employment and Training Act—

''(1) effective on the date of enactment of this Act, shall be deemed to refer to the corresponding provision of the Job Training Partnership Act or of the Workforce Investment Act of 1998; and

''(2) effective on July 1, 2000, shall be deemed to refer to the corresponding provision of the Workforce Investment Act of 1998.''.

''(b) REFERENCES TO JOB TRAINING PARTNERSHIP ACT.—Except as otherwise specified, a reference in a Federal law (other than a reference in this Act or a reference in a provision amended by the Reading Excellence Act) to a provision of the Job Training Partnership Act—

''(1) effective on the date of enactment of this Act, shall be deemed to refer to that provision or the corresponding provision of the Workforce Investment Act of 1998; and

''(2) effective on July 1, 2000, shall be deemed to refer to the corresponding provision of the Workforce Investment Act of 1998.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect as if included in the Workforce Investment Act of 1998.

(3) CONFORMING AMENDMENT.—Section 199A of such Act is amended by striking subsection (c).

INTERNET TAX FREEDOM ACT

HUTCHINSON (AND MCCAIN) AMENDMENT NO. 3741

(Ordered to lie on the table.)

Mr. HUTCHINSON (for himself and Mr. MCCAIN) submitted an amendment intended to be proposed by them to the bill (S. 442) to establish a national policy against State and local government interference with interstate commerce on the Internet or interactive computer services, and to exercise Congressional jurisdiction over interstate commerce by establishing a moratorium on the imposition of exactions that would interfere with the free flow of commerce via the Internet, and for other purposes; as follows:

On page 24, strike line 5 and insert the following: communications services; and

(F) an examination of the effects of taxation, including the absence of taxation, on all interstate sales transactions, including transactions using the Internet, on local retail businesses and on State and local governments, which examination may include a review of the efforts of State and local governments to collect sales and use taxes owed on in-State purchases from out-of-State sellers.

BUMPERS (AND GRAHAM) AMENDMENT NO. 3742

Mr. BUMPERS (for himself and Mr. GRAHAM) proposed an amendment to the bill, S. 442, supra; as follows:

At the appropriate place, insert the following new title:

TITLE —CONSUMER PROTECTION TAX DISCLOSURE

SEC. . DISCLOSURE REQUIREMENT.

(a) DISCLOSURE REQUIREMENT.—Any person selling tangible personal property via the Internet who—

(1) delivers such property, or causes such property to be delivered, to a person in another State, and

(2) does not collect and remit all applicable State and local sales taxes pertaining to the sale and use of such property.

shall prominently display the notice described in subsection (b) on every other form available to a purchaser or prospective purchaser.

(b) DISCLOSURE NOTICE.—The notice described in this subsection is as follows:

''NOTICE REGARDING TAXES: You may be required by your State or local government to pay sales or use tax on this purchase. Such taxes are imposed in most States. Failure to pay such taxes could result in civil or criminal penalties. For information on your tax obligations, contact your State taxation department.''

(c) REGULATORY AUTHORITY.—The Secretary of Commerce shall issue and enforce such regulations as are necessary to ensure compliance with this section, including regulations as to what constitutes prominently displaying a notice.

SEC. . PENALTIES.

Any person who willfully fails to include any notice under section ___ shall be fined not more than $100 for each such failure.

SEC. . DEFINITIONS.

For purposes of this title—

(1) the term ''use tax'' means a tax imposed on or incident to the use, storage, consumption, distribution, or other use within a State or local jurisdiction or other area of a State, of tangible personal property,

(2) the term ''local sales tax'' means a sales tax imposed in a local jurisdiction or area of a State and includes, but is not limited to—

(A) a sales tax or in-lieu fee imposed in a local jurisdiction or area of a State by the State on behalf of such jurisdiction or area, and

(B) a sales tax imposed by a local jurisdiction or other State-authorized entity pursuant to the authority of State law, local law, or both,

(3) the term ''person'' means an individual, a trust, estate, partnership, society, association, company (including a limited liability company), or corporation, whether or not acting in a fiduciary or representative capacity, and any combination thereof,

(4) the term ''sales tax'' means a tax, including use tax, that is—

(A) imposed on or incident to the sale, purchase, storage, consumption, distribution, or other use of tangible personal property as may be defined or specified under the laws imposing such tax, and

(B) measured by the amount of the sale price, cost, charge, or other value of or for such property, and

(5) the term ''State'' means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

SEC. . EFFECTIVE DATE.

This title shall take effect 180 days after the date of enactment of this Act. In no event shall this Act apply to any sale occurring before such effective date.

FRIST (AND OTHERS) AMENDMENT NO. 3743

Mr. MCCAIN (for Mr. FRIST for himself, Mr. THOMPSON, Mr. DEWINE, Mr. JEFFORDS, and Mr. SMITH of Oregon) proposed an amendment to the bill, S. 442, supra; as follows:

At the end add the following:

TITLE ____—OREGON INSTITUTE OF PUBLIC SERVICE AND CONSTITUTIONAL STUDIES

SEC. ____01. DEFINITIONS.

In this title:

(1) ENDOWMENT FUND.—The term ''endowment fund'' means a fund established by Portland State University for the purpose of generating income for the support of the Institute.

(2) INSTITUTE.—The term ''Institute'' means the Oregon Institute of Public Service and Constitutional Studies established under this title.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of Education.

SEC. ____02. OREGON INSTITUTE OF PUBLIC SERVICE AND CONSTITUTIONAL STUDIES.

From the funds appropriated under section ____06, the Secretary is authorized to award a grant to Portland State University at Portland, Oregon, for the establishment of an endowment fund to support the Oregon Institute of Public Service and Constitutional Studies at the Mark O. Hatfield School of Government at Portland State University.

SEC. ____03. DUTIES.

In order to receive a grant under this title the Portland State University shall establish the Institute. The Institute shall have the following duties:

(1) To generate resources, improve teaching, enhance curriculum development, and further the knowledge and understanding of students of all ages about public service, the United States Government, and the Constitution of the United States of America.

(2) To increase the awareness of the importance of public service, to foster among the youth of the United States greater recognition of the role of public service in the development of the United States, and to promote public service as a career choice.

(3) To establish a Mark O. Hatfield Fellows program for students of government, public policy, public health, education, or law who have demonstrated a commitment to public service through volunteer activities, research projects, or employment.

(4) To create library and research facilities for the collection and compilation of research materials for use in carrying out programs of the Institute.

(5) To support the professional development of elected officials at all levels of government.

SEC. ____04. ADMINISTRATION.

(a) LEADERSHIP COUNCIL.—

(1) IN GENERAL.—In order to receive a grant under this title Portland State University shall ensure that the Institute operates under the direction of a Leadership Council (in this title referred to as the ''Leadership Council'') that—

''(A) consists of 15 individuals appointed by the President of Portland State University; and

''(B) is established in accordance with this section.

(2) APPOINTMENTS.—Of the individuals appointed under paragraph (1)(A)—

(A) Portland State University, Willamette University, the Constitution Project, George Fox University, Warner Pacific University, and Oregon Health Sciences University shall each have a representative;

(B) at least 1 shall represent Mark O. Hatfield, his family, or a designee thereof;

(C) at least 1 shall have expertise in elementary and secondary school social sciences or governmental studies;

(D) at least 2 shall be representative of business or government and reside outside of Oregon;

(E) at least 1 shall be an elected official; and

(F) at least 3 shall be leaders in the private sector.

(3) EX-OFFICIO MEMBER.—The Director of the Mark O. Hatfield School of Government at Portland State University shall serve as an ex-officio member of the Leadership Council.

(b) CHAIRPERSON.—

(1) IN GENERAL.—The President of Portland State University shall designate 1 of the individuals first appointed to the Leadership Council under subsection (a) as the Chairperson of the Leadership Council. The individual so designated shall serve as Chairperson for 1 year.

(2) REQUIREMENT.—Upon the expiration of the term of the Chairperson of the individual designated as Chairperson under paragraph (1), or the term of the Chairperson elected under this paragraph, the members of the Leadership Council shall elect a Chairperson of the Leadership Council from among the members of the Leadership Council.

SEC. ____05. ENDOWMENT FUND.

(a) MANAGEMENT.—The endowment fund shall be managed in accordance with the standard endowment policies established by the Oregon University System.

(b) USE OF INTEREST AND INVESTMENT INCOME.—Interest and other investment income earned (on or after the date of enactment of this subsection) from the endowment fund may be used to carry out the duties of the Institute under section ____03.

(c) DISTRIBUTION OF INTEREST AND INVESTMENT INCOME.—Funds realized from interest and other investment income earned (on or after the date of enactment of this subsection) shall be spent by Portland State University in collaboration with Willamette University, George Fox University, the Constitution Project, Warner Pacific University, Oregon Health Sciences University, and other appropriate educational institutions or community-based organizations. In expending such funds, the Leadership Council shall encourage programs to establish partnerships, to leverage private funds, and to match expenditures from the endowment fund.

SEC. ____06. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this title $3,000,000 for fiscal year 1999.

TITLE ____—PAUL SIMON PUBLIC POLICY INSTITUTE

SEC. ____01. DEFINITIONS.

In this title:

(1) ENDOWMENT FUND.—The term ''endowment fund'' means a fund established by the University for the purpose of generating income for the support of the Institute.

(2) ENDOWMENT FUND CORPUS.—The term ''endowment fund corpus'' means an amount equal to the grant or grants awarded under this title plus an amount equal to the matching funds required under section ____02(d).

(3) ENDOWMENT FUND INCOME.—The term ''endowment fund income'' means an amount equal to the total value of the endowment fund minus the endowment fund corpus.

(4) INSTITUTE.—The term ''Institute'' means the Paul Simon Public Policy Institute described in section ____02.

(5) SECRETARY.—The term ''Secretary'' means the Secretary of Education.

(6) UNIVERSITY.—The term ''University'' means Southern Illinois University at Carbondale, Illinois.

SEC. ____02. PROGRAM AUTHORIZED.

(a) GRANTS.—From the funds appropriated under section ____06, the Secretary is authorized to award a grant to Southern Illinois University for the establishment of an endowment fund to support the Paul Simon Public Policy Institute. The Secretary may enter into agreements with the University and include in any agreement made pursuant to this title such provisions as are determined necessary by the Secretary to carry out this title.

(b) DUTIES.—In order to receive a grant under this title, the University shall establish the Institute. The Institute, in addition to recognizing more than 40 years of public service to Illinois, to the Nation, and to the world, shall engage in research, analysis, debate, and policy recommendations affecting world hunger, mass media, foreign policy, education, and employment.

(c) DEPOSIT INTO ENDOWMENT FUND.—The University shall deposit the proceeds of any grant received under this section into the endowment fund.

(d) MATCHING FUNDS REQUIREMENT.—The University may receive a grant under this section only if the University has deposited in the endowment fund established under this title an amount equal to one-third of such grant and has provided adequate assurances to the Secretary that the University will administer the endowment fund in accordance with the requirements of this title. The source of the funds for the University match shall be derived from State, private foundation, corporate, or individual gifts or bequests, but may not include Federal funds or funds derived from any other federally supported fund.

(e) DURATION; CORPUS RULE.—The period of any grant awarded under this section shall not exceed 20 years, and during such period the University shall not withdraw or expend any of the endowment fund corpus. Upon expiration of the grant period, the University may use the endowment fund corpus, plus any endowment fund income for any educational purpose of the University.

SEC. ____03. INVESTMENTS.

(a) IN GENERAL.—The University shall invest the endowment fund corpus and endowment fund income in those low-risk instruments and securities in which a regulated insurance company may invest under the laws of the State of Illinois, such as federally insured bank savings accounts or comparable interest bearing accounts, certificates of deposit, money market funds, or obligations of the United States.

(b) JUDGMENT AND CARE.—The University, in investing the endowment fund corpus and endowment fund income, shall exercise the judgment and care, under circumstances then prevailing, which a person of prudence, discretion, and intelligence would exercise in the management of the person's own business affairs.

SEC. ____04. WITHDRAWALS AND EXPENDITURES.

(a) IN GENERAL.—The University may withdraw and expend the endowment fund income

to defray any expenses necessary to the operation of the Institute, including expenses of operations and maintenance, administration, academic and support personnel, construction and renovation, community and student services programs, technical assistance, and research. No endowment fund income or endowment fund corpus may be used for any type of support of the executive officers of the University or for any commercial enterprise or endeavor. Except as provided in subsection (b), the University shall not, in the aggregate, withdraw or expend more than 50 percent of the total aggregate endowment fund income earned prior to the time of withdrawal or expenditure.

(b) SPECIAL RULE.—The Secretary is authorized to permit the University to withdraw or expend more than 50 percent of the total aggregate endowment fund income whenever the University demonstrates such withdrawal or expenditure is necessary because of—

(1) a financial emergency, such as a pending insolvency or temporary liquidity problem;

(2) a life-threatening situation occasioned by a natural disaster or arson; or

(3) another unusual occurrence or exigent circumstance.

(c) REPAYMENT.—

(1) INCOME.—If the University withdraws or expends more than the endowment fund income authorized by this section, the University shall repay the Secretary an amount equal to one-third of the amount improperly expended (representing the Federal share thereof).

(2) CORPUS.—Except as provided in section ____02(e)—

(A) the University shall not withdraw or expend any endowment fund corpus; and

(B) if the University withdraws or expends any endowment fund corpus, the University shall repay the Secretary an amount equal to one-third of the amount withdrawn or expended (representing the Federal share thereof) plus any endowment fund income earned thereon.

SEC. ___05. ENFORCEMENT.

(a) IN GENERAL.—After notice and an opportunity for a hearing, the Secretary is authorized to terminate a grant and recover any grant funds awarded under this section if the University—

(1) withdraws or expends any endowment fund corpus, or any endowment fund income in excess of the amount authorized by section ____04, except as provided in section ____02(e);

(2) fails to invest the endowment fund corpus or endowment fund income in accordance with the investment requirements described in section ____03; or

(3) fails to account properly to the Secretary, or the General Accounting Office if properly designated by the Secretary to conduct an audit of funds made available under this title, pursuant to such rules and regulations as may be proscribed by the Comptroller General of the United States, concerning investments and expenditures of the endowment fund corpus or endowment fund income.

(b) TERMINATION.—If the Secretary terminates a grant under subsection (a), the University shall return to the Treasury of the United States an amount equal to the sum of the original grant or grants under this title, plus any endowment fund income earned thereon. The Secretary may direct the University to take such other appropriate measures to remedy any violation of this title and to protect the financial interest of the United States.

SEC. ___06. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this title $3,000,000 for fiscal year 1999. Funds appropriated under this section shall remain available until expended.

TITLE ____—HOWARD BAKER SCHOOL OF GOVERNMENT

SEC. ___01. DEFINITIONS.

In this title:

(1) BOARD.—The term ''Board'' means the Board of Advisors established under section ____04.

(2) ENDOWMENT FUND.—The term ''endowment fund'' means a fund established by the University of Tennessee in Knoxville, Tennessee, for the purpose of generating income for the support of the School.

(3) SCHOOL.—The term ''School'' means the Howard Baker School of Government established under this title.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of Education.

(5) UNIVERSITY.—The term ''University'' means the University of Tennessee in Knoxville, Tennessee.

SEC. ___02. HOWARD BAKER SCHOOL OF GOVERNMENT.

From the funds authorized to be appropriated under section ____06, the Secretary is authorized to award a grant to the University for the establishment of an endowment fund to support the Howard Baker School of Government at the University of Tennessee in Knoxville, Tennessee.

SEC. ___03. DUTIES.

In order to receive a grant under this title, the University shall establish the School. The School shall have the following duties:

(1) To establish a professorship to improve teaching and research related to, enhance the curriculum of, and further the knowledge and understanding of, the study of democratic institutions, including aspects of regional planning, public administration, and public policy.

(2) To establish a lecture series to increase the knowledge and awareness of the major public issues of the day in order to enhance informed citizen participation in public affairs.

(3) To establish a fellowship program for students of government, planning, public administration, or public policy who have demonstrated a commitment and an interest in pursuing a career in public affairs.

(4) To provide appropriate library materials and appropriate research and instructional equipment for use in carrying out academic and public service programs, and to enhance the existing United States Presidential and public official manuscript collections.

(5) To support the professional development of elected officials at all levels of government.

SEC. ___04. ADMINISTRATION.

(a) BOARD OF ADVISORS.—

(1) IN GENERAL.—The School shall operate with the advice and guidance of a Board of Advisors consisting of 13 individuals appointed by the Vice Chancellor for Academic Affairs of the University.

(2) APPOINTMENTS.—Of the individuals appointed under paragraph (1)—

(A) 5 shall represent the University;

(B) 2 shall represent Howard Baker, his family, or a designee thereof;

(C) 5 shall be representative of business or government; and

(D) 1 shall be the Governor of Tennessee, or the Governor's designee.

(3) EX OFFICIO MEMBERS.—The Vice Chancellor for Academic Affairs and the Dean of the College of Arts and Sciences at the University shall serve as an ex officio member of the Board.

(b) CHAIRPERSON.—

(1) IN GENERAL.—The Chancellor, with the concurrence of the Vice Chancellor for Academic Affairs, of the University shall designate 1 of the individuals first appointed to the Board under subsection (a) as the Chairperson of the Board. The individual so designated shall serve as Chairperson for 1 year.

(2) REQUIREMENTS.—Upon the expiration of the term of the Chairperson of the individual designated as Chairperson under paragraph (1) or the term of the Chairperson elected under this paragraph, the members of the Board shall elect a Chairperson of the Board from among the members of the Board.

SEC. ___05. ENDOWMENT FUND.

(a) MANAGEMENT.—The endowment fund shall be managed in accordance with the standard endowment policies established by the University of Tennessee System.

(b) USE OF INTEREST AND INVESTMENT INCOME.—Interest and other investment income earned (on or after the date of enactment of this subsection) from the endowment fund may be used to carry out the duties of the School under section ____03.

(c) DISTRIBUTION OF INTEREST AND INVESTMENT INCOME.—Funds realized from interest and other investment income earned (on or after the date of enactment of this subsection) shall be available for expenditure by the University for purposes consistent with section ____03, as recommended by the Board. The Board shall encourage programs to establish partnerships, to leverage private funds, and to match expenditures from the endowment fund.

SEC. ___06. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this title $10,000,000 for fiscal year 2000.

TITLE ____—JOHN GLENN INSTITUTE FOR PUBLIC SERVICE AND PUBLIC POLICY

SEC. ___01. DEFINITIONS.

In this title:

(1) ENDOWMENT FUND.—The term ''endowment fund'' means a fund established by the University for the purpose of generating income for the support of the Institute.

(2) ENDOWMENT FUND CORPUS.—The term ''endowment fund corpus'' means an amount equal to the grant or grants awarded under this title plus an amount equal to the matching funds required under section ____02(d).

(3) ENDOWMENT FUND INCOME.—The term ''endowment fund income'' means an amount equal to the total value of the endowment fund minus the endowment fund corpus.

(4) INSTITUTE.—The term ''Institute'' means the John Glenn Institute for Public Service and Public Policy described in section ____02.

(5) SECRETARY.—The term ''Secretary'' means the Secretary of Education.

(6) UNIVERSITY.—The term ''University'' means the Ohio State University at Columbus, Ohio.

SEC. ___02. PROGRAM AUTHORIZED.

(a) GRANTS.—From the funds appropriated under section ____06, the Secretary is authorized to award a grant to the Ohio State University for the establishment of an endowment fund to support the John Glenn Institute for Public Service and Public Policy. The Secretary may enter into agreements with the University and include in any agreement made pursuant to this title such provisions as are determined necessary by the Secretary to carry out this title.

(b) PURPOSES.—The Institute shall have the following purposes:

(1) To sponsor classes, internships, community service activities, and research projects to stimulate student participation in public service, in order to foster America's next generation of leaders.

(2) To conduct scholarly research in conjunction with public officials on significant

issues facing society and to share the results of such research with decisionmakers and legislators as the decisionmakers and legislators address such issues.

(3) To offer opportunities to attend seminars on such topics as budgeting and finance, ethics, personnel management, policy evaluations, and regulatory issues that are designed to assist public officials in learning more about the political process and to expand the organizational skills and policymaking abilities of such officials.

(4) To educate the general public by sponsoring national conferences, seminars, publications, and forums on important public issues.

(5) To provide access to Senator John Glenn's extensive collection of papers, policy decisions, and memorabilia, enabling scholars at all levels to study the Senator's work.

(c) DEPOSIT INTO ENDOWMENT FUND.—The University shall deposit the proceeds of any grant received under this section into the endowment fund.

(d) MATCHING FUNDS REQUIREMENT.—The University may receive a grant under this section only if the University has deposited in the endowment fund established under this title an amount equal to one-third of such grant and has provided adequate assurances to the Secretary that the University will administer the endowment fund in accordance with the requirements of this title. The source of the funds for the University match shall be derived from State, private foundation, corporate, or individual gifts or bequests, but may not include Federal funds or funds derived from any other federally supported fund.

(e) DURATION; CORPUS RULE.—The period of any grant awarded under this section shall not exceed 20 years, and during such period the University shall not withdraw or expend any of the endowment fund corpus. Upon expiration of the grant period, the University may use the endowment fund corpus, plus any endowment fund income for any educational purpose of the University.

SEC. ___03. INVESTMENTS.

(a) IN GENERAL.—The University shall invest the endowment fund corpus and endowment fund income in accordance with the University's investment policy approved by the Ohio State University Board of Trustees.

(b) JUDGMENT AND CARE.—The University, in investing the endowment fund corpus and endowment fund income, shall exercise the judgment and care, under circumstances then prevailing, which a person of prudence, discretion, and intelligence would exercise in the management of the person's own business affairs.

SEC. ___04. WITHDRAWALS AND EXPENDITURES.

(a) IN GENERAL.—The University may withdraw and expend the endowment fund income to defray any expenses necessary to the operation of the Institute, including expenses of operations and maintenance, administration, academic and support personnel, construction and renovation, community and student services programs, technical assistance, and research. No endowment fund income or endowment fund corpus may be used for any type of support of the executive officers of the University or for any commercial enterprise or endeavor. Except as provided in subsection (b), the University shall not, in the aggregate, withdraw or expend more than 50 percent of the total aggregate endowment fund income earned prior to the time of withdrawal or expenditure.

(b) SPECIAL RULE.—The Secretary is authorized to permit the University to withdraw or expend more than 50 percent of the total aggregate endowment fund income whenever the University demonstrates such withdrawal or expenditure is necessary because of—

(1) a financial emergency, such as a pending insolvency or temporary liquidity problem;

(2) a life-threatening situation occasioned by a natural disaster or arson; or

(3) another unusual occurrence or exigent circumstance.

(c) REPAYMENT.—

(1) INCOME.—If the University withdraws or expends more than the endowment fund income authorized by this section, the University shall repay the Secretary an amount equal to one-third of the amount improperly expended (representing the Federal share thereof).

(2) CORPUS.—Except as provided in section ___02(e)—

(A) the University shall not withdraw or expend any endowment fund corpus; and

(B) if the University withdraws or expends any endowment fund corpus, the University shall repay the Secretary an amount equal to one-third of the amount withdrawn or expended (representing the Federal share thereof) plus any endowment fund income earned thereon.

SEC. ___05. ENFORCEMENT.

(a) IN GENERAL.—After notice and an opportunity for a hearing, the Secretary is authorized to terminate a grant and recover any grant funds awarded under this section if the University—

(1) withdraws or expends any endowment fund corpus, or any endowment fund income in excess of the amount authorized by section ___04, except as provided in section ___02(e);

(2) fails to invest the endowment fund corpus or endowment fund income in accordance with the investment requirements described in section ___03; or

(3) fails to account properly to the Secretary, or the General Accounting Office if properly designated by the Secretary to conduct an audit of funds made available under this title, pursuant to such rules and regulations as may be prescribed by the Comptroller General of the United States, concerning investments and expenditures of the endowment fund corpus or endowment fund income.

(b) TERMINATION.—If the Secretary terminates a grant under subsection (a), the University shall return to the Treasury of the United States an amount equal to the sum of the original grant or grants under this title, plus any endowment fund income earned thereon. The Secretary may direct the University to take such other appropriate measures to remedy any violation of this title and to protect the financial interest of the United States.

SEC. ___06. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this title $6,000,000 for fiscal year 2000. Funds appropriated under this section shall remain available until expended.

AFRICA: SEEDS OF HOPE ACT OF 1998

DEWINE AMENDMENT NO. 3744

(Ordered to lie on the table.)

Mr. DEWINE submitted an amendment intended to be proposed by him to the bill (H.R. 4283) to support sustainable and broad-based agricultural and rural development in sub-Saharan Africa, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Africa: Seeds of Hope Act of 1998''.

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings and declaration of policy.
TITLE I—ASSISTANCE FOR SUB-SAHARAN AFRICA
Sec. 101. Africa Food Security Initiative.
Sec. 102. Microenterprise assistance.
Sec. 103. Support for producer-owned cooperative marketing associations.
Sec. 104. Agricultural and rural development activities of the Overseas Private Investment Corporation.
Sec. 105. Agricultural research and extension activities.
TITLE II—WORLDWIDE FOOD ASSISTANCE AND AGRICULTURAL PROGRAMS
Subtitle A—Nonemergency Food Assistance Programs
Sec. 201. Nonemergency food assistance programs.
Subtitle B—Bill Emerson Humanitarian Trust Act of 1998
Sec. 211. Short title.
Sec. 212. Amendments to the Food Security Commodity Reserve Act of 1996.
Subtitle C—International Fund for Agricultural Development
Sec. 221. Review of the International Fund for Agricultural Development.
TITLE III—MISCELLANEOUS PROVISIONS
Sec. 301. Report.

SEC. 2. FINDINGS AND DECLARATION OF POLICY.

(a) FINDINGS.—Congress finds the following:

(1) The economic, security, and humanitarian interests of the United States and the nations of sub-Saharan Africa would be enhanced by sustainable, broad-based agricultural and rural development in each of the African nations.

(2) According to the Food and Agriculture Organization, the number of undernourished people in Africa has more than doubled, from approximately 100,000,000 in the late 1960s to 215,000,000 in 1998, and is projected to increase to 265,000,000 by the year 2010. According to the Food and Agriculture Organization, the term ''under nutrition'' means inadequate consumption of nutrients, often adversely affecting children's physical and mental development, undermining their future as productive and creative members of their communities.

(3) Currently, agricultural production in Africa employs about two-thirds of the workforce but produces less than one-fourth of the gross domestic product in sub-Saharan Africa, according to the World Bank Group.

(4) African women produce up to 80 percent of the total food supply in Africa according to the International Food Policy Research Institute.

(5) An effective way to improve conditions of the poor is to increase the productivity of the agricultural sector. Productivity increases can be fostered by increasing research and education in agriculture and rural development.

(6) In November 1996, the World Food Summit set a goal of reducing hunger worldwide by 50 percent by the year 2015 and encouraged national governments to develop domestic food plans and to support international aid efforts.

(7) Although the World Bank Group recently has launched a major initiative to support agricultural and rural development, only 10 percent, or $1,200,000,000, of its total lending to sub-Saharan Africa for fiscal years 1993 to 1997 was devoted to agriculture.

(8)(A) United States food processing and agricultural sectors benefit greatly from the liberalization of global trade and increased exports.

(B) Africa represents a growing market for United States food and agricultural products. Africa's food imports are projected to rise from less than 8,000,000 metric tons in 1990 to more than 25,000,000 metric tons by the 2020.

(9)(A) Increased private sector investment in African countries and expanded trade between the United States and Africa can greatly help African countries achieve food self-sufficiency and graduate from dependency on international assistance.

(B) Development assistance, technical assistance, and training can facilitate and encourage commercial development in Africa, such as improving rural roads, agricultural research and extension, and providing access to credit and other resources.

(10)(A) Several United States private voluntary organizations have demonstrated success in empowering Africans through direct business ownership and helping African agricultural producers more efficiently and directly market their products.

(B) Rural business associations, owned and controlled by farmer shareholders, also greatly help agricultural producers to increase their household incomes.

(b) DECLARATION OF POLICY.—It is the policy of the United States, consistent with title XII of part I of the Foreign Assistance Act of 1961, to support governments of sub-Saharan African countries, United States and African nongovernmental organizations, universities, businesses, and international agencies, to help ensure the availability of basic nutrition and economic opportunities for individuals in sub-Saharan Africa, through sustainable agriculture and rural development.

TITLE I—ASSISTANCE FOR SUB-SAHARAN AFRICA

SEC. 101. AFRICA FOOD SECURITY INITIATIVE.

(a) ADDITIONAL REQUIREMENTS IN CARRYING OUT THE INITIATIVE.—In providing development assistance under the Africa Food Security Initiative, or any comparable or successor program, the Administrator of the United States Agency for International Development—

(1) shall emphasize programs and projects that improve the food security of infants, young children, school-age children, women and food-insecure households, or that improve the agricultural productivity, incomes, and marketing of the rural poor in Africa;

(2) shall solicit and take into consideration the views and needs of intended beneficiaries and program participants during the selection, planning, implementation, and evaluation phases of projects;

(3) shall favor countries that are implementing reforms of their trade and investment laws and regulations in order to enhance free market development in the food processing and agricultural sectors; and

(4) shall ensure that programs are designed and conducted in cooperation with African and United States organizations and institutions, such as private and voluntary organizations, cooperatives, land-grant and other appropriate universities, and local producer-owned cooperative marketing and buying associations, that have expertise in addressing the needs of the poor, small-scale farmers, entrepreneurs, and rural workers, including women.

(b) SENSE OF CONGRESS.—It is the sense of Congress that, if there is an increase in funding for sub-Saharan programs, the Administrator of the United States Agency for International Development should proportionately increase resources to the Africa Food Security Initiative, or any comparable or successor program, for fiscal year 2000 and subsequent fiscal years in order to meet the needs of the countries participating in such Initiative.

SEC. 102. MICROENTERPRISE ASSISTANCE.

(a) BILATERAL ASSISTANCE.—In providing microenterprise assistance for sub-Saharan Africa, the Administrator of the United States Agency for International Development shall, to the extent practicable, use credit and microcredit assistance to improve the capacity and efficiency of agriculture production in sub-Saharan Africa of small-scale farmers and small rural entrepreneurs. In providing assistance, the Administrator should use the applied research and technical assistance capabilities of United States land-grant universities.

(b) MULTILATERAL ASSISTANCE.—

(1) IN GENERAL.—The Administrator of the United States Agency for International Development shall continue to work with other countries, international organizations (including multilateral development institutions), and entities assisting microenterprises and shall develop a comprehensive and coordinated strategy for providing microenterprise assistance for sub-Saharan Africa.

(2) ADDITIONAL REQUIREMENT.—In carrying out paragraph (1), the Administrator should encourage the World Bank Consultative Group to Assist the Poorest to coordinate the strategy described in such paragraph.

SEC. 103. SUPPORT FOR PRODUCER-OWNED COOPERATIVE MARKETING ASSOCIATIONS.

(a) PURPOSES.—The purposes of this section are—

(1) to support producer-owned cooperative purchasing and marketing associations in sub-Saharan Africa;

(2) to strengthen the capacity of farmers in sub-Saharan Africa to participate in national and international private markets and to promote rural development in sub-Saharan Africa;

(3) to encourage the efforts of farmers in sub-Saharan Africa to increase their productivity and income through improved access to farm supplies, seasonal credit, technical expertise; and

(4) to support small businesses in sub-Saharan Africa as they grow beyond microenterprises.

(b) SUPPORT FOR PRODUCER-OWNED COOPERATIVE MARKETING ASSOCIATIONS.—

(1) ACTIVITIES.—

(A) IN GENERAL.—The Administrator of the United States Agency for International Development is authorized to utilize relevant foreign assistance programs and initiatives for sub-Saharan Africa to support private producer-owned cooperative marketing associations in sub-Saharan Africa, including rural business associations that are owned and controlled by farmer shareholders.

(B) ADDITIONAL REQUIREMENTS.—In carrying out subparagraph (A), the Administrator—

(i) shall take into account small-scale farmers, small rural entrepreneurs, and rural workers and communities; and

(ii) shall take into account the local-level perspectives of the rural and urban poor through close consultation with these groups, consistent with section 496(e)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(e)(1)).

(2) OTHER ACTIVITIES.—In addition to carrying out paragraph (1), the Administrator is encouraged—

(A) to cooperate with governments of foreign countries, including governments of political subdivisions of such countries, their agricultural research universities, and particularly with United States nongovernmental organizations and United States land-grant universities, that have demonstrated expertise in the development and promotion of successful private producer-owned cooperative marketing associations; and

(B) to facilitate partnerships between United States and African cooperatives and private businesses to enhance the capacity and technical and marketing expertise of business associations in sub-Saharan Africa.

SEC. 104. AGRICULTURAL AND RURAL DEVELOPMENT ACTIVITIES OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION.

(a) PURPOSE.—The purpose of this section is to encourage the Overseas Private Investment Corporation to work with United States businesses and other United States entities to invest in rural sub-Saharan Africa, particularly in ways that will develop the capacities of small-scale farmers and small rural entrepreneurs, including women, in sub-Saharan Africa.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the Overseas Private Investment Corporation should exercise its authority under law to undertake an initiative to support private agricultural and rural development in sub-Saharan Africa, including issuing loans, guaranties, and insurance, to support rural development in sub-Saharan Africa, particularly to support intermediary organizations that—

(A) directly serve the needs of small-scale farmers, small rural entrepreneurs, and rural producer-owned cooperative purchasing and marketing associations;

(B) have a clear track-record of support for sound business management practices; and

(C) have demonstrated experience with participatory development methods; and

(2) the Overseas Private Investment Corporation should utilize existing equity funds, loan and insurance funds, to the extent feasible and in accordance with existing contractual obligations, to support agriculture and rural development in sub-Saharan Africa.

SEC. 105. AGRICULTURAL RESEARCH AND EXTENSION ACTIVITIES.

(a) DEVELOPMENT OF PLAN.—The Administrator of the United States Agency for International Development, in consultation with the Secretary of Agriculture and appropriate Department of Agriculture agencies, especially the Cooperative State, Research, Education and Extension Service (CSREES), shall develop a comprehensive plan to coordinate and build on the research and extension activities of United States land-grant universities, international agricultural research centers, and national agricultural research and extension centers in sub-Saharan Africa.

(b) ADDITIONAL REQUIREMENTS.—Such plan shall seek to ensure that—

(1) research and extension activities will respond to the needs of small-scale farmers while developing the potential and skills of researchers, extension agents, farmers, and agribusiness persons in sub-Saharan Africa;

(2) sustainable agricultural methods of farming will be considered together with new technologies in increasing agricultural productivity in sub-Saharan Africa; and

(3) research and extension efforts will focus on sustainable agricultural practices and will be adapted to widely varying climates within sub-Saharan Africa.

TITLE II—WORLDWIDE FOOD ASSISTANCE AND AGRICULTURAL PROGRAMS

Subtitle A—Nonemergency Food Assistance Programs

SEC. 201. NONEMERGENCY FOOD ASSISTANCE PROGRAMS.

(a) IN GENERAL.—In providing nonemergency assistance under title II of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1721 et seq.), the Administrator of the United States Agency for International Development shall ensure that—

(1) in planning, decisionmaking, and implementation in providing such assistance, the Administrator takes into consideration local input and participation directly and through United States and indigenous private and voluntary organizations;

(2) each of the nonemergency activities described in paragraphs (2) through (6) of section 201 of such Act (7 U.S.C. 1721), including programs that provide assistance to people of any age group who are otherwise unable to meet their basic food needs (including feeding programs for the disabled, orphaned, elderly, sick and dying), are carried out; and

(3) greater flexibility is provided for program and evaluation plans so that such assistance may be developed to meet local needs, as provided for in section 202(f) of such Act (7 U.S.C. 1722(f)).

(b) OTHER REQUIREMENTS.—In providing assistance under the Agriculture Trade Development and Assistance Act of 1954, the Secretary of Agriculture and the Administrator of United States Agency for International Development shall ensure that commodities are provided in a manner that is consistent with sections 403 (a) and (b) of such Act (7 U.S.C. 1733 (a) and (b)).

Subtitle B—Bill Emerson Humanitarian Trust Act of 1998

SEC. 211. SHORT TITLE.

This subtitle may be cited as the ''Bill Emerson Humanitarian Trust Act of 1998''.

SEC. 212. BILL EMERSON HUMANITARIAN TRUST ACT.

(a) IN GENERAL.—Section 302 of the Agricultural Act of 1980 (7 U.S.C. 1736f–1) is amended—

(1) in subsection (b)—

(A) in the subsection heading, by inserting ''OR FUNDS'' after ''COMMODITIES'';

(B) in paragraph (1)—

(i) in subparagraph (B), by striking ''and'' at the end;

(ii) in subparagraph (C), by striking the period at the end and inserting ''; and''; and

(iii) by adding at the end the following:

''(D) funds made available under paragraph (2)(B).''; and

(C) in paragraph (2)—

(i) in subparagraph (A), by striking ''Subject to subsection (h), commodities'' and inserting ''Commodities''; and

(ii) by striking subparagraph (B) and inserting the following:

''(B) FUNDS.—Any funds used to acquire eligible commodities through purchases from producers or in the market to replenish the trust shall be derived—

''(i) with respect to fiscal year 2000 and subsequent fiscal years, from funds made available to carry out the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et seq.) that are used to repay or reimburse the Commodity Credit Corporation for the release of eligible commodities under subsections (c)(2) and (f)(2), except that, of such funds, not more than $20,000,000 may be expended for this purpose in each of the fiscal years 2000 through 2003 and any such funds not expended in any of such fiscal years shall be available for expenditure in subsequent fiscal years; and

''(ii) from funds authorized for that use by an appropriations Act.'';

(2) in subsection (c)(2)—

(A) by striking ''ASSISTANCE.—Notwithstanding'' and inserting the following: ''ASSISTANCE.—

''(A) IN GENERAL.—Notwithstanding''; and

(B) by adding at the end the following:

''(B) LIMITATION.—The Secretary may release eligible commodities under subparagraph (A) only to the extent such release is consistent with maintaining the long-term value of the trust.'';

(3) in subsection (d)—

(A) in paragraph (1), by striking ''and'' at the end;

(B) in paragraph (2), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(3) subject to the need for release of commodities from the trust under subsection (c)(1), for the management of the trust to preserve the value of the trust through acquisitions under subsection (b)(2).'';

(4) in subsection (f)—

(A) in paragraph (2), by inserting ''OF THE TRUST'' after ''REIMBURSEMENT'' in the heading; and

(B) in paragraph (2)(A), by inserting ''and the funds shall be available to replenish the trust under subsection (b)'' before the end period; and

(5) by striking subsection (h).

(b) CONFORMING AMENDMENTS.—

(1) Title III of the Agricultural Act of 1980 (7 U.S.C. 1736f–1 et seq.) is amended by striking the title heading and inserting the following:

''TITLE III—BILL EMERSON HUMANITARIAN TRUST''.

(2) Section 301 of the Agricultural Act of 1980 (7 U.S.C. 1736f–1 note) is amended to read as follows:

''SEC. 301. SHORT TITLE.

''This title may be cited as the 'Bill Emerson Humanitarian Trust Act'.''.

(3) Section 302 of the Agricultural Act of 1980 (7 U.S.C. 1736f–1) is amended—

(A) in the section heading, by striking ''**reserve**'' and inserting ''**trust**'';

(B) by striking ''reserve'' each place it appears (other than in subparagraphs (A) and (B) of subsection (b)(1)) and inserting ''trust'';

(C) in subsection (b)—

(i) in the subsection heading, by striking ''RESERVE'' and inserting ''TRUST'';

(ii) in paragraph (1)(B), by striking ''reserve,'' and inserting ''trust,''; and

(iii) in the paragraph heading of paragraph (2), by striking ''RESERVE'' and inserting ''TRUST''; and

(D) in the subsection heading of subsection (e), by striking ''RESERVE'' and inserting ''TRUST''.

(4) Section 208(d)(2) of the Agricultural Trade Suspension Adjustment Act of 1980 (7 U.S.C. 4001(d)(2)) is amended by striking ''Food Security Commodity Reserve Act of 1996'' and inserting ''Bill Emerson Humanitarian Trust Act (7 U.S.C. 1736f–1 et seq.)''.

(5) Section 901b(b)(3) of the Merchant Marine Act, 1936 (46 U.S.C. App. 1241f(b)(3)), is amended by striking ''Food Security Wheat Reserve Act of 1980 (7 U.S.C. 1736f–1)'' and inserting ''Bill Emerson Humanitarian Trust Act (7 U.S.C. 1736f–1 et seq.)''.

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. REPORT.

Not later than 6 months after the date of enactment of this Act, the Administrator of the United States Agency for International Development, in consultation with the heads of other appropriate agencies, shall prepare and submit to Congress a report on how the Agency plans to implement sections 101, 102, 103, 105, and 201 of this Act, the steps that have been taken toward such implementation, and an estimate of all amounts expended or to be expended on related activities during the current and previous 4 fiscal years.

INTERNET TAX FREEDOM ACT

SHELBY AMENDMENTS NOS. 3745–3746

(Ordered to lie on the table.)

Mr. SHELBY submitted two amendments intended to be proposed by him to amendment No. 3685 submitted by him to the bill, S. 442, supra; as follows:

AMENDMENT NO. 3745

In lieu of the language to be inserted, insert the following,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Internet Tax Freedom Act''.

TITLE I—MORATORIUM ON CERTAIN TAXES

SEC. 101. MORATORIUM.

(a) MORATORIUM.—No State or political subdivision thereof shall impose any of the following taxes on transactions occurring during the period beginning on July 29, 1998, and ending 2 years after the date of the enactment of this Act:

(1) Taxes on Internet access.

(2) Bit taxes.

(3) Multiple or discriminatory taxes on electronic commerce.

(b) APPLICATION OF MORATORIUM.—Subsection (a) shall not apply with respect to the provision of Internet access that is offered for sale as part of a package of services that includes services other than Internet access, unless the service provider separately states that portion of the billing that applies to such services on the user's bill.

SEC. 102. ADVISORY COMMISSION ON ELECTRONIC COMMERCE.

(a) ESTABLISHMENT OF COMMISSION.—There is established a commission to be known as the Advisory Commission on Electronic Commerce (in this title referred to as the ''Commission''). The Commission shall—

(1) be composed of 16 members appointed in accordance with subsection (b), including the chairperson who shall be selected by the members of the Commission from among themselves; and

(2) conduct its business in accordance with the provisions of this title.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Commissioners shall serve for the life of the Commission. The membership of the Commission shall be as follows:

(A) Four representatives from the Federal Government comprised of the Secretary of Commerce, the Secretary of State, the Secretary of the Treasury, and the United States Trade Representative, or their respective representatives.

(B) Six representatives from State and local governments comprised of—

(i) two representatives appointed by the Majority Leader of the Senate;

(ii) one representative appointed by the Minority Leader of the Senate;

(iii) two representatives appointed by the Speaker of the House of Representatives; and

(iv) one representative appointed by the Minority Leader of the House of Representatives.

(C) Six representatives of the electronic industry and consumer groups comprised of—

(i) two representatives appointed by the Majority Leader of the Senate;

(ii) one representative appointed by the Minority Leader of the Senate;

(iii) two representatives appointed by the Speaker of the House of Representatives; and

(iv) one representative appointed by the Minority Leader of the House of Representatives.

(2) APPOINTMENTS.—Appointments to the Commission shall be made not later than 45 days after the date of the enactment of this Act. The chairperson shall be selected not later than 60 days after the date of the enactment of this Act.

(3) VACANCIES.—Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(c) ACCEPTANCE OF GIFTS AND GRANTS.—The Commission may accept, use, and dispose of gifts or grants of services or property, both real and personal, for purposes of aiding or facilitating the work of the Commission. Gifts or grants not used at the expiration of the Commission shall be returned to the donor or grantor.

(d) OTHER RESOURCES.—The Commission shall have reasonable access to materials, resources, data, and other information from the Department of Justice, the Department of Commerce, the Department of State, the Department of the Treasury, and the Office of the United States Trade Representative. The Commission shall also have reasonable access to use the facilities of any such Department or Office for purposes of conducting meetings.

(e) SUNSET.—The Commission shall terminate 18 months after the date of the enactment of this Act.

(f) RULES OF THE COMMISSION.—

(1) QUORUM.—Nine members of the Commission shall constitute a quorum for conducting the business of the Commission.

(2) MEETINGS.—Any meetings held by the Commission shall be duly noticed at least 14 days in advance and shall be open to the public.

(3) OPPORTUNITIES TO TESTIFY.—The Commission shall provide opportunities for representatives of the general public, taxpayer groups, consumer groups, and State and local government officials to testify.

(4) ADDITIONAL RULES.—The Commission may adopt other rules as needed.

(g) DUTIES OF THE COMMISSION.—

(1) IN GENERAL.—The Commission shall conduct a thorough study of Federal, State and local, and international taxation and tariff treatment of transactions using the Internet and Internet access and other comparable interstate or international sales activities.

(2) ISSUES TO BE STUDIED.—The Commission may include in the study under subsection (a)—

(A) an examination of—

(i) barriers imposed in foreign markets on United States providers of property, goods, services, or information engaged in electronic commerce and on United States providers of telecommunications services; and

(ii) how the imposition of such barriers will affect United States consumers, the competitiveness of United States citizens providing property, goods, services, or information in foreign markets, and the growth and maturing of the Internet;

(B) an examination of the collection and administration of consumption taxes on interstate commerce in other countries and the United States, and the impact of such collection on the global economy, including an examination of the relationship between the collection and administration of such taxes when the transaction uses the Internet and when it does not;

(C) an examination of the impact of the Internet and Internet access (particularly voice transmission) on the revenue base for taxes imposed under section 4251 of the Internal Revenue Code of 1986;

(D) an examination of—

(i) the efforts of State and local governments to collect sales and use taxes owed on purchases from interstate sellers, the advantages and disadvantages of authorizing State and local governments to require such sellers to collect and remit such taxes, particularly with respect to electronic commerce, and the level of contacts sufficient to permit a State or local government to impose such taxes on such interstate commerce;

(ii) model State legislation relating to taxation of transactions using the Internet and Internet access, including uniform terminology, definitions of the transactions, services, and other activities that may be subject to State and local taxation, procedural structures and mechanisms applicable to such taxation, and a mechanism for the resolution of disputes between States regarding matters of multiple taxation; and

(iii) ways to simplify the interstate administration of sales and use taxes on interstate commerce, including a review of the need for a single or uniform tax registration, single or uniform tax returns, simplified remittance requirements, simplified administrative procedures, or the need for an independent third party collection system; and

(E) the examination of ways to simplify Federal and State and local taxes imposed on the provision of telecommunications services.

SEC. 103. REPORT.

Not later than 18 months after the date of the enactment of this Act, the Commission shall transmit to Congress a report reflecting the results of the Commission's study under this title. No finding or recommendation shall be included in the report unless agreed to by at least two-thirds of the members of the Commission serving at the time the finding or recommendation is made.

SEC. 104. DEFINITIONS.

For the purposes of this title:

(1) BIT TAX.—The term ''bit tax'' means any tax on electronic commerce expressly imposed on or measured by the volume of digital information transmitted electronically, or the volume of digital information per unit of time transmitted electronically, but does not include taxes imposed on the provision of telecommunications services.

(2) DISCRIMINATORY TAX.—The term ''discriminatory tax'' means any tax imposed by a State or political subdivision thereof on electronic commerce that—

(A) is not generally imposed and legally collectible by such State or such political subdivision on transactions involving the same or similar property, goods, services, or information accomplished through other means;

(B) is not generally imposed and legally collectible at the same rate by such State or such political subdivision on transactions involving the same or similar property, goods, services, or information accomplished through other means, unless the rate is lower as part of a phase-out of the tax over not more than a 5-year period; or

(C) imposes an obligation to collect or pay the tax on a different person or entity than in the case of transactions involving the same or similar property, goods, services, or information accomplished through other means.

(3) ELECTRONIC COMMERCE.—The term ''electronic commerce'' means any transaction conducted over the Internet or through Internet access, comprising the sale, lease, license, offer, or delivery of property, goods, services, or information, whether or not for consideration, and includes the provision of Internet access.

(4) INTERNET.—The term ''Internet'' means the combination of computer facilities and electromagnetic transmission media, and related equipment and software, comprising the interconnected worldwide network of computer networks that employ the Transmission Control Protocol/Internet Protocol, or any predecessor or successor protocol, to transmit information.

(5) INTERNET ACCESS.—The term ''Internet access'' means a service that enables users to access content, information, electronic mail, or other services offered over the Internet, and may also include access to proprietary content, information, and other services as part of a package of services offered to consumers. Such term does not include telecommunications services.

(6) MULTIPLE TAX.—

(A) IN GENERAL.—The term ''multiple tax'' means any tax that is imposed by one State or political subdivision thereof on the same or essentially the same electronic commerce that is also subject to another tax imposed by another State or political subdivision thereof (whether or not at the same rate or on the same basis), without a credit (for example, a resale exemption certificate) for taxes paid in other jurisdictions.

(B) EXCEPTION.—Such term shall not include a sales or use tax imposed by a State and 1 or more political subdivisions thereof on the same electronic commerce or a tax on persons engaged in electronic commerce which also may have been subject to a sales or use tax thereon.

(C) SALES OR USE TAX.—For purposes of subparagraph (B), the term ''sales or use tax'' means a tax that is imposed on or incident to the sale, purchase, storage, consumption, distribution, or other use of tangible personal property or services as may be defined by laws imposing such tax and which is measured by the amount of the sales price or other charge for such property or service.

(7) STATE.—The term ''State'' means any of the several States, the District of Columbia, or any commonwealth, territory, or possession of the United States.

(8) TAX.—

(A) IN GENERAL.—The term ''tax'' means—

(i) any levy, fee, or charge imposed under governmental authority by any governmental entity; or

(ii) the imposition of or obligation to collect and to remit to a governmental entity any such levy, fee, or charge imposed by a governmental entity.

(B) EXCEPTION.—Such term shall not include any franchise fees or similar fees imposed by a State or local franchising authority, pursuant to section 622 or 653 of the Communications Act of 1934 (47 U.S.C. 542, 573).

(9) TELECOMMUNICATIONS SERVICES.—The term ''telecommunications services'' has the meaning given such term in section 3(46) of the Communications Act of 1934 (47 U.S.C. 153(46)) and includes communications services (as defined in section 4251 of the Internal Revenue Code of 1986).

TITLE II—OTHER PROVISIONS

SEC. 201. DECLARATION THAT INTERNET SHOULD BE FREE OF NEW FEDERAL TAXES.

It is the sense of Congress that no new Federal taxes similar to the taxes described in section 101(a) should be enacted with respect to the Internet and Internet access during the moratorium provided in such section.

SEC. 202. NATIONAL TRADE ESTIMATE.

Section 181 of the Trade Act of 1974 (19 U.S.C. 2241) is amended—

(1) in subsection (a)(1)—

(A) in subparagraph (A)—

(i) by striking ''and'' at the end of clause (i);

(ii) by inserting ''and'' at the end of clause (ii); and

(iii) by inserting after clause (ii) the following new clause:

''(iii) United States electronic commerce,''; and

(B) in subparagraph (C)—

(i) by striking ''and'' at the end of clause (i);

(ii) by inserting ''and'' at the end of clause (ii);

(iii) by inserting after clause (ii) the following new clause:

''(iii) the value of additional United States electronic commerce,''; and

(iv) by inserting ''or transacted with,'' after ''or invested in'';

(2) in subsection (a)(2)(E)—

(A) by striking ''and'' at the end of clause (i);

(B) by inserting ''and'' at the end of clause (ii); and

(C) by inserting after clause (ii) the following new clause:

''(iii) the value of electronic commerce transacted with,''; and

(3) by adding at the end the following new subsection:

''(d) ELECTRONIC COMMERCE.—For purposes of this section, the term 'electronic commerce' has the meaning given that term in section 104(3) of the Internet Tax Freedom Act.''.

SEC. 203. DECLARATION THAT THE INTERNET SHOULD BE FREE OF FOREIGN TARIFFS, TRADE BARRIERS, AND OTHER RESTRICTIONS.

(a) IN GENERAL.— It is the sense of Congress that the President should seek bilateral, regional, and multilateral agreements to remove barriers to global electronic commerce through the World Trade Organization, the Organization for Economic Cooperation and Development, the Trans-Atlantic Economic Partnership, the Asia Pacific Economic Cooperation forum, the Free Trade Area of the America, the North American Free Trade Agreement, and other appropriate venues.

(b) NEGOTIATING OBJECTIVES.—The negotiating objectives of the United States shall be—

(1) to assure that electronic commerce is free from—

(A) tariff and nontariff barriers;

(B) burdensome and discriminatory regulation and standards; and

(C) discriminatory taxation; and

(2) to accelerate the growth of electronic commerce by expanding market access opportunities for—

(A) the development of telecommunications infrastructure;

(B) the procurement of telecommunications equipment;

(C) the provision of Internet access and telecommunications services; and

(D) the exchange of goods, services, and digitalized information.

(c) ELECTRONIC COMMERCE.—For purposes of this section, the term ''electronic commerce'' has the meaning given that term in section 104(3).

SEC. 204. NO EXPANSION OF TAX AUTHORITY.

Nothing in this Act shall be construed to expand the duty of any person to collect or pay taxes beyond that which existed immediately before the date of the enactment of this Act.

SEC. 205. PRESERVATION OF AUTHORITY.

Nothing in this Act shall limit or otherwise affect the implementation of the Telecommunications Act of 1996 (Public Law 104–104) or the amendments made by such Act.

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Government Paperwork Elimination Act.''

SEC. 2. DIRECTION AND OVERSIGHT OF INFORMATION TECHNOLOGY.

Section 3504(a)(1)(B)(vi) of title 44, United States Code, is amended to read as follows:

''(vi) the acquisition and use of information technology, including the use of alternative information technologies (such as the use of electronic submission, maintenance, or disclosure of information) to substitute for paper, and the use and acceptance of electronic signatures.''.

SEC. 3. PROCEDURES.

(a) Within 18 months after enactment of this Act, in order to fulfill the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the Clinger-Cohen Act of 1996 (P.L. 104–106), and the provisions of this Act, the Director of the Office of Management and Budget shall develop procedures and guidelines for executive agency use.

(1) The procedures shall be compatible with standards and technology for electronic signatures as may be generally used in commerce and industry and by State governments, based upon consultation with appropriate private sector and State government standard setting bodies.

(2) Such procedures shall not inappropriately favor one industry or technology.

(3) An electronic signature shall be as reliable as is appropriate for the purpose, and efforts shall be made to keep the information submitted intact.

(4) Successful submission of an electronic form shall be electronically acknowledged.

(5) In accordance with all other sections of the Act, to the extent feasible and appropriate, and described in a written finding, an agency, when it expects to receive electronically 50,000 or more submittals of a particular form, shall take all steps necessary to ensure that multiple formats of electronic signatures are made available for submitting such forms.

SEC. 4. AUTHORITY AND FUNCTIONS OF THE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET.

In order to fulfill the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the Clinger-Cohen Act of 1996 (P.L. 104–106), and the provisions of this Act, the Director of the Office of Management and Budget shall ensure that, within five years of the date of enactment of this Act, executive agencies provide for the optional use of electronic maintenance, submission, or disclosure of information where practicable, as an alternative information technology to substitute for paper, and the use and acceptance of electronic signatures where practicable.

SEC. 5. ELECTRONIC STORAGE OF FORMS.

Within 18 months of enactment of this Act, in order to fulfill the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the Clinger-Cohen Act of 1996 (P.L. 104–106), and the provisions of this Act, the Director of the Office of Management and Budget shall develop procedures and guidelines for executive agency use to permit employer electronic storage and filing of forms containing information pertaining to employees.

SEC. 6. STUDY.

In order to fulfill the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the Clinger-Cohen Act of 1996 (P.L. 104–106), and the provisions of this Act, the Director of the Office of Management and Budget, shall conduct an ongoing study of paperwork reduction and electronic commerce, the impact on individual privacy, and the security and authenticity of transactions due to the use of electronic signatures pursuant to this Act, and shall report the findings to Congress.

SEC. 7. ENFORCEABILITY AND LEGAL EFFECT OF ELECTRONIC RECORDS.

Electronic records submitted or maintained in accordance with agency procedures and guidelines established pursuant to this title, or electronic signatures or other forms of electronic authentication used in accordance with such procedures and guidelines, shall not be denied legal effect, validity or enforceability because they are in electronic form.

SEC. 8. DISCLOSURE OF INFORMATION.

Except as provided by law, information collected in the provision of electronic signature services for communications with an agency, as provided by this Act, shall only be used or disclosed by persons who obtain, collect, or maintain such information as a business or government practice, for the purpose of facilitating such communications, or with the prior affirmative consent of the person about whom the information pertains.

SEC. 9. APPLICATION WITH OTHER LAWS.

Nothing in this title shall apply to the Department of the Treasury or the Internal Revenue Service, to the extent that—

(1) it involves the administration of the internal revenue laws; and

(2) it conflicts with any provision of the Internal Revenue Service Restructuring and Reform Act of 1998 or the Internal Revenue Code of 1986.

SEC. 10. DEFINITIONS.

For purposes of this Act:

(1) EXECUTIVE AGENCY.—The term ''executive agency'' has the meaning given that term in section 105 of title 5, United States Code.

(2) ELECTRONIC SIGNATURE.—The term ''electronic signature'' means a method of signing an electronic message that—

(A) identifies and authenticates a particular person as the source of such electronic message; and

(B) indicates such person's approval of the information contained in such electronic message.

(3) FORM, QUESTIONNAIRE, OR SURVEY.—The terms ''form'', ''questionnaire'', and ''survey'' include documents produced by an agency to facilitate interaction between an agency and non-government persons.

TITLE II—CHILDREN'S ONLINE PRIVACY PROTECTION

SEC. 201. SHORT TITLE.

This title may be cited as the ''Children's Online Privacy Protection Act of 1999''.

SEC. 202. DEFINITIONS.

In this title:

(1) CHILD.—the term ''child'' means an individual under the age of 13.

(2) OPERATOR.—The term ''operator''—

(A) means any person who operates a website located on the Internet or an online service and who collects or maintains personal information from or about the users of or visitors to such website or online service, or on whose behalf such information is collected or maintained, where such website or online service is operated for commercial purposes, including any person offering products or services for sale through that website or online service, involving commerce—

(i) among the several States or with 1 or more foreign nations;

(ii) in any territory of the United States or in the District of Columbia, or between any such territory and—

(I) another such territory; or

(II) any State or foreign nation; or

(iii) between the District of Columbia and any State, territory, or foreign nation; but

(B) does not include any non-profit entity that would otherwise be exempt from coverage under section 5 of the Federal Trade Commission Act (15 U.S.C. 45).

(3) COMMISSION.—The term ''Commission'' means the Federal Trade Commission.

(4) DISCLOSURE.—The term ''disclosure'' means, with respect to personal information—

(A) the release of personal information collected from a child in identifiable form by an operator for any purpose, except where such information is provided to a person other than the operator who provides support for the internal operations of the website and does not disclose or use that information for any other purpose; and

(B) making personal information collected from a child by a website or online service directed to children or with actual knowledge that such information was collected from a child, publicly available in identifiable form, by any means including by a public posting, through the Internet, or through—

(i) a home page of a website;

(ii) a pen pal service;

(iii) an electronic mail service;

(iv) a message board; or

(v) a chat room.

(5) FEDERAL AGENCY.—The term ''Federal agency'' means an agency, as that term is defined in section 551(1) of title 5, United States Code.

(6) INTERNET.—The term ''Internet'' means collectively the myriad of computer and telecommunications facilities, including equipment and operating software, which comprise the interconnected world-wide network of networks that employ the Transmission Control Protocol/Internet Protocol, or any predecessor or successor protocols to such protocol, to communicate information of all kinds by wire or radio.

(7) PARENT.—The term ''parent'' includes a legal guardian.

(8) PERSONAL INFORMATION.—The term ''personal information'' means individually identifiable information about an individual collected online, including—

(A) a first and last name;

(B) a home or other physical address including street name and name of a city or town;

(C) an e-mail address;

(D) a telephone number;

(E) a Social Security number;

(F) any other identifier that the Commission determines permits the physical or online contracting of a specific individual; or

(G) information concerning the child or the parents of that child that the website collects online from the child and combines with an identifier described in this paragraph.

(9) VERIFIABLE PARENTAL CONSENT.—The term ''verifiable parental consent'' means any reasonable effort (taking into consideration available technology), including a request for authorization for future collection use, and disclosure described in the notice, to ensure that a parent of a child receives notice of the operator's personal information collection, use, and disclosure practices, and authorizes the collection, use, and disclosure, as applicable, of personal information and the subsequent use of that information before that information is collected from that child.

(10) WEBSITE OR ONLINE SERVICE DIRECTED TO CHILDREN.—

(A) IN GENERAL.—The term ''website or online service directed to children'' means—

(i) A commercial website or online service that is targeted to children; or

(ii) that portion of a commercial website or online service that is targeted to children.

(B) LIMITATION.—A commercial website or online service, or a portion of a commercial website or online service, shall not be deemed directed to children solely for referring or linking to a commercial website or online service directed to children by using information location tools, including a directory, index, reference, pointer, or hypertext link.

(11) PERSON.—The term ''person'' means any individual, partnership, corporation, trust, estate, cooperative, association, or other entity.

(12) ONLINE CONTACT INFORMATION.—The term ''online contact information'' means an e-mail address or another substantially similar identifier that permits direct contact with a person online.

SEC. 203. REGULATION OF UNFAIR AND DECEPTIVE ACTS AND PRACTICES IN CONNECTION WITH THE COLLECTION AND USE OF PERSONAL INFORMATION FROM AND ABOUT CHILDREN ON THE INTERNET.

(A) ACTS PROHIBITED.—

(1) IN GENERAL.—It is unlawful for an operator of a website or online service directed to children, or any operator that has actual knowledge that it is collecting personal information from a child, to collect personal information from a child in a manner that violates the regulations prescribed under subsection (b).

(2) DISCLOSURE TO PARENT PROTECTED.—Notwithstanding paragraph (1), neither an operator of such a website or online service nor the operator's agent shall be held to be liable under any Federal or State law for any disclosure made in good faith and following reasonable procedures in responding to a request for disclosure of personal information under subsection (b)(1)(B)(iii) to the parent of a child.

(b) REGULATIONS.—

(1) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, the Commission shall promulgate under section 553 of title 5, United States Code, regulations that—

(A) require the operator of any website or online service directed to children that collects personal information from children or the operator of a website or online service that has actual knowledge that it is collecting personal information from a child—

(i) to provide notice on the website of what information is collected from children by the operator, how the operator uses such information, and the operator's disclosure practices for such information; and

(ii) to obtain verifiable parental consent for the collection, use, or disclosure of personal information from children;

(B) require the operator to provide, upon request of a parent under this subparagraph whose child has provided personal information to that website or online service, upon proper identification of that parent, to such parent—

(i) a description of the specific types of personal information collected from the child by that operator;

(ii) the opportunity at any time to refuse to permit the operator's further use or maintenance in retrievable form, or future online collection, of personal information from that child; and

(iii) notwithstanding any other provision of law, a means that is reasonable under the circumstances for the parent to obtain any personal information collected from that child;

(C) prohibit conditioning a child's participation in a game, the offering of a prize, or another activity on the child disclosing more personal information than is reasonably necessary to participate in such activity; and

(D) require the operator of such a website or online service to establish and maintain reasonable procedures to protect the confidentiality, security, and integrity of personal information collected from children.

(2) WHEN CONSENT NOT REQUIRED.—The regulations shall provide that verifiable parental consent under paragraph (1)(A)(ii) is not required in the case of—

(A) online contact information collected from a child that is used only to respond directly on a one-time basis to a specific request from the child and is not used to recontact the child and is not maintained in retrievable form by the operator;

(B) a request for the name or online contact information of a parent or child that is used for the sole purpose of obtaining parental consent or providing notice under this section and where such information is not maintained in retrievable form by the operator if parental consent is not obtained after a reasonable time;

(C) online contact information collected from a child that is used only to respond more than once directly to a specific request from the child and is not used to recontact the child beyond the scope of that request—

(i) if, before any additional response after the initial response to the child, the operator uses reasonable efforts to provide a parent notice of the online contact information collected from the child, the purposes for which it is to be used, and an opportunity for the parent to request that the operator make no further use of the information and that it not be maintained in retrievable form; or

(ii) without notice to the parent in such circumstances as the Commission may determine are appropriate, taking into consideration the benefits to the child of access to information and services, and risks to the security and privacy of the child, in regulations promulgated under this subsection;

(D) the name of the child and online contact information (to the extent reasonably necessary to protect the safety of a child participant on the site)—

(i) used only for the purpose of protecting such safety;

(ii) not used to recontact the child or for any other purpose; and

(iii) not disclosed on the site,

if the operator uses reasonable efforts to provide a parent notice of the name and online contact information collected from the child, the purposes for which it is to be used, and an opportunity for the parent to request that the operator make no further use of the information and that it not be maintained in retrievable form; or

(E) the collection, use, or dissemination of such information by the operator of such a website or online service necessary—

(i) to protect the security or integrity of its website;

(ii) to take precautions against liability;

(iii) to respond to judicial process; or

(iv) to the extent permitted under other provisions of law, to provide information to law enforcement agencies or for an investigation on a matter related to public safety.

(3) TERMINATION OF SERVICE.—The regulations shall permit the operator of a website or an online service to terminate service provided to a child whose parent has refused, under the regulations prescribed under paragraph (1)(B)(ii), to permit the operator's further use or maintenance in retrievable form, or future online collection, of personal information from that child.

(c) ENFORCEMENT.—Subject to sections 204 and 206, a violation of a regulation prescribed under subsection (a) shall be treated as a violation of a rule defining an unfair or deceptive act or practice prescribed under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).

(d) INCONSISTENT STATE LAW.—No State or local government may impose any liability

for commercial activities or actions by operators in interstate or foreign commerce in connection with an activity or action described in this title that is inconsistent with the treatment of those activities or actions under this section.

SEC. 204. SAFE HARBORS.

(a) GUIDELINES.—An operator may satisfy the requirements of regulations issued under section 203(b) by following a set of self-regulatory guidelines, issued by representatives of the marketing or online industries, or by other persons, approved under subsection (b).

(b) INCENTIVES.—

(1) SELF-REGULATORY INCENTIVES.—In prescribing regulations under section 203, the Commission shall provide incentives for self-regulation by operators to implement the protections afforded children under the regulatory requirements described in subsection (b) of that section.

(2) DEEMED COMPLIANCE.—Such incentives shall include provisions for ensuring that a person will be deemed to be in compliance with the requirements of the regulations under section 203 if that person complies with guidelines that, after notice and comment, are approved by the Commission upon making a determination that the guidelines meet the requirements of the regulations issued under section 203.

(3) EXPEDITED RESPONSE TO REQUESTS.—The Commission shall act upon requests for safe harbor treatment within 180 days of the filing of the request, and shall set forth in writing its conclusions with regard to such requests.

(c) APPEALS.—Final action by the Commission on a request for approval of guidelines, or the failure to act within 180 days on a request for approval of guidelines, submitted under subsection (b) may be appealed to a district court of the United States of appropriate jurisdiction as provided for in section 706 of title 5, United States Code.

SEC. 205. ACTIONS BY STATES.

(a) IN GENERAL.—

(1) CIVIL ACTIONS.—In any case in which the attorney general of a State has reason to believe that an interest of the residents of that State has been or is threatened or adversely affected by the engagement of any person in a practice that violates any regulation of the Commission prescribed under section 203(b), the State, as parens patriae, may bring a civil action on behalf of the residents of the State in a district court of the United States of appropriate jurisdiction to—

(A) enjoin that practice;

(B) enforce compliance with the regulation;

(C) obtain damage, restitution, or other compensation on behalf of residents of the State; or

(D) obtain such other relief as the court may consider to be appropriate.

(2) NOTICE.—

(A) IN GENERAL.—Before filing an action under paragraph (1), the attorney general of the State involved shall provide to the Commission—

(i) written notice of that action; and

(ii) a copy of the complaint for that action.

(B) EXEMPTION.—

(i) IN GENERAL.—Subparagraph (A) shall not apply with respect to the filing of an action by an attorney general of a State under this subsection, if the attorney general determines that it is not feasible to provide the notice described in that subparagraph before the filing of the action.

(ii) NOTIFICATION.—In an action described in clause (i), the attorney general of a State shall provide notice and a copy of the complaint to the Commission at the same time as the attorney general files the action.

(b) INTERVENTION.—

(1) IN GENERAL.—On receiving notice under subsection (a)(2), the Commission shall have the right to intervene in the action that is the subject of the notice.

(2) EFFECT OF INTERVENTION.—If the Commission intervenes in an action under subsection (a), it shall have the right—

(A) to be heard with respect to any matter that arises in that action; and

(B) to file a petition for appeal.

(3) AMICUS CURIAE.—Upon application to the court, a person whose self-regulatory guidelines have been approved by the Commission and are relied upon as a defense by any defendant to a proceeding under this section may file amicus curiae in that proceeding.

(c) CONSTRUCTION.—For purposes of bringing any civil action under subsection (a), nothing in this title shall be construed to prevent an attorney general of a State from exercising the powers conferred on the attorney general by the laws of that State to—

(1) conduct investigations;

(2) administer oaths or affirmations; or

(3) compel the attendance of witnesses or the production of documentary and other evidence.

(d) ACTIONS BY THE COMMISSION.—In any case in which an action is instituted by or on behalf of the Commission for violation of any regulation prescribed under section 293, no State may, during the pendency of that action, institute an action under subsection (a) against any defendant named in the complaint in that action for violation of that regulation.

(e) VENUE; SERVICE OF PROCESS.—

(1) VENUE.—Any action brought under subsection (a) may be brought in the district court of the United States that meets applicable requirements relating to venue under section 1391 of title 28, United States Code.

(2) SERVICE OF PROCESS.—In an action brought under subsection (a), process may be served in any district in which the defendant—

(A) is an inhabitant; or

(B) may be found.

SEC. 206. ADMINISTRATION AND APPLICABILITY OF ACT.

(a) IN GENERAL.—Except as otherwise provided, this title shall be enforced by the Commission under the Federal Trade Commission Act (15 U.S.C. 41 et seq.).

(b) PROVISIONS.—Compliance with the requirements imposed under this title shall be enforced under—

(1) section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), in the case of—

(A) national banks, and Federal branches and Federal agencies of foreign banks, by the Office of the Comptroller of the Currency;

(B) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25(a) of the Federal Reserve Act (12 U.S.C. 601 et seq. and 611 et. seq.), by the Board; and

(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System) and insured State branches of foreign banks, by the Board of Directors of the Federal Deposit Insurance Corporation;

(2) section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), by the Director of the Office of Thrift Supervision, in the case of a savings association the deposits of which are insured by the Federal Deposit Insurance Corporation;

(3) the Federal Credit Union Act (12 U.S.C. 1751 et seq.) by the National Credit Union Administration Board with respect to any Federal credit union;

(4) part A of subtitle VII of title 49, United States Code, by the Secretary of Transportation with respect to any air carrier or foreign air carrier subject to that part;

(5) the Packers and Stockyards Act, 1921 (7 U.S.C. 181 et. seq.) (except as provided in section 406 of that Act (7 U.S.C. 226, 227)), by the Secretary of Agriculture with respect to any activities subject to that Act; and

(6) the Farm Credit Act of 1971 (12 U.S.C. (2001 et seq.) by the Farm Credit Administration with respect to any Federal land bank, Federal land bank association, Federal intermediate credit bank, or production credit association.

(c) EXERCISE OF CERTAIN POWERS.—For the purpose of the exercise by any agency referred to in subsection (a) of its powers under any Act referred to in that subsection, a violation of any requirement imposed under this title shall be deemed to be a violation of a requirement imposed under that Act. In addition to its powers under any provision of law specifically referred to in subsection (a), each of the agencies referred to in that subsection may exercise, for the purpose of enforcing compliance with any requirement imposed under this title, any other authority conferred on it by law.

(d) ACTIONS BY THE COMMISSION.—The Commission shall prevent any person from violating a rule of the Commission under section 203 in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made a part of this title. Any entity that violates such rule shall be subject to the penalties and entitled to the privileges and immunities provided in the Federal Trade Commission Act in the same manner, by the same means, and with the same jurisdiction, power, and duties as though all applicable terms and provisions of the Federal Trade Commission Act were incorporated into and made a part of this title.

(e) EFFECT ON OTHER LAWS.—Nothing contained in the Act shall be construed to limit the authority of the Commission under any other provisions of law.

SEC. 207. REVIEW.

(a) IN GENERAL.—Not later than 5 years after the effective date of the regulations initially issued under section 203, the Commission shall—

(1) review the implementation of this title, including the effect of the implementation of this title on practices relating to the collection and disclosure of information relating to children, children's ability to obtain access to information of their choice online, and on the availability of websites directed to children; and

(2) prepare and submit to Congress a report on the results of the review under paragraph (1).

SEC. 208. EFFECTIVE DATE.

Sections 203(a), 205, and 206 of this title take effect on the later of—

(1) the date that is 18 months after the date of enactment of this Act; or

(2) the date on which the Commission rules on the first application for safe harbor treatment under section 204 if the Commission does not rule on the first such application within one year after the date of enactment of this Act, but in no case later than the date that is 30 months after the date of enactment of this Act.

AMENDMENT NO. 3746

In lieu of the language to be inserted, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Internet Tax Freedom Act''.

TITLE I—MORATORIUM ON CERTAIN TAXES

SEC. 101. MORATORIUM.

(a) MORATORIUM.—No State or political subdivision thereof shall impose any of the following taxes on transactions occurring during the period beginning on July 29, 1998, and ending 3 years after the date of the enactment of this Act:

(1) Taxes on Internet access.

(2) Bit taxes.

(3) Multiple or discriminatory taxes on electronic commerce.

(b) APPLICATION OF MORATORIUM.—Subsection (a) shall not apply with respect to the provision of Internet access that is offered for sale as part of a package of services that includes services other than Internet access, unless the service provider separately states that portion of the billing that applies to such services on the user's bill.

SEC. 102. ADVISORY COMMISSION ON ELECTRONIC COMMERCE.

(a) ESTABLISHMENT OF COMMISSION.—There is established a commission to be known as the Advisory Commission on Electronic Commerce (in this title referred to as the ''Commission''). The Commission shall—

(1) be composed of 16 members appointed in accordance with subsection (b), including the chairperson who shall be selected by the members of the Commission from among themselves; and

(2) conduct its business in accordance with the provisions of this title.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Commissioners shall serve for the life of the Commission. The membership of the Commission shall be as follows:

(A) Four representatives from the Federal Government comprised of the Secretary of Commerce, the Secretary of State, the Secretary of the Treasury, and the United States Trade Representative, or their respective representatives.

(B) Six representatives from State and local governments comprised of—

(i) two representatives appointed by the Majority Leader of the Senate;

(ii) one representative appointed by the Minority Leader of the Senate;

(iii) two representatives appointed by the Speaker of the House of Representatives; and

(iv) one representative appointed by the Minority Leader of the House of Representatives.

(C) Six representatives of the electronic industry and consumer groups comprised of—

(i) two representatives appointed by the Majority Leader of the Senate;

(ii) one representative appointed by the Minority Leader of the Senate;

(iii) two representatives appointed by the Speaker of the House of Representatives; and

(iv) one representative appointed by the Minority Leader of the House of Representatives.

(2) APPOINTMENTS.—Appointments to the Commission shall be made not later than 45 days after the date of the enactment of this Act. The chairperson shall be selected not later than 60 days after the date of the enactment of this Act.

(3) VACANCIES.—Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(c) ACCEPTANCE OF GIFTS AND GRANTS.—The Commission may accept, use, and dispose of gifts or grants of services or property, both real and personal, for purposes of aiding or facilitating the work of the Commission. Gifts or grants not used at the expiration of the Commission shall be returned to the donor or grantor.

(d) OTHER RESOURCES.—The Commission shall have reasonable access to materials, resources, data, and other information from the Department of Justice, the Department of Commerce, the Department of State, the Department of the Treasury, and the Office of the United States Trade Representative. The Commission shall also have reasonable access to use the facilities of any such Department or Office for purposes of conducting meetings.

(e) SUNSET.—The Commission shall terminate 18 months after the date of the enactment of this Act.

(f) RULES OF THE COMMISSION.—

(1) QUORUM.—Nine members of the Commission shall constitute a quorum for conducting the business of the Commission.

(2) MEETINGS.—Any meetings held by the Commission shall be duly noticed at least 14 days in advance and shall be open to the public.

(3) OPPORTUNITIES TO TESTIFY.—The Commission shall provide opportunities for representatives of the general public, taxpayer groups, consumer groups, and State and local government officials to testify.

(4) ADDITIONAL RULES.—The Commission may adopt other rules as needed.

(g) DUTIES OF THE COMMISSION.—

(1) IN GENERAL.—The Commission shall conduct a thorough study of Federal, State and local, and international taxation and tariff treatment of transactions using the Internet and Internet access and other comparable interstate or international sales activities.

(2) ISSUES TO BE STUDIED.—The Commission may include in the study under subsection (a)—

(A) an examination of—

(i) barriers imposed in foreign markets on United States providers of property, goods, services, or information engaged in electronic commerce and on United States providers of telecommunications services; and

(ii) how the imposition of such barriers will affect United States consumers, the competitiveness of United States citizens providing property, goods, services, or information in foreign markets, and the growth and maturing of the Internet;

(B) an examination of the collection and administration of consumption taxes on interstate commerce in other countries and the United States, and the impact of such collection on the global economy, including an examination of the relationship between the collection and administration of such taxes when the transaction uses the Internet and when it does not;

(C) an examination of the impact of the Internet and Internet access (particularly voice transmission) on the revenue base for taxes imposed under section 4251 of the Internal Revenue Code of 1986;

(D) an examination of—

(i) the efforts of State and local governments to collect sales and use taxes owed on purchases from interstate sellers, the advantages and disadvantages of authorizing State and local governments to require such sellers to collect and remit such taxes, particularly with respect to electronic commerce, and the level of contacts sufficient to permit a State or local government to impose such taxes on such interstate commerce;

(ii) model State legislation relating to taxation of transactions using the Internet and Internet access, including uniform terminology, definitions of the transactions, services, and other activities that may be subject to State and local taxation, procedural structures and mechanisms applicable to such taxation, and a mechanism for the resolution of disputes between States regarding matters of multiple taxation; and

(iii) ways to simplify the interstate administration of sales and use taxes on interstate commerce, including a review of the need for a single or uniform tax registration, single or uniform tax returns, simplified remittance requirements, simplified administrative procedures, or the need for an independent third party collection system; and

(E) the examination of ways to simplify Federal and State and local taxes imposed on the provision of telecommunications services.

SEC. 103. REPORT.

Not later than 18 months after the date of the enactment of this Act, the Commission shall transmit to Congress a report reflecting the results of the Commission's study under this title. No finding or recommendation shall be included in the report unless agreed to by at least two-thirds of the members of the Commission serving at the time the finding or recommendation is made.

SEC. 104. DEFINITIONS.

For the purposes of this title:

(1) BIT TAX.—The term ''bit tax'' means any tax on electronic commerce expressly imposed on or measured by the volume of digital information transmitted electronically, or the volume of digital information per unit of time transmitted electronically, but does not include taxes imposed on the provision of telecommunications services.

(2) DISCRIMINATORY TAX.—The term ''discriminatory tax'' means any tax imposed by a State or political subdivision thereof on electronic commerce that—

(A) is not generally imposed and legally collectible by such State or such political subdivision on transactions involving the same or similar property, goods, services, or information accomplished through other means;

(B) is not generally imposed and legally collectible at the same rate by such State or such political subdivision on transactions involving the same or similar property, goods, services, or information accomplished through other means, unless the rate is lower as part of a phase-out of the tax over not more than a 5-year period; or

(C) imposes an obligation to collect or pay the tax on a different person or entity than in the case of transactions involving the same or similar property, goods, services, or information accomplished through other means.

(3) ELECTRONIC COMMERCE.—The term ''electronic commerce'' means any transaction conducted over the Internet or through Internet access, comprising the sale, lease, license, offer, or delivery of property, goods, services, or information, whether or not for consideration, and includes the provision of Internet access.

(4) INTERNET.—The term ''Internet'' means the combination of computer facilities and electromagnetic transmission media, and related equipment and software, comprising the interconnected worldwide network of computer networks that employ the Transmission Control Protocol/Internet Protocol, or any predecessor or successor protocol, to transmit information.

(5) INTERNET ACCESS.—The term ''Internet access'' means a service that enables users to access content, information, electronic mail, or other services offered over the Internet, and may also include access to proprietary content, information, and other services as part of a package of services offered to consumers. Such term does not include telecommunications services.

(6) MULTIPLE TAX.—

(A) IN GENERAL.—The term ''multiple tax'' means any tax that is imposed by one State or political subdivision thereof on the same or essentially the same electronic commerce that is also subject to another tax imposed by another State or political subdivision thereof (whether or not at the same rate or

on the same basis), without a credit (for example, a resale exemption certificate) for taxes paid in other jurisdictions.

(B) EXCEPTION.—Such term shall not include a sales or use tax imposed by a State and 1 or more political subdivisions thereof on the same electronic commerce or a tax on persons engaged in electronic commerce which also may have been subject to a sales or use tax thereon.

(C) SALES OR USE TAX.—For purposes of subparagraph (B), the term ''sales or use tax'' means a tax that is imposed on or incident to the sale, purchase, storage, consumption, distribution, or other use of tangible personal property or services as may be defined by laws imposing such tax and which is measured by the amount of the sales price or other charge for such property or service.

(7) STATE.—The term ''State'' means any of the several States, the District of Columbia, or any commonwealth, territory, or possession of the United States.

(8) TAX.—

(A) IN GENERAL.—The term ''tax'' means—

(i) any levy, fee, or charge imposed under governmental authority by any governmental entity; or

(ii) the imposition of or obligation to collect and to remit to a governmental entity any such levy, fee, or charge imposed by a governmental entity.

(B) EXCEPTION.—Such term shall not include any franchise fees or similar fees imposed by a State or local franchising authority, pursuant to section 622 or 653 of the Communications Act of 1934 (47 U.S.C. 542, 573).

(9) TELECOMMUNICATIONS SERVICES.—The term ''telecommunications services'' has the meaning given such term in section 3(46) of the Communications Act of 1934 (47 U.S.C. 153(46)) and includes communications services (as defined in section 4251 of the Internal Revenue Code of 1986).

TITLE II—OTHER PROVISIONS

SEC. 201. DECLARATION THAT INTERNET SHOULD BE FREE OF NEW FEDERAL TAXES.

It is the sense of Congress that no new Federal taxes similar to the taxes described in section 101(a) should be enacted with respect to the Internet and Internet access during the moratorium provided in such section.

SEC. 202. NATIONAL TRADE ESTIMATE.

Section 181 of the Trade Act of 1974 (19 U.S.C. 2241) is amended—

(1) in subsection (a)(1)—

(A) in subparagraph (A)—

(i) by striking ''and'' at the end of clause (i);

(ii) by inserting ''and'' at the end of clause (ii); and

(iii) by inserting after clause (ii) the following new clause:

''(iii) United States electronic commerce,''; and

(B) in subparagraph (C)—

(i) by striking ''and'' at the end of clause (i);

(ii) by inserting ''and'' at the end of clause (ii);

(iii) by inserting after clause (ii) the following new clause:

''(iii) the value of additional United States electronic commerce,''; and

(iv) by inserting ''or transacted with,'' after ''or invested in'';

(2) in subsection (a)(2)(E)—

(A) by striking ''and'' at the end of clause (i);

(B) by inserting ''and'' at the end of clause (ii); and

(C) by inserting after clause (ii) the following new clause:

''(iii) the value of electronic commerce transacted with,''; and

(3) by adding at the end the following new subsection:

''(d) ELECTRONIC COMMERCE.—For purposes of this section, the term 'electronic commerce' has the meaning given that term in section 104(3) of the Internet Tax Freedom Act.''.

SEC. 203. DECLARATION THAT THE INTERNET SHOULD BE FREE OF FOREIGN TARIFFS, TRADE BARRIERS, AND OTHER RESTRICTIONS.

(a) IN GENERAL.— It is the sense of Congress that the President should seek bilateral, regional, and multilateral agreements to remove barriers to global electronic commerce through the World Trade Organization, the Organization for Economic Cooperation and Development, the Trans-Atlantic Economic Partnership, the Asia Pacific Economic Cooperation forum, the Free Trade Area of the America, the North American Free Trade Agreement, and other appropriate venues.

(b) NEGOTIATING OBJECTIVES.—The negotiating objectives of the United States shall be—

(1) to assure that electronic commerce is free from—

(A) tariff and nontariff barriers;

(B) burdensome and discriminatory regulation and standards; and

(C) discriminatory taxation; and

(2) to accelerate the growth of electronic commerce by expanding market access opportunities for—

(A) the development of telecommunications infrastructure;

(B) the procurement of telecommunications equipment;

(C) the provision of Internet access and telecommunications services; and

(D) the exchange of goods, services, and digitalized information.

(c) ELECTRONIC COMMERCE.—For purposes of this section, the term ''electronic commerce'' has the meaning given that term in section 104(3).

SEC. 204. NO EXPANSION OF TAX AUTHORITY.

Nothing in this Act shall be construed to expand the duty of any person to collect or pay taxes beyond that which existed immediately before the date of the enactment of this Act.

SEC. 205. PRESERVATION OF AUTHORITY.

Nothing in this Act shall limit or otherwise affect the implementation of the Telecommunications Act of 1996 (Public Law 104–104) or the amendments made by such Act.

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Government Paperwork Elimination Act.''

SEC. 2. DIRECTION AND OVERSIGHT OF INFORMATION TECHNOLOGY.

Section 3504(a)(1)(B)(vi) of title 44, United States Code, is amended to read as follows:

''(vi) the acquisition and use of information technology, including the use of alternative information technologies (such as the use of electronic submission, maintenance, or disclosure of information) to substitute for paper, and the use and acceptance of electronic signatures.''.

SEC. 3. PROCEDURES.

(a) Within 18 months after enactment of this Act, in order to fulfill the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the Clinger-Cohen Act of 1996 (P.L. 104–106), and the provisions of this Act, the Director of the Office of Management and Budget shall develop procedures and guidelines for executive agency use.

(1) The procedures shall be compatible with standards and technology for electronic signatures as may be generally used in commerce and industry and by State governments, based upon consultation with appropriate private sector and State government standard setting bodies.

(2) Such procedures shall not inappropriately favor one industry or technology.

(3) An electronic signature shall be as reliable as is appropriate for the purpose, and efforts shall be made to keep the information submitted intact.

(4) Successful submission of an electronic form shall be electronically acknowledged.

(5) In accordance with all other sections of the Act, to the extent feasible and appropriate, and described in a written finding, an agency, when it expects to receive electronically 50,000 or more submittals of a particular form, shall take all steps necessary to ensure that multiple formats of electronic signatures are made available for submitting such forms.

SEC. 4. AUTHORITY AND FUNCTIONS OF THE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET.

In order to fulfill the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the Clinger-Cohen Act of 1996 (P.L. 104–106), and the provisions of this Act, the Director of the Office of Management and Budget shall ensure that, within five years of the date of enactment of this Act, executive agencies provide for the optional use of electronic maintenance, submission, or disclosure of information where practicable, as an alternative information technology to substitute for paper, and the use and acceptance of electronic signatures where practicable.

SEC. 5. ELECTRONIC STORAGE OF FORMS.

Within 18 months of enactment of this Act, in order to fulfill the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the Clinger-Cohen Act of 1996 (P.L. 104–106), and the provisions of this Act, the Director of the Office of Management and Budget shall develop procedures and guidelines for executive agency use to permit employer electronic storage and filing of forms containing information pertaining to employees.

SEC. 6. STUDY.

In order to fulfill the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the Clinger-Cohen Act of 1996 (P.L. 104–106), and the provisions of this Act, the Director of the Office of Management and Budget, shall conduct an ongoing study of paperwork reduction and electronic commerce, the impact on individual privacy, and the security and authenticity of transactions due to the use of electronic signatures pursuant to this Act, and shall report the findings to Congress.

SEC. 7. ENFORCEABILITY AND LEGAL EFFECT OF ELECTRONIC RECORDS.

Electronic records submitted or maintained in accordance with agency procedures and guidelines established pursuant to this title, or electronic signatures or other forms of electronic authentication used in accordance with such procedures and guidelines, shall not be denied legal effect, validity or enforceability because they are in electronic form.

SEC. 8. DISCLOSURE OF INFORMATION.

Except as provided by law, information collected in the provision of electronic signature services for communications with an agency, as provided by this Act, shall only be used or disclosed by persons who obtain, collect, or maintain such information as a business or government practice, for the purpose of facilitating such communications, or with the prior affirmative consent of the person about whom the information pertains.

SEC. 9. APPLICATION WITH OTHER LAWS.

Nothing in this title shall apply to the Department of the Treasury or the Internal Revenue Service, to the extent that—

(1) it involves the administration of the internal revenue laws; and

(2) it conflicts with any provision of the Internal Revenue Service Restructuring and Reform Act of 1998 or the Internal Revenue Code of 1986.

SEC. 10. DEFINITIONS.

For purposes of this Act:

(1) EXECUTIVE AGENCY.—The term ''executive agency'' has the meaning given that term in section 105 of title 5, United States Code.

(2) ELECTRONIC SIGNATURE.—The term ''electronic signature'' means a method of signing an electronic message that—

(A) identifies and authenticates a particular person as the source of such electronic message; and

(B) indicates such person's approval of the information contained in such electronic message.

(3) FORM, QUESTIONNAIRE, OR SURVEY.—The terms ''form'', ''questionnaire'', and ''survey'' include documents produced by an agency to facilitate interaction between an agency and non-government persons.

TITLE II—CHILDREN'S ONLINE PRIVACY PROTECTION

SEC. 201. SHORT TITLE.

This title may be cited as the ''Children's Online Privacy Protection Act of 1999''.

SEC. 202. DEFINITIONS.

In this title:

(1) CHILD.—the term ''child'' means an individual under the age of 13.

(2) OPERATOR.—The term ''operator''—

(A) means any person who operates a website located on the Internet or an online service and who collects or maintains personal information from or about the users of or visitors to such website or online service, or on whose behalf such information is collected or maintained, where such website or online service is operated for commercial purposes, including any person offering products or services for sale through that website or online service, involving commerce—

(i) among the several States or with 1 or more foreign nations;

(ii) in any territory of the United States or in the District of Columbia, or between any such territory and—

(I) another such territory; or

(II) any State or foreign nation; or

(iii) between the District of Columbia and any State, territory, or foreign nation; but

(B) does not include any non-profit entity that would otherwise be exempt from coverage under section 5 of the Federal Trade Commission Act (15 U.S.C. 45).

(3) COMMISSION.—The term ''Commission'' means the Federal Trade Commission.

(4) DISCLOSURE.—The term ''disclosure'' means, with respect to personal information—

(A) the release of personal information collected from a child in identifiable form by an operator for any purpose, except where such information is provided to a person other than the operator who provides support for the internal operations of the website and does not disclose or use that information for any other purpose; and

(B) making personal information collected from a child by a website or online service directed to children or with actual knowledge that such information was collected from a child, publicly available in identifiable form, by any means including by a public posting, through the Internet, or through—

(i) a home page of a website;

(ii) a pen pal service;

(iii) an electronic mail service;

(iv) a message board; or

(v) a chat room.

(5) FEDERAL AGENCY.—The term ''Federal agency'' means an agency, as that term is defined in section 551(1) of title 5, United States Code.

(6) INTERNET.—The term ''Internet'' means collectively the myriad of computer and telecommunications facilities, including equipment and operating software, which comprise the interconnected world-wide network of networks that employ the Transmission Control Protocol/Internet Protocol, or any predecessor or successor protocols to such protocol, to communicate information of all kinds by wire or radio.

(7) PARENT.—The term ''parent'' includes a legal guardian.

(8) PERSONAL INFORMATION.—The term ''personal information'' means individually identifiable information about an individual collected online, including—

(A) a first and last name;

(B) a home or other physical address including street name and name of a city or town;

(C) an e-mail address;

(D) a telephone number;

(E) a Social Security number;

(F) any other identifier that the Commission determines permits the physical or online contracting of a specific individual; or

(G) information concerning the child or the parents of that child that the website collects online from the child and combines with an identifier described in this paragraph.

(9) VERIFIABLE PARENTAL CONSENT.—The term ''verifiable parental consent'' means any reasonable effort (taking into consideration available technology), including a request for authorization for future collection use, and disclosure described in the notice, to ensure that a parent of a child receives notice of the operator's personal information collection, use, and disclosure practices, and authorizes the collection, use, and disclosure, as applicable, of personal information and the subsequent use of that information before that information is collected from that child.

(10) WEBSITE OR ONLINE SERVICE DIRECTED TO CHILDREN.—

(A) IN GENERAL.—The term ''website or online service directed to children'' means—

(i) A commercial website or online service that is targeted to children; or

(ii) that portion of a commercial website or online service that is targeted to children.

(B) LIMITATION.—A commercial website or online service, or a portion of a commercial website or online service, shall not be deemed directed to children solely for referring or linking to a commercial website or online service directed to children by using information location tools, including a directory, index, reference, pointer, or hypertext link.

(11) PERSON.—The term ''person'' means any individual, partnership, corporation, trust, estate, cooperative, association, or other entity.

(12) ONLINE CONTACT INFORMATION.—The term ''online contact information'' means an e-mail address or another substantially similar identifier that permits direct contact with a person online.

SEC. 203. REGULATION OF UNFAIR AND DECEPTIVE ACTS AND PRACTICES IN CONNECTION WITH THE COLLECTION AND USE OF PERSONAL INFORMATION FROM AND ABOUT CHILDREN ON THE INTERNET.

(A) ACTS PROHIBITED.—

(1) IN GENERAL.—It is unlawful for an operator of a website or online service directed to children, or any operator that has actual knowledge that it is collecting personal information from a child, to collect personal information from a child in a manner that violates the regulations prescribed under subsection (b).

(2) DISCLOSURE TO PARENT PROTECTED.—Notwithstanding paragraph (1), neither an operator of such a website or online service nor the operator's agent shall be held to be liable under any Federal or State law for any disclosure made in good faith and following reasonable procedures in responding to a request for disclosure of personal information under subsection (b)(1)(B)(iii) to the parent of a child.

(b) REGULATIONS.—

(1) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, the Commission shall promulgate under section 553 of title 5, United States Code, regulations that—

(A) require the operator of any website or online service directed to children that collects personal information from children or the operator of a website or online service that has actual knowledge that it is collecting personal information from a child—

(i) to provide notice on the website of what information is collected from children by the operator, how the operator uses such information, and the operator's disclosure practices for such information; and

(ii) to obtain verifiable parental consent for the collection, use, or disclosure of personal information from children;

(B) require the operator to provide, upon request of a parent under this subparagraph whose child has provided personal information to that website or online service, upon proper identification of that parent, to such parent—

(i) a description of the specific types of personal information collected from the child by that operator;

(ii) the opportunity at any time to refuse to permit the operator's further use or maintenance in retrievable form, or future online collection, of personal information from that child; and

(iii) notwithstanding any other provision of law, a means that is reasonable under the circumstances for the parent to obtain any personal information collected from that child;

(C) prohibit conditioning a child's participation in a game, the offering of a prize, or another activity on the child disclosing more personal information than is reasonably necessary to participate in such activity; and

(D) require the operator of such a website or online service to establish and maintain reasonable procedures to protect the confidentiality, security, and integrity of personal information collected from children.

(2) WHEN CONSENT NOT REQUIRED.—The regulations shall provide that verifiable parental consent under paragraph (1)(A)(ii) is not required in the case of—

(A) online contact information collected from a child that is used only to respond directly on a one-time basis to a specific request from the child and is not used to recontact the child and is not maintained in retrievable form by the operator;

(B) a request for the name or online contact information of a parent or child that is used for the sole purpose of obtaining parental consent or providing notice under this section and where such information is not maintained in retrievable form by the operator if parental consent is not obtained after a reasonable time;

(C) online contact information collected from a child that is used only to respond more than once directly to a specific request from the child and is not used to recontact the child beyond the scope of that request—

(i) if, before any additional response after the initial response to the child, the operator uses reasonable efforts to provide a parent notice of the online contact information collected from the child, the purposes for which it is to be used, and an opportunity for the

parent to request that the operator make no further use of the information and that it not be maintained in retrievable form; or

(ii) without notice to the parent in such circumstances as the Commission may determine are appropriate, taking into consideration the benefits to the child of access to information and services, and risks to the security and privacy of the child, in regulations promulgated under this subsection;

(D) the name of the child and online contact information (to the extent reasonably necessary to protect the safety of a child participant on the site)—

(i) used only for the purpose of protecting such safety;

(ii) not used to recontact the child or for any other purpose; and

(iii) not disclosed on the site,

if the operator uses reasonable efforts to provide a parent notice of the name and online contact information collected from the child, the purposes for which it is to be used, and an opportunity for the parent to request that the operator make no further use of the information and that it not be maintained in retrievable form; or

(E) the collection, use, or dissemination of such information by the operator of such a website or online service necessary—

(i) to protect the security or integrity of its website;

(ii) to take precautions against liability;

(iii) to respond to judicial process; or

(iv) to the extent permitted under other provisions of law, to provide information to law enforcement agencies or for an investigation on a matter related to public safety.

(3) TERMINATION OF SERVICE.—The regulations shall permit the operator of a website or an online service to terminate service provided to a child whose parent has refused, under the regulations prescribed under paragraph (1)(B)(ii), to permit the operator's further use or maintenance in retrievable form, or future online collection, of personal information from that child.

(c) ENFORCEMENT.—Subject to sections 204 and 206, a violation of a regulation prescribed under subsection (a) shall be treated as a violation of a rule defining an unfair or deceptive act or practice prescribed under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).

(d) INCONSISTENT STATE LAW.—No State or local government may impose any liability for commercial activities or actions by operators in interstate or foreign commerce in connection with an activity or action described in this title that is inconsistent with the treatment of those activities or actions under this section.

SEC. 204. SAFE HARBORS.

(a) GUIDELINES.—An operator may satisfy the requirements of regulations issued under section 203(b) by following a set of self-regulatory guidelines, issued by representatives of the marketing or online industries, or by other persons, approved under subsection (b).

(b) INCENTIVES.—

(1) SELF-REGULATORY INCENTIVES.—In prescribing regulations under section 203, the Commission shall provide incentives for self-regulation by operators to implement the protections afforded children under the regulatory requirements described in subsection (b) of that section.

(2) DEEMED COMPLIANCE.—Such incentives shall include provisions for ensuring that a person will be deemed to be in compliance with the requirements of the regulations under section 203 if that person complies with guidelines that, after notice and comment, are approved by the Commission upon making a determination that the guidelines meet the requirements of the regulations issued under section 203.

(3) EXPEDITED RESPONSE TO REQUESTS.—The Commission shall act upon requests for safe harbor treatment within 180 days of the filing of the request, and shall set forth in writing its conclusions with regard to such requests.

(c) APPEALS.—Final action by the Commission on a request for approval of guidelines, or the failure to act within 180 days on a request for approval of guidelines, submitted under subsection (b) may be appealed to a district court of the United States of appropriate jurisdiction as provided for in section 706 of title 5, United States Code.

SEC. 205. ACTIONS BY STATES.

(a) IN GENERAL.—

(1) CIVIL ACTIONS.—In any case in which the attorney general of a State has reason to believe that an interest of the residents of that State has been or is threatened or adversely affected by the engagement of any person in a practice that violates any regulation of the Commission prescribed under section 203(b), the State, as parens patriae, may bring a civil action on behalf of the residents of the State in a district court of the United States of appropriate jurisdiction to—

(A) enjoin that practice;

(B) enforce compliance with the regulation;

(C) obtain damage, restitution, or other compensation on behalf of residents of the State; or

(D) obtain such other relief as the court may consider to be appropriate.

(2) NOTICE.—

(A) IN GENERAL.—Before filing an action under paragraph (1), the attorney general of the State involved shall provide to the Commission—

(i) written notice of that action; and

(ii) a copy of the complaint for that action.

(B) EXEMPTION.—

(i) IN GENERAL.—Subparagraph (A) shall not apply with respect to the filing of an action by an attorney general of a State under this subsection, if the attorney general determines that it is not feasible to provide the notice described in that subparagraph before the filing of the action.

(ii) NOTIFICATION.—In an action described in clause (i), the attorney general of a State shall provide notice and a copy of the complaint to the Commission at the same time as the attorney general files the action.

(b) INTERVENTION.—

(1) IN GENERAL.—On receiving notice under subsection (a)(2), the Commission shall have the right to intervene in the action that is the subject of the notice.

(2) EFFECT OF INTERVENTION.—If the Commission intervenes in an action under subsection (a), it shall have the right—

(A) to be heard with respect to any matter that arises in that action; and

(B) to file a petition for appeal.

(3) AMICUS CURIAE.—Upon application to the court, a person whose self-regulatory guidelines have been approved by the Commission and are relied upon as a defense by any defendant to a proceeding under this section may file amicus curiae in that proceeding.

(c) CONSTRUCTION.—For purposes of bringing any civil action under subsection (a), nothing in this title shall be construed to prevent an attorney general of a State from exercising the powers conferred on the attorney general by the laws of that State to—

(1) conduct investigations;

(2) administer oaths or affirmations; or

(3) compel the attendance of witnesses or the production of documentary and other evidence.

(d) ACTIONS BY THE COMMISSION.—In any case in which an action is instituted by or on behalf of the Commission for violation of any regulation prescribed under section 293, no State may, during the pendency of that action, institute an action under subsection (a) against any defendant named in the complaint in that action for violation of that regulation.

(e) VENUE; SERVICE OF PROCESS.—

(1) VENUE.—Any action brought under subsection (a) may be brought in the district court of the United States that meets applicable requirements relating to venue under section 1391 of title 28, United States Code.

(2) SERVICE OF PROCESS.—In an action brought under subsection (a), process may be served in any district in which the defendant—

(A) is an inhabitant; or

(B) may be found.

SEC. 206. ADMINISTRATION AND APPLICABILITY OF ACT.

(a) IN GENERAL.—Except as otherwise provided, this title shall be enforced by the Commission under the Federal Trade Commission Act (15 U.S.C. 41 et seq.).

(b) PROVISIONS.—Compliance with the requirements imposed under this title shall be enforced under—

(1) section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), in the case of—

(A) national banks, and Federal branches and Federal agencies of foreign banks, by the Office of the Comptroller of the Currency;

(B) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25(a) of the Federal Reserve Act (12 U.S.C. 601 et seq. and 611 et. seq.), by the Board; and

(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System) and insured State branches of foreign banks, by the Board of Directors of the Federal Deposit Insurance Corporation;

(2) section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), by the Director of the Office of Thrift Supervision, in the case of a savings association the deposits of which are insured by the Federal Deposit Insurance Corporation;

(3) the Federal Credit Union Act (12 U.S.C. 1751 et seq.) by the National Credit Union Administration Board with respect to any Federal credit union;

(4) part A of subtitle VII of title 49, United States Code, by the Secretary of Transportation with respect to any air carrier or foreign air carrier subject to that part;

(5) the Packers and Stockyards Act, 1921 (7 U.S.C. 181 et. seq.) (except as provided in section 406 of that Act (7 U.S.C. 226, 227)), by the Secretary of Agriculture with respect to any activities subject to that Act; and

(6) the Farm Credit Act of 1971 (12 U.S.C. (2001 et seq.) by the Farm Credit Administration with respect to any Federal land bank, Federal land bank association, Federal intermediate credit bank, or production credit association.

(c) EXERCISE OF CERTAIN POWERS.—For the purpose of the exercise by any agency referred to in subsection (a) of its powers under any Act referred to in that subsection, a violation of any requirement imposed under this title shall be deemed to be a violation of a requirement imposed under that Act. In addition to its powers under any provision of law specifically referred to in subsection (a), each of the agencies referred to in that subsection may exercise, for the purpose of enforcing compliance with any requirement imposed under this title, any other authority conferred on it by law.

(d) ACTIONS BY THE COMMISSION.—The Commission shall prevent any person from violating a rule of the Commission under section 203 in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made a part of this title. Any entity that violates such rule shall be subject to the penalties and entitled to the privileges and immunities provided in the Federal Trade Commission Act in the same manner, by the same means, and with the same jurisdiction, power, and duties as though all applicable terms and provisions of the Federal Trade Commission Act were incorporated into and made a part of this title.

(e) EFFECT ON OTHER LAWS.—Nothing contained in the Act shall be construed to limit the authority of the Commission under any other provisions of law.

SEC. 207. REVIEW.

(a) IN GENERAL.—Not later than 5 years after the effective date of the regulations initially issued under section 203, the Commission shall—

(1) review the implementation of this title, including the effect of the implementation of this title on practices relating to the collection and disclosure of information relating to children, children's ability to obtain access to information of their choice online, and on the availability of websites directed to children; and

(2) prepare and submit to Congress a report on the results of the review under paragraph (1).

SEC. 208. EFFECTIVE DATE.

Sections 203(a), 205, and 206 of this title take effect on the later of—

(1) the date that is 18 months after the date of enactment of this Act; or

(2) the date on which the Commission rules on the first application for safe harbor treatment under section 204 if the Commission does not rule on the first such application within one year after the date of enactment of this Act, but in no case later than the date that is 30 months after the date of enactment of this Act.

TAXPAYER RELIEF ACT OF 1998

LAUTENBERG AMENDMENT NO. 3747

(Ordered to lie on the table.)

Mr. LAUTENBERG submitted an amendment intended to be proposed by him to the bill (H.R. 4579) to provide tax relief for individuals, families, and farming and other small businesses, to provide tax incentives for education, to extend certain provisions, and for other purposes; as follows:

In lieu of the matter proposed to be inserted, insert:

SECTION 1. SHORT TITLE, ETC.

(a) SHORT TITLE.—This Act may be cited as the ''Tax Cut Act of 1998''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—

Sec. 1. Short title, etc.

TITLE I—FAMILY TAX RELIEF PROVISIONS

Subtitle A—General Provisions

Sec. 101. Elimination of marriage penalty in standard deduction.
Sec. 102. Exemption of certain interest and dividend income from tax.
Sec. 103. Nonrefundable personal credits allowed against alternative minimum tax.

Subtitle B—Affordable Child Care

Sec. 111. Expanding the dependent care tax credit.
Sec. 112. Minimum credit allowed for stay-at-home parents.
Sec. 113. Credit made refundable.
Sec. 114. Allowance of credit for employer expenses for child care assistance.

TITLE II—EDUCATION AND INFRASTRUCTURE

Subtitle A—General Provisions

Sec. 201. Eligible educational institutions permitted to maintain qualified tuition programs.
Sec. 202. Increase in volume cap on private activity bonds.

Subtitle B—American Community Renewal Act of 1998

Sec. 211. Short title.
Sec. 212. Designation of and tax incentives for renewal communities.
Sec. 213. Extension of expensing of environmental remediation costs to renewal communities.
Sec. 214. Extension of work opportunity tax credit for renewal communities
Sec. 215. Conforming and clerical amendments.
Sec. 216. Evaluation and reporting requirements.

Subtitle C—Tax Incentives for Education

Sec. 221. Expansion of incentives for public schools.

TITLE III—SMALL BUSINESS AND FARMER TAX RELIEF

Sec. 301. Acceleration of unified estate and gift tax credit increase.
Sec. 302. 100 percent deduction for health insurance costs of self-employed individuals.
Sec. 303. Income averaging for farmers made permanent.
Sec. 304. 5-year net operating loss carryback for farming losses.
Sec. 305. Increase in expense treatment for small businesses.
Sec. 306. Research credit.
Sec. 307. Work opportunity credit.
Sec. 308. Welfare-to-work credit.
Sec. 309. Contributions of stock to private foundations; expanded public inspection of private foundations' annual returns.

TITLE IV—SOCIAL SECURITY EARNINGS LIMIT

Sec. 401. Increases in the social security earnings limit for individuals who have attained retirement age.

TITLE V—REVENUE OFFSET

Sec. 501. Treatment of certain deductible liquidating distributions of regulated investment companies and real estate investment trusts.

TITLE VI—SAVING SOCIAL SECURITY FIRST

Sec. 601. Effective date of provisions contingent on saving social security first.

TITLE I—FAMILY TAX RELIEF PROVISIONS

Subtitle A—General Provisions

SEC. 101. ELIMINATION OF MARRIAGE PENALTY IN STANDARD DEDUCTION.

(a) IN GENERAL.—Paragraph (2) of section 63(c) (relating to standard deduction) is amended—

(1) by striking ''$5,000'' in subparagraph (A) and inserting ''twice the dollar amount in effect under subparagraph (C) for the taxable year'',

(2) by adding ''or'' at the end of subparagraph (B),

(3) by striking ''in the case of'' and all that follows in subparagraph (C) and inserting ''in any other case.'', and

(4) by striking subparagraph (D).

(b) ADDITIONAL STANDARD DEDUCTION FOR AGED AND BLIND TO BE THE SAME FOR MARRIED AND UNMARRIED INDIVIDUALS.—

(1) Paragraphs (1) and (2) of section 63(f) are each amended by striking ''$600'' and inserting ''$750''.

(2) Subsection (f) of section 63 is amended by striking paragraph (3) and by redesignating paragraph (4) as paragraph (3).

(c) TECHNICAL AMENDMENTS.—

(1) Subparagraph (B) of section 1(f)(6) is amended by striking ''(other than with'' and all that follows through ''shall be applied'' and inserting ''(other than with respect to sections 63(c)(4) and 151(d)(4)(A)) shall be applied''.

(2) Paragraph (4) of section 63(c) is amended by adding at the end the following flush sentence:

''The preceding sentence shall not apply to the amount referred to in paragraph (2)(A).''

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

SEC. 102. EXEMPTION OF CERTAIN INTEREST AND DIVIDEND INCOME FROM TAX.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 (relating to amounts specifically excluded from gross income) is amended by inserting after section 115 the following new section:

''SEC. 116. PARTIAL EXCLUSION OF DIVIDENDS AND INTEREST RECEIVED BY INDIVIDUALS.

''(a) EXCLUSION FROM GROSS INCOME.—Gross income does not include dividends and interest received during the taxable year by an individual.

''(b) LIMITATIONS.—

''(1) MAXIMUM AMOUNT.—The aggregate amount excluded under subsection (a) for any taxable year shall not exceed $200 ($400 in the case of a joint return).

''(2) CERTAIN DIVIDENDS EXCLUDED.—Subsection (a) shall not apply to any dividend from a corporation which, for the taxable year of the corporation in which the distribution is made, or for the next preceding taxable year of the corporation, is a corporation exempt from tax under section 501 (relating to certain charitable, etc., organization) or section 521 (relating to farmers' cooperative associations).

''(c) SPECIAL RULES.—For purposes of this section—

''(1) EXCLUSION NOT TO APPLY TO CAPITAL GAIN DIVIDENDS FROM REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.—

''For treatment of capital gain dividends, see sections 854(a) and 857(c).

''(2) CERTAIN NONRESIDENT ALIENS INELIGIBLE FOR EXCLUSION.—In the case of a nonresident alien individual, subsection (a) shall apply only—

''(A) in determining the tax imposed for the taxable year pursuant to section 871(b)(1) and only in respect of dividends and interest which are effectively connected with the conduct of a trade or business within the United States, or

''(B) in determining the tax imposed for the taxable year pursuant to section 877(b).

''(3) DIVIDENDS FROM EMPLOYEE STOCK OWNERSHIP PLANS.—Subsection (a) shall not apply to any dividend described in section 404(k).''

(b) CONFORMING AMENDMENTS.—

(1)(A) Subparagraph (A) of section 135(c)(4) is amended by inserting ''116,'' before ''137''.

(B) Subsection (d) of section 135 is amended by redesignating paragraph (4) as paragraph (5) and by inserting after paragraph (3) the following new paragraph:

''(4) COORDINATION WITH SECTION 116.—This section shall be applied before section 116.''

(2) Paragraph (2) of section 265(a) is amended by inserting before the period '', or to purchase or carry obligations or shares, or to make deposits, to the extent the interest thereon is excludable from gross income under section 116''.

(3) Subsection (c) of section 584 is amended by adding at the end thereof the following new flush sentence:

''The proportionate share of each participant in the amount of dividends or interest received by the common trust fund and to which section 116 applies shall be considered for purposes of such section as having been received by such participant.''

(4) Subsection (a) of section 643 is amended by redesignating paragraph (7) as paragraph (8) and by inserting after paragraph (6) the following new paragraph:

''(7) DIVIDENDS OR INTEREST.—There shall be included the amount of any dividends or interest excluded from gross income pursuant to section 116.''

(5) Section 854(a) is amended by inserting ''section 116 (relating to partial exclusion of dividends and interest received by individuals) and'' after ''For purposes of''.

(6) Section 857(c) is amended to read as follows:

''(c) RESTRICTIONS APPLICABLE TO DIVIDENDS RECEIVED FROM REAL ESTATE INVESTMENT TRUSTS.—

''(1) TREATMENT FOR SECTION 116.—For purposes of section 116 (relating to partial exclusion of dividends and interest received by individuals), a capital gain dividend (as defined in subsection (b)(3)(C)) received from a real estate investment trust which meets the requirements of this part shall not be considered as a dividend.

''(2) TREATMENT FOR SECTION 243.—For purposes of section 243 (relating to deductions for dividends received by corporations), a dividend received from a real estate investment trust which meets the requirements of this part shall not be considered as a dividend.''

(7) The table of sections for part III of subchapter B of chapter 1 is amended by inserting after the item relating to section 115 the following new item:

''Sec. 116. Partial exclusion of dividends and interest received by individuals.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

SEC. 103. NONREFUNDABLE PERSONAL CREDITS ALLOWED AGAINST ALTERNATIVE MINIMUM TAX.

(a) IN GENERAL.—Subsection (a) of section 26 is amended to read as follows:

''(a) LIMITATION BASED ON AMOUNT OF TAX.—The aggregate amount of credits allowed by this subpart for the taxable year shall not exceed the sum of—

''(1) the taxpayer's regular tax liability for the taxable year, and

''(2) the tax imposed for the taxable year by section 55(a).

For purposes of applying the preceding sentence, paragraph (2) shall be treated as being zero for any taxable year beginning during 1998.''.

(b) CONFORMING AMENDMENTS.—

(1) Subsection (d) of section 24 is amended by striking paragraph (2) and by redesignating paragraph (3) as paragraph (2).

(2) Section 32 is amended by striking subsection (h).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1997.

Subtitle B—Affordable Child Care

SEC. 111. EXPANDING THE DEPENDENT CARE TAX CREDIT.

(a) PERCENTAGE OF EMPLOYMENT-RELATED EXPENSES DETERMINED BY TAXPAYER STATUS.—Section 21(a)(2) (defining applicable percentage) is amended to read as follows:

''(2) APPLICABLE PERCENTAGE DEFINED.—For purposes of paragraph (1), the term 'applicable percentage' means—

''(A) except as provided in subparagraph (B), 50 percent reduced (but not below 20 percent) by 1 percentage point for each $1,000, or fraction thereof, by which the taxpayers's adjusted gross income for the taxable year exceeds $30,000, and

''(B) in the case of employment-related expenses described in subsection (e)(11), 50 percent reduced (but not below zero) by 1 percentage point for each $800, or fraction thereof, by which the taxpayers's adjusted gross income for the taxable year exceeds $30,000.''.

(b) INFLATION ADJUSTMENT FOR ALLOWABLE EXPENSES.—Section 21(c) (relating to dollar limit on amount creditable) is amended by striking ''The amount determined'' and inserting ''In the case of any taxable year beginning after 1998, each dollar amount referred to in paragraphs (1) and (2) shall be increased by an amount equal to such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, by substituting 'calendar year 1997' for 'calendar year 1992' in subparagraph (B) thereof. If any dollar amount after being increased under the preceding sentence is not a multiple of $10, such dollar amount shall be rounded to the nearest multiple of $10. The amount determined''.

(c) EFFECTIVE DATE.—The amendments made by this section apply to taxable years beginning after December 31, 1998.

SEC. 112. MINIMUM CREDIT ALLOWED FOR STAY-AT-HOME PARENTS.

(a) IN GENERAL.—Section 21(e) (relating to special rules) is amended by adding at the end the following:

''(11) MINIMUM CREDIT ALLOWED FOR STAY-AT-HOME PARENTS.—Notwithstanding subsection (d), in the case of any taxpayer with one or more qualifying individuals described in subsection (b)(1)(A) under the age of 1 at any time during the taxable year, such taxpayer shall be deemed to have employment-related expenses with respect to such qualifying individuals in an amount equal to the sum of—

''(A) $90 for each month in such taxable year during which at least one of such qualifying individuals is under the age of 1, and

''(B) the amount of employment-related expenses otherwise incurred for such qualifying individuals for the taxable year (determined under this section without regard to this paragraph).''.

(b) EFFECTIVE DATE.—The amendments made by this section apply to taxable years beginning after December 31, 1998.

SEC. 113. CREDIT MADE REFUNDABLE.

(a) IN GENERAL.—Part IV of subchapter A of chapter 1 (relating to credits against tax) is amended—

(1) by redesignating section 35 as section 36, and

(2) by redesignating section 21 as section 35.

(b) ADVANCE PAYMENT OF CREDIT.—Chapter 25 (relating to general provisions relating to employment taxes) is amended by inserting after section 3507 the following:

''SEC. 3507A. ADVANCE PAYMENT OF DEPENDENT CARE CREDIT.

''(a) GENERAL RULE.—Except as otherwise provided in this section, every employer making payment of wages with respect to whom a dependent care eligibility certificate is in effect shall, at the time of paying such wages, make an additional payment equal to such employee's dependent care advance amount.

''(b) DEPENDENT CARE ELIGIBILITY CERTIFICATE.—For purposes of this title, a dependent care eligibility certificate is a statement furnished by an employee to the employer which—

''(1) certifies that the employee will be eligible to receive the credit provided by section 35 for the taxable year,

''(2) certifies that the employee reasonably expects to be an applicable taxpayer for the taxable year,

''(3) certifies that the employee does not have a dependent care eligibility certificate in effect for the calendar year with respect to the payment of wages by another employer,

''(4) states whether or not the employee's spouse has a dependent care eligibility certificate in effect,

''(5) states the number of qualifying individuals in the household maintained by the employee, and

''(6) estimates the amount of employment-related expenses for the calendar year.

''(c) DEPENDENT CARE ADVANCE AMOUNT.—

''(1) IN GENERAL.—For purposes of this title, the term 'dependent care advance amount' means, with respect to any payroll period, the amount determined—

''(A) on the basis of the employee's wages from the employer for such period,

''(B) on the basis of the employee's estimated employment-related expenses included in the dependent care eligibility certificate, and

''(C) in accordance with tables provided by the Secretary.

''(2) ADVANCE AMOUNT TABLES.—The tables referred to in paragraph (1)(C) shall be similar in form to the tables prescribed under section 3402 and, to the maximum extent feasible, shall be coordinated with such tables and the tables prescribed under section 3507(c).

''(d) OTHER RULES.—For purposes of this section, rules similar to the rules of subsections (d) and (e) of section 3507 shall apply.

''(e) DEFINITIONS.—For purposes of this section, terms used in this section which are defined in section 35 shall have the respective meanings given such terms by section 35.''.

(c) CONFORMING AMENDMENTS.—

(1) Section 35(a)(1), as redesignated by paragraph (1), is amended by striking ''chapter'' and inserting ''subtitle''.

(2) Section 35(e), as so redesignated and amended by subsection (c), is amended by adding at the end the following:

''(12) COORDINATION WITH ADVANCE PAYMENTS AND MINIMUM TAX.—Rules similar to the rules of subsections (g) and (h) of section 32 shall apply for purposes of this section.''.

(3) Sections 23(f)(1) and 129(a)(2)(C) are each amended by striking ''section 21(e)'' and inserting ''section 35(e)''.

(4) Section 129(b)(2) is amended by striking ''section 21(d)(2)'' and inserting ''section 35(d)(2)''.

(5) Section 129(e)(1) is amended by striking ''section 21(b)(2)'' and inserting ''section 35(b)(2)''.

(6) Section 213(e) is amended by striking ''section 21'' and inserting ''section 35''.

(7) Section 995(f)(2)(C) is amended by striking ''and 34'' and inserting ''34, and 35''.

(8) Section 6211(b)(4)(A) is amended by striking ''and 34'' and inserting '', 34, and 35''.

(9) Section 6213(g)(2)(H) is amended by striking ''section 21'' and inserting ''section 35''.

(10) The table of sections for subpart C of part IV of subchapter A of chapter 1 is amended by striking the item relating to section 35 and inserting the following:

''Sec. 35. Dependent care services.

''Sec. 36. Overpayments of tax.''.

(11) The table of sections for subpart A of such part IV is amended by striking the item relating to section 21.

(12) The table of sections for chapter 25 is amended by adding after the item relating to section 3507 the following:

''Sec. 3507A. Advance payment of dependent care credit.''.

(13) Section 1324(b)(2) of title 31, United States Code, is amended by inserting before the period '', or enacted by the Tax Cut Act of 1998''.

(d) EFFECTIVE DATE.—The amendments made by this section apply to taxable years beginning after December 31, 1998.

SEC. 114. ALLOWANCE OF CREDIT FOR EMPLOYER EXPENSES FOR CHILD CARE ASSISTANCE.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits) is amended by adding at the end the following:

''SEC. 45D. EMPLOYER-PROVIDED CHILD CARE CREDIT.

''(a) ALLOWANCE OF CREDIT.—For purposes of section 38, the employer-provided child care credit determined under this section for the taxable year is an amount equal to 25 percent of the qualified child care expenditures of the taxpayer for such taxable year.

''(b) DOLLAR LIMITATION.—The credit allowable under subsection (a) for any taxable year shall not exceed $150,000.

''(c) DEFINITIONS.—For purposes of this section—

''(1) QUALIFIED CHILD CARE EXPENDITURE.—

''(A) IN GENERAL.—The term 'qualified child care expenditure' means any amount paid or incurred—

''(i) to acquire, construct, rehabilitate, or expand property—

''(I) which is to be used as part of a qualified child care facility of the taxpayer,

''(II) with respect to which a deduction for depreciation (or amortization in lieu of depreciation) is allowable, and

''(III) which does not constitute part of the principal residence (within the meaning of section 1034) of the taxpayer or any employee of the taxpayer,

''(ii) for the operating costs of a qualified child care facility of the taxpayer, including costs related to the training of employees of the child care facility, to scholarship programs, to the providing of differential compensation to employees based on level of child care training, and to expenses associated with achieving accreditation,

''(iii) under a contract with a qualified child care facility to provide child care services to employees of the taxpayer, or

''(iv) under a contract to provide child care resource and referral services to employees of the taxpayer.

''(B) EXCLUSION FOR AMOUNTS FUNDED BY GRANTS, ETC.—The term 'qualified child care expenditure' shall not include any amount to the extent such amount is funded by any grant, contract, or otherwise by another person (or any governmental entity).

''(C) LIMITATION ON ALLOWABLE OPERATING COSTS.—The term 'qualified child care expenditure' shall not include any amount described in subparagraph (A)(ii) if such amount is paid or incurred after the third taxable year in which a credit under this section is taken by the taxpayer, unless the qualified child care facility of the taxpayer has received accreditation from a nationally recognized accrediting body before the end of such third taxable year.

''(2) QUALIFIED CHILD CARE FACILITY.—

''(A) IN GENERAL.—The term 'qualified child care facility' means a facility—

''(i) the principal use of which is to provide child care assistance, and

''(ii) which meets the requirements of all applicable laws and regulations of the State or local government in which it is located, including, but not limited to, the licensing of the facility as a child care facility.

Clause (i) shall not apply to a facility which is the principal residence (within the meaning of section 1034) of the operator of the facility.

''(B) SPECIAL RULES WITH RESPECT TO A TAXPAYER.—A facility shall not be treated as a qualified child care facility with respect to a taxpayer unless—

''(i) enrollment in the facility is open to employees of the taxpayer during the taxable year,

''(ii) the facility is not the principal trade or business of the taxpayer unless at least 30 percent of the enrollees of such facility are dependents of employees of the taxpayer, and

''(iii) the costs to employees of child care services at such facility are determined on a sliding fee scale.

''(d) RECAPTURE OF ACQUISITION AND CONSTRUCTION CREDIT.—

''(1) IN GENERAL.—If, as of the close of any taxable year, there is a recapture event with respect to any qualified child care facility of the taxpayer, then the tax of the taxpayer under this chapter for such taxable year shall be increased by an amount equal to the product of—

''(A) the applicable recapture percentage, and

''(B) the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted if the qualified child care expenditures of the taxpayer described in subsection (c)(1)(A) with respect to such facility had been zero.

''(2) APPLICABLE RECAPTURE PERCENTAGE.—

''(A) IN GENERAL.—For purposes of this subsection, the applicable recapture percentage shall be determined from the following table:

''If the recapture event occurs in:	**The applicable recapture percentage is:**
Years 1–3	100
Year 4	85
Year 5	70
Year 6	55
Year 7	40
Year 8	25
Years 9 and 10	10
Years 11 and thereafter	0.

''(B) YEARS.—For purposes of subparagraph (A), year 1 shall begin on the first day of the taxable year in which the qualified child care facility is placed in service by the taxpayer.

''(3) RECAPTURE EVENT DEFINED.—For purposes of this subsection, the term 'recapture event' means—

''(A) CESSATION OF OPERATION.—The cessation of the operation of the facility as a qualified child care facility.

''(B) CHANGE IN OWNERSHIP.—

''(i) IN GENERAL.—Except as provided in clause (ii), the disposition of a taxpayer's interest in a qualified child care facility with respect to which the credit described in subsection (a) was allowable.

''(ii) AGREEMENT TO ASSUME RECAPTURE LIABILITY.—Clause (i) shall not apply if the person acquiring such interest in the facility agrees in writing to assume the recapture liability of the person disposing of such interest in effect immediately before such disposition. In the event of such an assumption, the person acquiring the interest in the facility shall be treated as the taxpayer for purposes of assessing any recapture liability (computed as if there had been no change in ownership).

''(4) SPECIAL RULES.—

''(A) TAX BENEFIT RULE.—The tax for the taxable year shall be increased under paragraph (1) only with respect to credits allowed by reason of this section which were used to reduce tax liability. In the case of credits not so used to reduce tax liability, the carryforwards and carrybacks under section 39 shall be appropriately adjusted.

''(B) NO CREDITS AGAINST TAX.—Any increase in tax under this subsection shall not be treated as a tax imposed by this chapter for purposes of determining the amount of any credit under subpart A, B, or D of this part.

''(C) NO RECAPTURE BY REASON OF CASUALTY LOSS.—The increase in tax under this subsection shall not apply to a cessation of operation of the facility as a qualified child care facility by reason of a casualty loss to the extent such loss is restored by reconstruction or replacement within a reasonable period established by the Secretary.

''(e) SPECIAL RULES.—For purposes of this section—

''(1) AGGREGATION RULES.—All persons which are treated as a single employer under subsections (a) and (b) of section 52 shall be treated as a single taxpayer.

''(2) PASS-THRU IN THE CASE OF ESTATES AND TRUSTS.—Under regulations prescribed by the Secretary, rules similar to the rules of subsection (d) of section 52 shall apply.

''(3) ALLOCATION IN THE CASE OF PARTNERSHIPS.—In the case of partnerships, the credit shall be allocated among partners under regulations prescribed by the Secretary.

''(f) NO DOUBLE BENEFIT.—

''(1) REDUCTION IN BASIS.—For purposes of this subtitle—

''(A) IN GENERAL.—If a credit is determined under this section with respect to any property by reason of expenditures described in subsection (c)(1)(A), the basis of such property shall be reduced by the amount of the credit so determined.

''(B) CERTAIN DISPOSITIONS.—If during any taxable year there is a recapture amount determined with respect to any property the basis of which was reduced under subparagraph (A), the basis of such property (immediately before the event resulting in such recapture) shall be increased by an amount equal to such recapture amount. For purposes of the preceding sentence, the term 'recapture amount' means any increase in tax (or adjustment in carrybacks or carryovers) determined under subsection (d).

''(2) OTHER DEDUCTIONS AND CREDITS.—No deduction or credit shall be allowed under any other provision of this chapter with respect to the amount of the credit determined under this section.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 38(b) is amended—

(A) by striking out ''plus'' at the end of paragraph (11),

(B) by striking out the period at the end of paragraph (12), and inserting a comma and ''plus'', and

(C) by adding at the end the following new paragraph:

''(13) the employer-provided child care credit determined under section 45D.''.

(2) The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

''Sec. 45D. Employer-provided child care credit.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

TITLE II—EDUCATION AND INFRASTRUCTURE

Subtitle A—General Provisions

SEC. 201. ELIGIBLE EDUCATIONAL INSTITUTIONS PERMITTED TO MAINTAIN QUALIFIED TUITION PROGRAMS.

(a) IN GENERAL.—Paragraph (1) of section 529(b) (defining qualified State tuition program) is amended by inserting ''or by 1 or more eligible educational institutions'' after ''maintained by a State or agency or instrumentality thereof''.

(b) TECHNICAL AMENDMENTS.—

(1) The texts of sections 72(e)(9), 135(c)(2)(C), 135(d)(1)(D), 529, 530, and 4973(e)(1)(B) are each amended by striking ''qualified State tuition program'' each place it appears and inserting ''qualified tuition program''.

(2) The paragraph heading for paragraph (9) of section 72(e) and the subparagraph heading for subparagraph (B) of section 530(b)(2) are each amended by striking ''STATE''.

(3) The subparagraph heading for subparagraph (C) of section 135(c)(2) is amended by striking ''QUALIFIED STATE TUITION PROGRAM'' and inserting ''QUALIFIED TUITION PROGRAMS''.

(4) Sections 529(c)(3)(D)(i) and 6693(a)(2)(C) are each amended by striking ''qualified State tuition programs'' and inserting ''qualified tuition programs''.

(5)(A) The section heading of section 529 is amended to read as follows:

''SEC. 529. QUALIFIED TUITION PROGRAMS.''.

(B) The item relating to section 529 in the table of sections for part VIII of subchapter F of chapter 1 is amended by striking ''State''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1999.

SEC. 202. INCREASE IN VOLUME CAP ON PRIVATE ACTIVITY BONDS.

(a) IN GENERAL.—Subsection (d) of section 146 (relating to volume cap) is amended by striking paragraph (2), by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively, and by striking paragraph (1) and inserting the following new paragraph:

''(1) IN GENERAL.—The State ceiling applicable to any State for any calendar year shall be the greater of—

''(A) an amount equal to $75 multiplied by the State population, or

''(B) $225,000,000.

Subparagraph (B) shall not apply to any possession of the United States.''

(b) CONFORMING AMENDMENT.—Sections 25(f)(3) and 42(h)(3)(E)(iii) are each amended by striking ''section 146(d)(3)(C)'' and inserting ''section 146(d)(2)(C)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years after 1998.

Subtitle B—American Community Renewal Act of 1998

SEC. 211. SHORT TITLE.

This subtitle may be cited as the ''American Community Renewal Act of 1998''.

SEC. 212. DESIGNATION OF AND TAX INCENTIVES FOR RENEWAL COMMUNITIES.

(a) IN GENERAL.—Chapter 1 is amended by adding at the end the following new subchapter:

''Subchapter X—Renewal Communities

''Part I. Designation.

''Part II. Renewal community capital gain; renewal community business.

''Part III. Family development accounts.

''Part IV. Additional incentives.

''PART I—DESIGNATION

''Sec. 1400E. Designation of renewal communities.

''SEC. 1400E. DESIGNATION OF RENEWAL COMMUNITIES.

''(a) DESIGNATION.—

''(1) DEFINITIONS.—For purposes of this title, the term 'renewal community' means any area—

''(A) which is nominated by one or more local governments and the State or States in which it is located for designation as a renewal community (hereinafter in this section referred to as a 'nominated area'), and

''(B) which the Secretary of Housing and Urban Development designates as a renewal community, after consultation with—

''(i) the Secretaries of Agriculture, Commerce, Labor, and the Treasury; the Director of the Office of Management and Budget; and the Administrator of the Small Business Administration, and

''(ii) in the case of an area on an Indian reservation, the Secretary of the Interior.

''(2) NUMBER OF DESIGNATIONS.—

''(A) IN GENERAL.—The Secretary of Housing and Urban Development may designate not more than 20 nominated areas as renewal communities.

''(B) MINIMUM DESIGNATION IN RURAL AREAS.—Of the areas designated under paragraph (1), at least 4 must be areas—

''(i) which are within a local government jurisdiction or jurisdictions with a population of less than 50,000,

''(ii) which are outside of a metropolitan statistical area (within the meaning of section 143(k)(2)(B)), or

''(iii) which are determined by the Secretary of Housing and Urban Development, after consultation with the Secretary of Commerce, to be rural areas.

''(3) AREAS DESIGNATED BASED ON DEGREE OF POVERTY, ETC.—

''(A) IN GENERAL.—Except as otherwise provided in this section, the nominated areas designated as renewal communities under this subsection shall be those nominated areas with the highest average ranking with respect to the criteria described in subparagraphs (B), (C), and (D) of subsection (c)(3). For purposes of the preceding sentence, an area shall be ranked within each such criterion on the basis of the amount by which the area exceeds such criterion, with the area which exceeds such criterion by the greatest amount given the highest ranking.

''(B) EXCEPTION WHERE INADEQUATE COURSE OF ACTION, ETC.—An area shall not be designated under subparagraph (A) if the Secretary of Housing and Urban Development determines that the course of action described in subsection (d)(2) with respect to such area is inadequate.

''(C) PRIORITY FOR EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES WITH RESPECT TO FIRST HALF OF DESIGNATIONS.—With respect to the first 10 designations made under this section—

''(i) 10 shall be chosen from nominated areas which are empowerment zones or enterprise communities (and are otherwise eligible for designation under this section), and

''(ii) of such 10, 2 shall be areas described in paragraph (2)(B).

''(4) LIMITATION ON DESIGNATIONS.—

''(A) PUBLICATION OF REGULATIONS.—The Secretary of Housing and Urban Development shall prescribe by regulation no later than 4 months after the date of the enactment of this section, after consultation with the officials described in paragraph (1)(B)—

''(i) the procedures for nominating an area under paragraph (1)(A),

''(ii) the parameters relating to the size and population characteristics of a renewal community, and

''(iii) the manner in which nominated areas will be evaluated based on the criteria specified in subsection (d).

''(B) TIME LIMITATIONS.—The Secretary of Housing and Urban Development may designate nominated areas as renewal communities only during the 24-month period beginning on the first day of the first month following the month in which the regulations described in subparagraph (A) are prescribed.

''(C) PROCEDURAL RULES.—The Secretary of Housing and Urban Development shall not make any designation of a nominated area as a renewal community under paragraph (2) unless—

''(i) the local governments and the States in which the nominated area is located have the authority—

''(I) to nominate such area for designation as a renewal community,

''(II) to make the State and local commitments described in subsection (d), and

''(III) to provide assurances satisfactory to the Secretary of Housing and Urban Development that such commitments will be fulfilled,

''(ii) a nomination regarding such area is submitted in such a manner and in such form, and contains such information, as the Secretary of Housing and Urban Development shall by regulation prescribe, and

''(iii) the Secretary of Housing and Urban Development determines that any information furnished is reasonably accurate.

''(5) NOMINATION PROCESS FOR INDIAN RESERVATIONS.—For purposes of this subchapter, in the case of a nominated area on an Indian reservation, the reservation governing body (as determined by the Secretary of the Interior) shall be treated as being both the State and local governments with respect to such area.

''(b) PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—

''(1) IN GENERAL.—Any designation of an area as a renewal community shall remain in effect during the period beginning on the date of the designation and ending on the earliest of—

''(A) December 31, 2006,

''(B) the termination date designated by the State and local governments in their nomination, or

''(C) the date the Secretary of Housing and Urban Development revokes such designation.

''(2) REVOCATION OF DESIGNATION.—The Secretary of Housing and Urban Development may revoke the designation under this section of an area if such Secretary determines that the local government or the State in which the area is located—

''(A) has modified the boundaries of the area, or

''(B) is not complying substantially with, or fails to make progress in achieving, the State or local commitments, respectively, described in subsection (d).

''(c) AREA AND ELIGIBILITY REQUIREMENTS.—

''(1) IN GENERAL.—The Secretary of Housing and Urban Development may designate a nominated area as a renewal community under subsection (a) only if the area meets the requirements of paragraphs (2) and (3) of this subsection.

''(2) AREA REQUIREMENTS.—A nominated area meets the requirements of this paragraph if—

''(A) the area is within the jurisdiction of one or more local governments,

''(B) the boundary of the area is continuous, and

''(C) the area—

''(i) has a population, of at least—

''(I) 4,000 if any portion of such area (other than a rural area described in subsection (a)(2)(B)(i)) is located within a metropolitan

statistical area (within the meaning of section 143(k)(2)(B)) which has a population of 50,000 or greater, or

''(II) 1,000 in any other case, or

''(ii) is entirely within an Indian reservation (as determined by the Secretary of the Interior).

''(3) ELIGIBILITY REQUIREMENTS.—A nominated area meets the requirements of this paragraph if the State and the local governments in which it is located certify (and the Secretary of Housing and Urban Development, after such review of supporting data as he deems appropriate, accepts such certification) that—

''(A) the area is one of pervasive poverty, unemployment, and general distress,

''(B) the unemployment rate in the area, as determined by the most recent available data, was at least 1½ times the national unemployment rate for the period to which such data relate,

''(C) the poverty rate for each population census tract within the nominated area is at least 20 percent, and

''(D) in the case of an urban area, at least 70 percent of the households living in the area have incomes below 80 percent of the median income of households within the jurisdiction of the local government (determined in the same manner as under section 119(b)(2) of the Housing and Community Development Act of 1974).

''(4) CONSIDERATION OF HIGH INCIDENCE OF CRIME.—The Secretary of Housing and Urban Development shall take into account, in selecting nominated areas for designation as renewal communities under this section, the extent to which such areas have a high incidence of crime.

''(5) CONSIDERATION OF COMMUNITIES IDENTIFIED IN GAO STUDY.—The Secretary of Housing and Urban Development shall take into account, in selecting nominated areas for designation as renewal communities under this section, if the area has census tracts identified in the May 12, 1998, report of the Government Accounting Office regarding the identification of economically distressed areas.

''(d) REQUIRED STATE AND LOCAL COMMITMENTS.—

''(1) IN GENERAL.—The Secretary of Housing and Urban Development may designate any nominated area as a renewal community under subsection (a) only if—

''(A) the local government and the State in which the area is located agree in writing that, during any period during which the area is a renewal community, such governments will follow a specified course of action which meets the requirements of paragraph (2) and is designed to reduce the various burdens borne by employers or employees in such area, and

''(B) the economic growth promotion requirements of paragraph (3) are met.

''(2) COURSE OF ACTION.—

''(A) IN GENERAL.—A course of action meets the requirements of this paragraph if such course of action is a written document, signed by a State (or local government) and neighborhood organizations, which evidences a partnership between such State or government and community-based organizations and which commits each signatory to specific and measurable goals, actions, and timetables. Such course of action shall include at least five of the following:

''(i) A reduction of tax rates or fees applying within the renewal community.

''(ii) An increase in the level of efficiency of local services within the renewal community.

''(iii) Crime reduction strategies, such as crime prevention (including the provision of such services by nongovernmental entities).

''(iv) Actions to reduce, remove, simplify, or streamline governmental requirements applying within the renewal community.

''(v) Involvement in the program by private entities, organizations, neighborhood organizations, and community groups, particularly those in the renewal community, including a commitment from such private entities to provide jobs and job training for, and technical, financial, or other assistance to, employers, employees, and residents from the renewal community.

''(vi) State or local income tax benefits for fees paid for services performed by a nongovernmental entity which were formerly performed by a governmental entity.

''(vii) The gift (or sale at below fair market value) of surplus real property (such as land, homes, and commercial or industrial structures) in the renewal community to neighborhood organizations, community development corporations, or private companies.

''(B) RECOGNITION OF PAST EFFORTS.—For purposes of this section, in evaluating the course of action agreed to by any State or local government, the Secretary of Housing and Urban Development shall take into account the past efforts of such State or local government in reducing the various burdens borne by employers and employees in the area involved.

''(3) ECONOMIC GROWTH PROMOTION REQUIREMENTS.—The economic growth promotion requirements of this paragraph are met with respect to a nominated area if the local government and the State in which such area is located certify in writing that such government and State, respectively, have repealed or otherwise will not enforce within the area, if such area is designated as a renewal community—

''(A) licensing requirements for occupations that do not ordinarily require a professional degree,

''(B) zoning restrictions on home-based businesses which do not create a public nuisance,

''(C) permit requirements for street vendors who do not create a public nuisance,

''(D) zoning or other restrictions that impede the formation of schools or child care centers, and

''(E) franchises or other restrictions on competition for businesses providing public services, including but not limited to taxicabs, jitneys, cable television, or trash hauling,

except to the extent that such regulation of businesses and occupations is necessary for and well-tailored to the protection of health and safety.

''(e) COORDINATION WITH TREATMENT OF EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES.—For purposes of this title, if there are in effect with respect to the same area both—

''(1) a designation as a renewal community, and

''(2) a designation as an empowerment zone or enterprise community,

both of such designations shall be given full effect with respect to such area.

''(f) DEFINITIONS AND SPECIAL RULES.—For purposes of this subchapter—

''(1) GOVERNMENTS.—If more than one government seeks to nominate an area as a renewal community, any reference to, or requirement of, this section shall apply to all such governments.

''(2) STATE.—The term 'State' includes Puerto Rico, the Virgin Islands of the United States, Guam, American Samoa, the Northern Mariana Islands, and any other possession of the United States.

''(3) LOCAL GOVERNMENT.—The term 'local government' means—

''(A) any county, city, town, township, parish, village, or other general purpose political subdivision of a State,

''(B) any combination of political subdivisions described in subparagraph (A) recognized by the Secretary of Housing and Urban Development, and

''(C) the District of Columbia.

''(4) APPLICATION OF RULES RELATING TO CENSUS TRACTS AND CENSUS DATA.—The rules of sections 1392(b)(4) and 1393(a)(9) shall apply.

''PART II—RENEWAL COMMUNITY CAPITAL GAIN; RENEWAL COMMUNITY BUSINESS

''Sec. 1400F. Renewal community capital gain.

''Sec. 1400G. Renewal community business defined.

''SEC. 1400F. RENEWAL COMMUNITY CAPITAL GAIN.

''(a) GENERAL RULE.—Gross income does not include any qualified capital gain recognized on the sale or exchange of a qualified community asset held for more than 5 years.

''(b) QUALIFIED COMMUNITY ASSET.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified community asset' means—

''(A) any qualified community stock,

''(B) any qualified community partnership interest, and

''(C) any qualified community business property.

''(2) QUALIFIED COMMUNITY STOCK.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'qualified community stock' means any stock in a domestic corporation if—

''(i) such stock is acquired by the taxpayer after December 31, 1999, and before January 1, 2007, at its original issue (directly or through an underwriter) from the corporation solely in exchange for cash,

''(ii) as of the time such stock was issued, such corporation was a renewal community business (or, in the case of a new corporation, such corporation was being organized for purposes of being a renewal community business), and

''(iii) during substantially all of the taxpayer's holding period for such stock, such corporation qualified as a renewal community business.

''(B) REDEMPTIONS.—A rule similar to the rule of section 1202(c)(3) shall apply for purposes of this paragraph.

''(3) QUALIFIED COMMUNITY PARTNERSHIP INTEREST.—The term 'qualified community partnership interest' means any interest in a partnership if—

''(A) such interest is acquired by the taxpayer after December 31, 1999, and before January 1, 2007,

''(B) as of the time such interest was acquired, such partnership was a renewal community business (or, in the case of a new partnership, such partnership was being organized for purposes of being a renewal community business), and

''(C) during substantially all of the taxpayer's holding period for such interest, such partnership qualified as a renewal community business.

A rule similar to the rule of paragraph (2)(B) shall apply for purposes of this paragraph.

''(4) QUALIFIED COMMUNITY BUSINESS PROPERTY.—

''(A) IN GENERAL.—The term 'qualified community business property' means tangible property if—

''(i) such property was acquired by the taxpayer by purchase (as defined in section 179(d)(2)) after December 31, 1999, and before January 1, 2007,

''(ii) the original use of such property in the renewal community commences with the taxpayer, and

''(iii) during substantially all of the taxpayer's holding period for such property, substantially all of the use of such property was in a renewal community business of the taxpayer.

''(B) SPECIAL RULE FOR SUBSTANTIAL IMPROVEMENTS.—The requirements of clauses (i) and (ii) of subparagraph (A) shall be treated as satisfied with respect to—

''(i) property which is substantially improved (within the meaning of section 1400B(b)(4)(B)(ii)) by the taxpayer before January 1, 2007, and

''(ii) any land on which such property is located.

''(c) CERTAIN RULES TO APPLY.—Rules similar to the rules of paragraphs (5), (6), and (7) of subsection (b), and subsections (e), (f), and (g), of section 1400B shall apply for purposes of this section.

''SEC. 1400G. RENEWAL COMMUNITY BUSINESS DEFINED.

''For purposes of this part, the term 'renewal community business' means any entity or proprietorship which would be a qualified business entity or qualified proprietorship under section 1397B if—

''(1) references to renewal communities were substituted for references to empowerment zones in such section; and

''(2) '80 percent' were substituted for '50 percent' in subsections (b)(2) and (c)(1) of such section.

''PART III—FAMILY DEVELOPMENT ACCOUNTS

''Sec. 1400H. Family development accounts for renewal community EITC recipients.

''Sec. 1400I. Demonstration program to provide matching contributions to family development accounts in certain renewal communities.

''Sec. 1400J. Designation of earned income tax credit payments for deposit to family development account.

''SEC. 1400H. FAMILY DEVELOPMENT ACCOUNTS FOR RENEWAL COMMUNITY EITC RECIPIENTS.

''(a) ALLOWANCE OF DEDUCTION.—

''(1) IN GENERAL.—There shall be allowed as a deduction—

''(A) in the case of a qualified individual, the amount paid in cash for the taxable year by such individual to any family development account for such individual's benefit, and

''(B) in the case of any person other than a qualified individual, the amount paid in cash for the taxable year by such person to any family development account for the benefit of a qualified individual but only if the amount so paid is designated for purposes of this section by such individual.

No deduction shall be allowed under this paragraph for any amount deposited in a family development account under section 1400I (relating to demonstration program to provide matching amounts in renewal communities).

''(2) LIMITATION.—

''(A) IN GENERAL.—The amount allowable as a deduction to any individual for any taxable year by reason of paragraph (1)(A) shall not exceed the lesser of—

''(i) $2,000, or

''(ii) an amount equal to the compensation includible in the individual's gross income for such taxable year.

''(B) PERSONS DONATING TO FAMILY DEVELOPMENT ACCOUNTS OF OTHERS.—The amount which may be designated under paragraph (1)(B) by any qualified individual for any taxable year of such individual shall not exceed $1,000.

''(3) SPECIAL RULES FOR CERTAIN MARRIED INDIVIDUALS.—Rules similar to rules of section 219(c) shall apply to the limitation in paragraph (2)(A).

''(4) COORDINATION WITH IRA'S.—No deduction shall be allowed under this section to any person by reason of a payment to an account for the benefit of a qualified individual if any amount is paid into an individual retirement account (including a Roth IRA) for the benefit of such individual.

''(5) ROLLOVERS.—No deduction shall be allowed under this section with respect to any rollover contribution.

''(b) TAX TREATMENT OF DISTRIBUTIONS.—

''(1) INCLUSION OF AMOUNTS IN GROSS INCOME.—Except as otherwise provided in this subsection, any amount paid or distributed out of a family development account shall be included in gross income by the payee or distributee, as the case may be.

''(2) EXCLUSION OF QUALIFIED FAMILY DEVELOPMENT DISTRIBUTIONS.—Paragraph (1) shall not apply to any qualified family development distribution.

''(c) QUALIFIED FAMILY DEVELOPMENT DISTRIBUTION.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified family development distribution' means any amount paid or distributed out of a family development account which would otherwise be includible in gross income, to the extent that such payment or distribution is used exclusively to pay qualified family development expenses for the holder of the account or the spouse or dependent (as defined in section 152) of such holder.

''(2) QUALIFIED FAMILY DEVELOPMENT EXPENSES.—The term 'qualified family development expenses' means any of the following:

''(A) Qualified higher education expenses.

''(B) Qualified first-time homebuyer costs.

''(C) Qualified business capitalization costs.

''(D) Qualified medical expenses.

''(E) Qualified rollovers.

''(3) QUALIFIED HIGHER EDUCATION EXPENSES.—

''(A) IN GENERAL.—The term 'qualified higher education expenses' has the meaning given such term by section 72(t)(7), determined by treating postsecondary vocational educational schools as eligible educational institutions.

''(B) POSTSECONDARY VOCATIONAL EDUCATION SCHOOL.—The term 'postsecondary vocational educational school' means an area vocational education school (as defined in subparagraph (C) or (D) of section 521(4) of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2471(4))) which is in any State (as defined in section 521(33) of such Act), as such sections are in effect on the date of the enactment of this section.

''(C) COORDINATION WITH OTHER BENEFITS.—The amount of qualified higher education expenses for any taxable year shall be reduced as provided in section 25A(g)(2).

''(4) QUALIFIED FIRST-TIME HOMEBUYER COSTS.—The term 'qualified first-time homebuyer costs' means qualified acquisition costs (as defined in section 72(t)(8) without regard to subparagraph (B) thereof) with respect to a principal residence (within the meaning of section 121) for a qualified first-time homebuyer (as defined in such section).

''(5) QUALIFIED BUSINESS CAPITALIZATION COSTS.—

''(A) IN GENERAL.—The term 'qualified business capitalization costs' means qualified expenditures for the capitalization of a qualified business pursuant to a qualified plan.

''(B) QUALIFIED EXPENDITURES.—The term 'qualified expenditures' means expenditures included in a qualified plan, including capital, plant, equipment, working capital, and inventory expenses.

''(C) QUALIFIED BUSINESS.—The term 'qualified business' means any business that does not contravene any law.

''(D) QUALIFIED PLAN.—The term 'qualified plan' means a business plan which meets such requirements as the Secretary may specify.

''(6) QUALIFIED MEDICAL EXPENSES.—The term 'qualified medical expenses' means any amount paid during the taxable year, not compensated for by insurance or otherwise, for medical care (as defined in section 213(d)) of the taxpayer, his spouse, or his dependent (as defined in section 152).

''(7) QUALIFIED ROLLOVERS.—The term 'qualified rollover' means any amount paid from a family development account of a taxpayer into another such account established for the benefit of—

''(A) such taxpayer, or

''(B) any qualified individual who is—

''(i) the spouse of such taxpayer, or

''(ii) any dependent (as defined in section 152) of the taxpayer.

Rules similar to the rules of section 408(d)(3) shall apply for purposes of this paragraph.

''(d) TAX TREATMENT OF ACCOUNTS.—

''(1) IN GENERAL.—Any family development account is exempt from taxation under this subtitle unless such account has ceased to be a family development account by reason of paragraph (2). Notwithstanding the preceding sentence, any such account is subject to the taxes imposed by section 511 (relating to imposition of tax on unrelated business income of charitable, etc., organizations). Notwithstanding any other provision of this title (including chapters 11 and 12), the basis of any person in such an account is zero.

''(2) LOSS OF EXEMPTION IN CASE OF PROHIBITED TRANSACTIONS.—For purposes of this section, rules similar to the rules of section 408(e) shall apply.

''(3) OTHER RULES TO APPLY.—Rules similar to the rules of paragraphs (4), (5), and (6) of section 408(d) shall apply for purposes of this section.

''(e) FAMILY DEVELOPMENT ACCOUNT.—For purposes of this title, the term 'family development account' means a trust created or organized in the United States for the exclusive benefit of a qualified individual or his beneficiaries, but only if the written governing instrument creating the trust meets the following requirements:

''(1) Except in the case of a qualified rollover (as defined in subsection (c)(7))—

''(A) no contribution will be accepted unless it is in cash, and

''(B) contributions will not be accepted for the taxable year in excess of $3,000 (determined without regard to any contribution made under section 1400I (relating to demonstration program to provide matching amounts in renewal communities)).

''(2) The requirements of paragraphs (2) through (6) of section 408(a) are met.

''(f) QUALIFIED INDIVIDUAL.—For purposes of this section, the term 'qualified individual' means, for any taxable year, an individual—

''(1) who is a bona fide resident of a renewal community throughout the taxable year, and

''(2) to whom a credit was allowed under section 32 for the preceding taxable year.

''(g) OTHER DEFINITIONS AND SPECIAL RULES.—

''(1) COMPENSATION.—The term 'compensation' has the meaning given such term by section 219(f)(1).

''(2) MARRIED INDIVIDUALS.—The maximum deduction under subsection (a) shall be computed separately for each individual, and this section shall be applied without regard to any community property laws.

''(3) TIME WHEN CONTRIBUTIONS DEEMED MADE.—For purposes of this section, a taxpayer shall be deemed to have made a contribution to a family development account on the last day of the preceding taxable year if the contribution is made on account of such taxable year and is made not later than the time prescribed by law for filing the return for such taxable year (not including extensions thereof).

''(4) EMPLOYER PAYMENTS; CUSTODIAL ACCOUNTS.—Rules similar to the rules of sections 219(f)(5) and 408(h) shall apply for purposes of this section.

''(5) REPORTS.—The trustee of a family development account shall make such reports regarding such account to the Secretary and to the individual for whom the account is maintained with respect to contributions (and the years to which they relate), distributions, and such other matters as the Secretary may require under regulations. The reports required by this paragraph—

''(A) shall be filed at such time and in such manner as the Secretary prescribes in such regulations, and

''(B) shall be furnished to individuals—

''(i) not later than January 31 of the calendar year following the calendar year to which such reports relate, and

''(ii) in such manner as the Secretary prescribes in such regulations.

''(6) INVESTMENT IN COLLECTIBLES TREATED AS DISTRIBUTIONS.—Rules similar to the rules of section 408(m) shall apply for purposes of this section.

''(h) PENALTY FOR DISTRIBUTIONS NOT USED FOR QUALIFIED FAMILY DEVELOPMENT EXPENSES.—

''(1) IN GENERAL.—If any amount is distributed from a family development account and is not used exclusively to pay qualified family development expenses for the holder of the account or the spouse or dependent (as defined in section 152) of such holder, the tax imposed by this chapter for the taxable year of such distribution shall be increased by the sum of—

''(A) 100 percent of the portion of such amount which is includible in gross income and is attributable to amounts contributed under section 1400I (relating to demonstration program to provide matching amounts in renewal communities), and

''(B) 10 percent of the portion of such amount which is includible in gross income and is not described in subparagraph (A).

For purposes of this subsection, distributions which are includable in gross income shall be treated as attributable to amounts contributed under section 1400I to the extent thereof. For purposes of the preceding sentence, all family development accounts of an individual shall be treated as one account.

''(2) EXCEPTION FOR CERTAIN DISTRIBUTIONS.—Paragraph (1) shall not apply to distributions which are—

''(A) made on or after the date on which the account holder attains age 59½,

''(B) made to a beneficiary (or the estate of the account holder) on or after the death of the account holder, or

''(C) attributable to the account holder's being disabled within the meaning of section 72(m)(7).

''(i) TERMINATION.—No deduction shall be allowed under this section for any amount paid to a family development account for any taxable year beginning after December 31, 2006.

''SEC. 1400I. DEMONSTRATION PROGRAM TO PROVIDE MATCHING CONTRIBUTIONS TO FAMILY DEVELOPMENT ACCOUNTS IN CERTAIN RENEWAL COMMUNITIES.

''(a) DESIGNATION.—

''(1) DEFINITIONS.—For purposes of this section, the term 'FDA matching demonstration area' means any renewal community—

''(A) which is nominated under this section by each of the local governments and States which nominated such community for designation as a renewal community under section 1400E(a)(1)(A), and

''(B) which the Secretary of Housing and Urban Development designates as an FDA matching demonstration area after consultation with—

''(i) the Secretaries of Agriculture, Commerce, Labor, and the Treasury, the Director of the Office of Management and Budget, and the Administrator of the Small Business Administration, and

''(ii) in the case of a community on an Indian reservation, the Secretary of the Interior.

''(2) NUMBER OF DESIGNATIONS.—

''(A) IN GENERAL.—The Secretary of Housing and Urban Development may designate not more than 5 communities as FDA matching demonstration areas.

''(B) MINIMUM DESIGNATION IN RURAL AREAS.—Of the areas designated under subparagraph (A), at least 2 must be areas described in section 1400E(a)(2)(B).

''(3) LIMITATIONS ON DESIGNATIONS.—

''(A) PUBLICATION OF REGULATIONS.—The Secretary of Housing and Urban Development shall prescribe by regulation no later than 4 months after the date of the enactment of this section, after consultation with the officials described in paragraph (1)(B)—

''(i) the procedures for nominating a renewal community under paragraph (1)(A) (including procedures for coordinating such nomination with the nomination of an area for designation as a renewal community under section 1400E), and

''(ii) the manner in which nominated renewal communities will be evaluated for purposes of this section.

''(B) TIME LIMITATIONS.—The Secretary of Housing and Urban Development may designate renewal communities as FDA matching demonstration areas only during the 24-month period beginning on the first day of the first month following the month in which the regulations described in subparagraph (A) are prescribed.

''(4) DESIGNATION BASED ON DEGREE OF POVERTY, ETC.—The rules of section 1400E(a)(3) shall apply for purposes of designations of FDA matching demonstration areas under this section.

''(b) PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—Any designation of a renewal community as an FDA matching demonstration area shall remain in effect during the period beginning on the date of such designation and ending on the date on which such area ceases to be a renewal community.

''(c) MATCHING CONTRIBUTIONS TO FAMILY DEVELOPMENT ACCOUNTS.—

''(1) IN GENERAL.—Not less than once each taxable year, the Secretary shall deposit (to the extent provided in appropriation Acts) into a family development account of each qualified individual (as defined in section 1400H(f))—

''(A) who is a resident throughout the taxable year of an FDA matching demonstration area, and

''(B) who requests (in such form and manner as the Secretary prescribes) such deposit for the taxable year,

an amount equal to the sum of the amounts deposited into all of the family development accounts of such individual during such taxable year (determined without regard to any amount contributed under this section).

''(2) LIMITATIONS.—

''(A) ANNUAL LIMIT.—The Secretary shall not deposit more than $1000 under paragraph (1) with respect to any individual for any taxable year.

''(B) AGGREGATE LIMIT.—The Secretary shall not deposit more than $2000 under paragraph (1) with respect to any individual for all taxable years.

''(3) EXCLUSION FROM INCOME.—Except as provided in section 1400H, gross income shall not include any amount deposited into a family development account under paragraph (1).

''(d) NOTICE OF PROGRAM.—The Secretary shall provide appropriate notice to residents of FDA matching demonstration areas of the availability of the benefits under this section.

''(e) TERMINATION.—No amount may be deposited under this section for any taxable year beginning after December 31, 2006.

''SEC. 1400J. DESIGNATION OF EARNED INCOME TAX CREDIT PAYMENTS FOR DEPOSIT TO FAMILY DEVELOPMENT ACCOUNT.

''(a) IN GENERAL.—With respect to the return of any qualified individual (as defined in section 1400H(f)) for the taxable year of the tax imposed by this chapter, such individual may designate that a specified portion (not less than $1) of any overpayment of tax for such taxable year which is attributable to the earned income tax credit shall be deposited by the Secretary into a family development account of such individual. The Secretary shall so deposit such portion designated under this subsection.

''(b) MANNER AND TIME OF DESIGNATION.—A designation under subsection (a) may be made with respect to any taxable year—

''(1) at the time of filing the return of the tax imposed by this chapter for such taxable year, or

''(2) at any other time (after the time of filing the return of the tax imposed by this chapter for such taxable year) specified in regulations prescribed by the Secretary.

Such designation shall be made in such manner as the Secretary prescribes by regulations.

''(c) PORTION ATTRIBUTABLE TO EARNED INCOME TAX CREDIT.—For purposes of subsection (a), an overpayment for any taxable year shall be treated as attributable to the earned income tax credit to the extent that such overpayment does not exceed the credit allowed to the taxpayer under section 32 for such taxable year.

''(d) OVERPAYMENTS TREATED AS REFUNDED.—For purposes of this title, any portion of an overpayment of tax designated under subsection (a) shall be treated as being refunded to the taxpayer as of the last date prescribed for filing the return of tax imposed by this chapter (determined without regard to extensions) or, if later, the date the return is filed.

''(e) TERMINATION.—This section shall not apply to any taxable year beginning after December 31, 2006.

''PART IV—ADDITIONAL INCENTIVES

''Sec. 1400K. Commercial revitalization credit.

''Sec. 1400L. Increase in expensing under section 179.

''SEC. 1400K. COMMERCIAL REVITALIZATION CREDIT.

''(a) GENERAL RULE.—For purposes of section 46, except as provided in subsection (e), the commercial revitalization credit for any taxable year is an amount equal to the applicable percentage of the qualified revitalization expenditures with respect to any qualified revitalization building.

''(b) APPLICABLE PERCENTAGE.—For purposes of this section—

''(1) IN GENERAL.—The term 'applicable percentage' means—

''(A) 20 percent for the taxable year in which a qualified revitalization building is placed in service, or

''(B) at the election of the taxpayer, 5 percent for each taxable year in the credit period.

The election under subparagraph (B), once made, shall be irrevocable.

''(2) CREDIT PERIOD.—

''(A) IN GENERAL.—The term 'credit period' means, with respect to any building, the period of 10 taxable years beginning with the taxable year in which the building is placed in service.

''(B) APPLICABLE RULES.—Rules similar to the rules under paragraphs (2) and (4) of section 42(f) shall apply.

''(c) QUALIFIED REVITALIZATION BUILDINGS AND EXPENDITURES.—For purposes of this section—

''(1) QUALIFIED REVITALIZATION BUILDING.—The term 'qualified revitalization building' means any building (and its structural components) if—

''(A) such building is located in a renewal community and is placed in service after December 31, 1999,

''(B) a commercial revitalization credit amount is allocated to the building under subsection (e), and

''(C) depreciation (or amortization in lieu of depreciation) is allowable with respect to the building.

''(2) QUALIFIED REVITALIZATION EXPENDITURE.—

''(A) IN GENERAL.—The term 'qualified revitalization expenditure' means any amount properly chargeable to capital account—

''(i) for property for which depreciation is allowable under section 168 and which is—

''(I) nonresidential real property, or

''(II) an addition or improvement to property described in subclause (I), and

''(ii) in connection with the construction of any qualified revitalization building which was not previously placed in service or in connection with the substantial rehabilitation (within the meaning of section 47(c)(1)(C)) of a building which was placed in service before the beginning of such rehabilitation.

''(B) DOLLAR LIMITATION.—The aggregate amount which may be treated as qualified revitalization expenditures with respect to any qualified revitalization building for any taxable year shall not exceed the excess of—

''(i) $10,000,000, reduced by

''(ii) any such expenditures with respect to the building taken into account by the taxpayer or any predecessor in determining the amount of the credit under this section for all preceding taxable years.

''(C) CERTAIN EXPENDITURES NOT INCLUDED.—The term 'qualified revitalization expenditure' does not include—

''(i) STRAIGHT LINE DEPRECIATION MUST BE USED.—Any expenditure (other than with respect to land acquisitions) with respect to which the taxpayer does not use the straight line method over a recovery period determined under subsection (c) or (g) of section 168. The preceding sentence shall not apply to any expenditure to the extent the alternative depreciation system of section 168(g) applies to such expenditure by reason of subparagraph (B) or (C) of section 168(g)(1).

''(ii) ACQUISITION COSTS.—The costs of acquiring any building or interest therein and any land in connection with such building to the extent that such costs exceed 30 percent of the qualified revitalization expenditures determined without regard to this clause.

''(iii) OTHER CREDITS.—Any expenditure which the taxpayer may take into account in computing any other credit allowable under this title unless the taxpayer elects to take the expenditure into account only for purposes of this section.

''(d) WHEN EXPENDITURES TAKEN INTO ACCOUNT.—

''(1) IN GENERAL.—Qualified revitalization expenditures with respect to any qualified revitalization building shall be taken into account for the taxable year in which the qualified revitalization building is placed in service. For purposes of the preceding sentence, a substantial rehabilitation of a building shall be treated as a separate building.

''(2) PROGRESS EXPENDITURE PAYMENTS.—Rules similar to the rules of subsections (b)(2) and (d) of section 47 shall apply for purposes of this section.

''(e) LIMITATION ON AGGREGATE CREDITS ALLOWABLE WITH RESPECT TO BUILDINGS LOCATED IN A STATE.—

''(1) IN GENERAL.—The amount of the credit determined under this section for any taxable year with respect to any building shall not exceed the commercial revitalization credit amount (in the case of an amount determined under subsection (b)(1)(B), the present value of such amount as determined under the rules of section 42(b)(2)(C)) allocated to such building under this subsection by the commercial revitalization credit agency. Such allocation shall be made at the same time and in the same manner as under paragraphs (1) and (7) of section 42(h).

''(2) COMMERCIAL REVITALIZATION CREDIT AMOUNT FOR AGENCIES.—

''(A) IN GENERAL.—The aggregate commercial revitalization credit amount which a commercial revitalization credit agency may allocate for any calendar year is the amount of the State commercial revitalization credit ceiling determined under this paragraph for such calendar year for such agency.

''(B) STATE COMMERCIAL REVITALIZATION CREDIT CEILING.—The State commercial revitalization credit ceiling applicable to any State—

''(i) for each calendar year after 1999 and before 2007 is $2,000,000 for each renewal community in the State, and

''(ii) zero for each calendar year thereafter.

''(C) COMMERCIAL REVITALIZATION CREDIT AGENCY.—For purposes of this section, the term 'commercial revitalization credit agency' means any agency authorized by a State to carry out this section.

''(f) RESPONSIBILITIES OF COMMERCIAL REVITALIZATION CREDIT AGENCIES.—

''(1) PLANS FOR ALLOCATION.—Notwithstanding any other provision of this section, the commercial revitalization credit amount with respect to any building shall be zero unless—

''(A) such amount was allocated pursuant to a qualified allocation plan of the commercial revitalization credit agency which is approved (in accordance with rules similar to the rules of section 147(f)(2) (other than subparagraph (B)(ii) thereof)) by the governmental unit of which such agency is a part, and

''(B) such agency notifies the chief executive officer (or its equivalent) of the local jurisdiction within which the building is located of such allocation and provides such individual a reasonable opportunity to comment on the allocation.

''(2) QUALIFIED ALLOCATION PLAN.—For purposes of this subsection, the term 'qualified allocation plan' means any plan—

''(A) which sets forth selection criteria to be used to determine priorities of the commercial revitalization credit agency which are appropriate to local conditions,

''(B) which considers—

''(i) the degree to which a project contributes to the implementation of a strategic plan that is devised for a renewal community through a citizen participation process,

''(ii) the amount of any increase in permanent, full-time employment by reason of any project, and

''(iii) the active involvement of residents and nonprofit groups within the renewal community, and

''(C) which provides a procedure that the agency (or its agent) will follow in monitoring compliance with this section.

''(g) TERMINATION.—This section shall not apply to any building placed in service after December 31, 2006.

''SEC. 1400L. INCREASE IN EXPENSING UNDER SECTION 179.

''(a) GENERAL RULE.—In the case of a renewal community business (as defined in section 1400G), for purposes of section 179—

''(1) the limitation under section 179(b)(1) shall be increased by the lesser of—

''(A) $35,000, or

''(B) the cost of section 179 property which is qualified renewal property placed in service during the taxable year, and

''(2) the amount taken into account under section 179(b)(2) with respect to any section 179 property which is qualified renewal property shall be 50 percent of the cost thereof.

''(b) RECAPTURE.—Rules similar to the rules under section 179(d)(10) shall apply with respect to any qualified renewal property which ceases to be used in a renewal community by a renewal community business.

''(c) QUALIFIED RENEWAL PROPERTY.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified renewal property' means any property to which section 168 applies (or would apply but for section 179) if—

''(A) such property was acquired by the taxpayer by purchase (as defined in section 179(d)(2)) after December 31, 1999, and before January 1, 2007, and

''(B) such property would be qualified zone property (as defined in section 1397C) if references to renewal communities were substituted for references to empowerment zones in section 1397C.

''(2) CERTAIN RULES TO APPLY.—The rules of subsections (a)(2) and (b) of section 1397C shall apply for purposes of this section.''

SEC. 213. EXTENSION OF EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS TO RENEWAL COMMUNITIES.

(a) EXTENSION.—Paragraph (2) of section 198(c) (defining targeted area) is amended by redesignating subparagraph (C) as subparagraph (D) and by inserting after subparagraph (B) the following new subparagraph:

''(C) RENEWAL COMMUNITIES INCLUDED.—Except as provided in subparagraph (B), such term shall include a renewal community (as defined in section 1400E).''

(b) EXTENSION OF TERMINATION DATE FOR RENEWAL COMMUNITIES.—Subsection (h) of section 198 is amended by inserting before the period ''(December 31, 2006, in the case of a renewal community, as defined in section 1400E).''

SEC. 214. EXTENSION OF WORK OPPORTUNITY TAX CREDIT FOR RENEWAL COMMUNITIES

(a) EXTENSION.—Subsection (c) of section 51 (relating to termination) is amended by adding at the end the following new paragraph:

''(5) EXTENSION OF CREDIT FOR RENEWAL COMMUNITIES.—

''(A) IN GENERAL.—In the case of an individual who begins work for the employer after the date contained in paragraph (4)(B), for purposes of section 38—

''(i) in lieu of applying subsection (a), the amount of the work opportunity credit determined under this section for the taxable year shall be equal to—

''(I) 15 percent of the qualified first-year wages for such year, and

''(II) 30 percent of the qualified second-year wages for such year,

''(ii) subsection (b)(3) shall be applied by substituting '$10,000' for '$6,000',

''(iii) paragraph (4)(B) shall be applied by substituting for the date contained therein

the last day for which the designation under section 1400E of the renewal community referred to in subparagraph (B)(i) is in effect, and

''(iv) rules similar to the rules of section 51A(b)(5)(C) shall apply.

''(B) QUALIFIED FIRST- AND SECOND-YEAR WAGES.—For purposes of subparagraph (A)—

''(i) IN GENERAL.—The term 'qualified wages' means, with respect to each 1-year period referred to in clause (ii) or (iii), as the case may be, the wages paid or incurred by the employer during the taxable year to any individual but only if—

''(I) the employer is engaged in a trade or business in a renewal community throughout such 1-year period,

''(II) the principal place of abode of such individual is in such renewal community throughout such 1-year period, and

''(III) substantially all of the services which such individual performs for the employer during such 1-year period are performed in such renewal community.

''(ii) QUALIFIED FIRST-YEAR WAGES.—The term 'qualified first-year wages' means, with respect to any individual, qualified wages attributable to service rendered during the 1-year period beginning with the day the individual begins work for the employer.

''(iii) QUALIFIED SECOND-YEAR WAGES.—The term 'qualified second-year wages' means, with respect to any individual, qualified wages attributable to service rendered during the 1-year period beginning on the day after the last day of the 1-year period with respect to such individual determined under clause (ii).''

(b) CONGRUENT TREATMENT OF RENEWAL COMMUNITIES AND ENTERPRISE ZONES FOR PURPOSES OF YOUTH RESIDENCE REQUIREMENTS.—

(1) HIGH-RISK YOUTH.—Subparagraphs (A)(ii) and (B) of section 51(d)(5) are each amended by striking ''empowerment zone or enterprise community'' and inserting ''empowerment zone, enterprise community, or renewal community''.

(2) QUALIFIED SUMMER YOUTH EMPLOYEE.—Clause (iv) of section 51(d)(7)(A) is amended by striking ''empowerment zone or enterprise community'' and inserting ''empowerment zone, enterprise community, or renewal community''.

(3) HEADINGS.—Paragraphs (5)(B) and (7)(C) of section 51(d) are each amended by inserting ''OR COMMUNITY'' in the heading after ''ZONE''.

SEC. 215. CONFORMING AND CLERICAL AMENDMENTS.

(a) DEDUCTION FOR CONTRIBUTIONS TO FAMILY DEVELOPMENT ACCOUNTS ALLOWABLE WHETHER OR NOT TAXPAYER ITEMIZES.—Subsection (a) of section 62 (relating to adjusted gross income defined) is amended by inserting after paragraph (17) the following new paragraph:

''(18) FAMILY DEVELOPMENT ACCOUNTS.—The deduction allowed by section 1400H(a)(1)(A).''

(b) TAX ON EXCESS CONTRIBUTIONS.—

(1) TAX IMPOSED.—Subsection (a) of section 4973 is amended by striking ''or'' at the end of paragraph (3), adding ''or'' at the end of paragraph (4), and inserting after paragraph (4) the following new paragraph:

''(5) a family development account (within the meaning of section 1400H(e)),''.

(2) EXCESS CONTRIBUTIONS.—Section 4973 is amended by adding at the end the following new subsection:

''(g) FAMILY DEVELOPMENT ACCOUNTS.—For purposes of this section, in the case of a family development account, the term 'excess contributions' means the sum of—

''(1) the excess (if any) of—

''(A) the amount contributed for the taxable year to the account (other than a qualified rollover, as defined in section 1400H(c)(7), or a contribution under section 1400I), over

''(B) the amount allowable as a deduction under section 1400H for such contributions, and

''(2) the amount determined under this subsection for the preceding taxable year reduced by the sum of—

''(A) the distributions out of the account for the taxable year which were included in the gross income of the payee under section 1400H(b)(1),

''(B) the distributions out of the account for the taxable year to which rules similar to the rules of section 408(d)(5) apply by reason of section 1400H(d)(3), and

''(C) the excess (if any) of the maximum amount allowable as a deduction under section 1400H for the taxable year over the amount contributed to the account for the taxable year (other than a contribution under section 1400I).

For purposes of this subsection, any contribution which is distributed from the family development account in a distribution to which rules similar to the rules of section 408(d)(4) apply by reason of section 1400H(d)(3) shall be treated as an amount not contributed.''

(c) TAX ON PROHIBITED TRANSACTIONS.—Section 4975 is amended—

(1) by adding at the end of subsection (c) the following new paragraph:

''(6) SPECIAL RULE FOR FAMILY DEVELOPMENT ACCOUNTS.—An individual for whose benefit a family development account is established and any contributor to such account shall be exempt from the tax imposed by this section with respect to any transaction concerning such account (which would otherwise be taxable under this section) if, with respect to such transaction, the account ceases to be a family development account by reason of the application of section 1400H(d)(2) to such account.'', and

(2) in subsection (e)(1), by striking ''or'' at the end of subparagraph (E), by redesignating subparagraph (F) as subparagraph (G), and by inserting after subparagraph (E) the following new subparagraph:

''(F) a family development account described in section 1400H(e), or''.

(d) INFORMATION RELATING TO CERTAIN TRUSTS AND ANNUITY PLANS.—Subsection (c) of section 6047 is amended—

(1) by inserting ''or section 1400H'' after ''section 219'', and

(2) by inserting '', of any family development account described in section 1400H(e),'', after ''section 408(a)''.

(e) INSPECTION OF APPLICATIONS FOR TAX EXEMPTION.—Clause (i) of section 6104(a)(1)(B) is amended by inserting ''a family development account described in section 1400H(e),'' after ''section 408(a),''.

(f) FAILURE TO PROVIDE REPORTS ON FAMILY DEVELOPMENT ACCOUNTS.—Paragraph (2) of section 6693(a) is amended by striking ''and'' at the end of subparagraph (C), by striking the period and inserting '', and'' at the end of subparagraph (D), and by adding at the end the following new subparagraph:

''(E) section 1400H(g)(6) (relating to family development accounts).''

(g) CONFORMING AMENDMENTS REGARDING COMMERCIAL REVITALIZATION CREDIT.—

(1) Section 46 (relating to investment credit) is amended by striking ''and'' at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting '', and'', and by adding at the end the following new paragraph:

''(4) the commercial revitalization credit provided under section 1400K.''

(2) Section 39(d) is amended by adding at the end the following new paragraph:

''(9) NO CARRYBACK OF SECTION 1400K CREDIT BEFORE DATE OF ENACTMENT.—No portion of the unused business credit for any taxable year which is attributable to any commercial revitalization credit determined under section 1400K may be carried back to a taxable year ending before the date of the enactment of section 1400K.''

(3) Subparagraph (B) of section 48(a)(2) is amended by inserting ''or commercial revitalization'' after ''rehabilitation'' each place it appears in the text and heading.

(4) Subparagraph (C) of section 49(a)(1) is amended by striking ''and'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', and'', and by adding at the end the following new clause:

''(iv) the portion of the basis of any qualified revitalization building attributable to qualified revitalization expenditures.''

(5) Paragraph (2) of section 50(a) is amended by inserting ''or 1400K(d)(2)'' after ''section 47(d)'' each place it appears.

(6) Subparagraph (A) of section 50(a)(2) is amended by inserting ''or qualified revitalization building (respectively)'' after ''qualified rehabilitated building''.

(7) Subparagraph (B) of section 50(a)(2) is amended by adding at the end the following new sentence: ''A similar rule shall apply for purposes of section 1400K.''

(8) Paragraph (2) of section 50(b) is amended by striking ''and'' at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting ''; and'', and by adding at the end the following new subparagraph:

''(E) a qualified revitalization building (as defined in section 1400K) to the extent of the portion of the basis which is attributable to qualified revitalization expenditures (as defined in section 1400K).''

(9) The last sentence of section 50(b)(3) is amended to read as follows: ''If any qualified rehabilitated building or qualified revitalization building is used by the tax-exempt organization pursuant to a lease, this paragraph shall not apply for purposes of determining the amount of the rehabilitation credit or the commercial revitalization credit.''

(10) Subparagraph (C) of section 50(b)(4) is amended—

(A) by inserting ''or commercial revitalization'' after ''rehabilitated'' in the text and heading, and

(B) by inserting ''or commercial revitalization'' after ''rehabilitation''.

(11) Subparagraph (C) of section 469(i)(3) is amended—

(A) by inserting ''or section 1400K'' after ''section 42''; and

(B) by striking ''CREDIT'' in the heading and inserting ''AND COMMERCIAL REVITALIZATION CREDITS''.

(h) CLERICAL AMENDMENTS.—The table of subchapters for chapter 1 is amended by adding at the end the following new item:

''Subchapter X. Renewal Communities.''

SEC. 216. EVALUATION AND REPORTING REQUIREMENTS.

Not later than the close of the fourth calendar year after the year in which the Secretary of Housing and Urban Development first designates an area as a renewal community under section 1400E of the Internal Revenue Code of 1986, and at the close of each fourth calendar year thereafter, such Secretary shall prepare and submit to the Congress a report on the effects of such designations in stimulating the creation of new jobs, particularly for disadvantaged workers and long-term unemployed individuals, and promoting the revitalization of economically distressed areas.

Subtitle C—Tax Incentives for Education

SEC. 221. EXPANSION OF INCENTIVES FOR PUBLIC SCHOOLS.

(a) IN GENERAL.—Part IV of subchapter U of chapter 1 (relating to incentives for education zones) is amended to read as follows:

"PART IV—INCENTIVES FOR QUALIFIED PUBLIC SCHOOL MODERNIZATION BONDS

''Sec. 1397E. Credit to holders of qualified public school modernization bonds.

''Sec. 1397F. Qualified zone academy bonds.

''Sec. 1397G. Qualified school construction bonds.

"SEC. 1397E. CREDIT TO HOLDERS OF QUALIFIED PUBLIC SCHOOL MODERNIZATION BONDS.

''(a) ALLOWANCE OF CREDIT.—In the case of a taxpayer who holds a qualified public school modernization bond on the credit allowance date of such bond which occurs during the taxable year, there shall be allowed as a credit against the tax imposed by this chapter for such taxable year the amount determined under subsection (b).

''(b) AMOUNT OF CREDIT.—

''(1) IN GENERAL.—The amount of the credit determined under this subsection with respect to any qualified public school modernization bond is the amount equal to the product of—

''(A) the credit rate determined by the Secretary under paragraph (2) for the month in which such bond was issued, multiplied by

''(B) the face amount of the bond held by the taxpayer on the credit allowance date.

''(2) DETERMINATION.—During each calendar month, the Secretary shall determine a credit rate which shall apply to bonds issued during the following calendar month. The credit rate for any month is the percentage which the Secretary estimates will on average permit the issuance of qualified public school modernization bonds without discount and without interest cost to the issuer.

''(c) LIMITATION BASED ON AMOUNT OF TAX.—

''(1) IN GENERAL.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

''(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

''(B) the sum of the credits allowable under part IV of subchapter A (other than subpart C thereof, relating to refundable credits).

''(2) CARRYOVER OF UNUSED CREDIT.—If the credit allowable under subsection (a) exceeds the limitation imposed by paragraph (1) for such taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year.

''(d) QUALIFIED PUBLIC SCHOOL MODERNIZATION BOND; CREDIT ALLOWANCE DATE.—For purposes of this section—

''(1) QUALIFIED PUBLIC SCHOOL MODERNIZATION BOND.—The term 'qualified public school modernization bond' means—

''(A) a qualified zone academy bond, and

''(B) a qualified school construction bond.

''(2) CREDIT ALLOWANCE DATE.—The term 'credit allowance date' means, with respect to any issue, the last day of the 1-year period beginning on the date of issuance of such issue and the last day of each successive 1-year period thereafter.

''(e) OTHER DEFINITIONS.—For purposes of this part—

''(1) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' has the meaning given to such term by section 14101 of the Elementary and Secondary Education Act of 1965. Such term includes the local educational agency that serves the District of Columbia but does not include any other State agency.

''(2) BOND.—The term 'bond' includes any obligation.

''(3) STATE.—The term 'State' includes the District of Columbia and any possession of the United States.

''(4) PUBLIC SCHOOL FACILITY.—The term 'public school facility' shall not include any stadium or other facility primarily used for athletic contests or exhibitions or other events for which admission is charged to the general public.

''(f) CREDIT INCLUDED IN GROSS INCOME.—Gross income includes the amount of the credit allowed to the taxpayer under this section and the amount so included shall be treated as interest income.

''(g) BONDS HELD BY REGULATED INVESTMENT COMPANIES.—If any qualified public school modernization bond is held by a regulated investment company, the credit determined under subsection (a) shall be allowed to shareholders of such company under procedures prescribed by the Secretary.

"SEC. 1397F. QUALIFIED ZONE ACADEMY BONDS.

''(a) QUALIFIED ZONE ACADEMY BOND.—For purposes of this part—

''(1) IN GENERAL.—The term 'qualified zone academy bond' means any bond issued as part of an issue if—

''(A) 95 percent or more of the proceeds of such issue are to be used for a qualified purpose with respect to a qualified zone academy established by a local educational agency,

''(B) the bond is issued by a State or local government within the jurisdiction of which such academy is located,

''(C) the issuer—

''(i) designates such bond for purposes of this section,

''(ii) certifies that it has written assurances that the private business contribution requirement of paragraph (2) will be met with respect to such academy, and

''(iii) certifies that it has the written approval of the local educational agency for such bond issuance, and

''(D) the term of each bond which is part of such issue does not exceed 15 years.

''(2) PRIVATE BUSINESS CONTRIBUTION REQUIREMENT.—

''(A) IN GENERAL.—For purposes of paragraph (1), the private business contribution requirement of this paragraph is met with respect to any issue if the local educational agency that established the qualified zone academy has written commitments from private entities to make qualified contributions having a present value (as of the date of issuance of the issue) of not less than 10 percent of the proceeds of the issue.

''(B) QUALIFIED CONTRIBUTIONS.—For purposes of subparagraph (A), the term 'qualified contribution' means any contribution (of a type and quality acceptable to the local educational agency) of—

''(i) equipment for use in the qualified zone academy (including state-of-the-art technology and vocational equipment),

''(ii) technical assistance in developing curriculum or in training teachers in order to promote appropriate market driven technology in the classroom,

''(iii) services of employees as volunteer mentors,

''(iv) internships, field trips, or other educational opportunities outside the academy for students, or

''(v) any other property or service specified by the local educational agency.

''(3) QUALIFIED ZONE ACADEMY.—The term 'qualified zone academy' means any public school (or academic program within a public school) which is established by and operated under the supervision of a local educational agency to provide education or training below the postsecondary level if—

''(A) such public school or program (as the case may be) is designed in cooperation with business to enhance the academic curriculum, increase graduation and employment rates, and better prepare students for the rigors of college and the increasingly complex workforce,

''(B) students in such public school or program (as the case may be) will be subject to the same academic standards and assessments as other students educated by the local educational agency,

''(D) the comprehensive education plan of such public school or program is approved by the local educational agency, and

''(E)(i) such public school is located in an empowerment zone or enterprise community (including any such zone or community designated after the date of the enactment of this section), or

''(ii) there is a reasonable expectation (as of the date of issuance of the bonds) that at least 35 percent of the students attending such school or participating in such program (as the case may be) will be eligible for free or reduced-cost lunches under the school lunch program established under the National School Lunch Act.

''(4) QUALIFIED PURPOSE.—The term 'qualified purpose' means, with respect to any qualified zone academy—

''(A) constructing, rehabilitating, or repairing the public school facility in which the academy is established,

''(B) providing equipment for use at such academy,

''(C) developing course materials for education to be provided at such academy, and

''(D) training teachers and other school personnel in such academy.

''(5) TEMPORARY PERIOD EXCEPTION.—A bond shall not be treated as failing to meet the requirement of paragraph (1)(A) solely by reason of the fact that the proceeds of the issue of which such bond is a part are invested for a reasonable temporary period (but not more than 36 months) until such proceeds are needed for the purpose for which such issue was issued. Any earnings on such proceeds during such period shall be treated as proceeds of the issue for purposes of applying paragraph (1)(A).

''(b) LIMITATIONS ON AMOUNT OF BONDS DESIGNATED.—

''(1) IN GENERAL.—There is a national zone academy bond limitation for each calendar year. Such limitation is—

''(A) $400,000,000 for 1998,

''(B) $700,000,000 for 1999,

''(C) $700,000,000 for 2000,

''(D) $700,000,000 for 2001,

''(C) $700,000,000 for 2002, and

''(D) except as provided in paragraph (3), zero after 2002.

''(2) ALLOCATION OF LIMITATION.—

''(A) ALLOCATION AMONG STATES.—

''(i) 1998 LIMITATION.—The national zone academy bond limitation for calendar year 1998 shall be allocated by the Secretary among the States on the basis of their respective populations of individuals below the poverty line (as defined by the Office of Management and Budget).

''(ii) LIMITATION AFTER 1998.—The national zone academy bond limitation for any calendar year after 1998 shall be allocated by the Secretary among the States in the manner prescribed by section 1397G(d); except that, in making the allocation under this clause, the Secretary shall take into account Basic Grants attributable to large local educational agencies (as defined in section 1397G(e)).

''(B) ALLOCATION TO LOCAL EDUCATIONAL AGENCIES.—The limitation amount allocated to a State under subparagraph (A) shall be allocated by the State education agency to qualified zone academies within such State.

''(C) DESIGNATION SUBJECT TO LIMITATION AMOUNT.—The maximum aggregate face amount of bonds issued during any calendar year which may be designated under subsection (a) with respect to any qualified zone

academy shall not exceed the limitation amount allocated to such academy under subparagraph (B) for such calendar year.

''(3) CARRYOVER OF UNUSED LIMITATION.—If for any calendar year—

''(A) the limitation amount under this subsection for any State, exceeds

''(B) the amount of bonds issued during such year which are designated under subsection (a) with respect to qualified zone academies within such State,

the limitation amount under this subsection for such State for the following calendar year shall be increased by the amount of such excess. The preceding sentence shall not apply if such following calendar year is after 2004.

''SEC. 1397G. QUALIFIED SCHOOL CONSTRUCTION BONDS.

''(a) QUALIFIED SCHOOL CONSTRUCTION BOND.—For purposes of this part, the term 'qualified school construction bond' means any bond issued as part of an issue if—

''(1) 95 percent or more of the proceeds of such issue are to be used for the construction, rehabilitation, or repair of a public school facility,

''(2) the bond is issued by a State or local government within the jurisdiction of which such school is located,

''(3) the issuer designates such bond for purposes of this section, and

''(4) the term of each bond which is part of such issue does not exceed 15 years.

Rules similar to the rules of section 1397F(a)(5) shall apply for purposes of paragraph (1).

''(b) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—The maximum aggregate face amount of bonds issued during any calendar year which may be designated under subsection (a) by any issuer shall not exceed the sum of—

''(1) the limitation amount allocated under subsection (d) for such calendar year to such issuer, and

''(2) if such issuer is a large local educational agency (as defined in subsection (e)) or is issuing on behalf of such an agency, the limitation amount allocated under subsection (e) for such calendar year to such agency.

''(c) NATIONAL LIMITATION ON AMOUNT OF BONDS DESIGNATED.—

''(1) IN GENERAL.—There is a national qualified school construction bond limitation for each calendar year equal to the dollar amount specified in paragraph (2) for such year, reduced, in the case of calendar years 1999 and 2000, by 1.5 percent of such amount.

''(2) DOLLAR AMOUNT SPECIFIED.—The dollar amount specified in this paragraph is—

''(A) $9,700,000,000 for 1999,

''(B) $9,700,000,000 for 2000, and

''(C) except as provided in subsection (f), zero after 2000.

''(d) 65-PERCENT OF LIMITATION ALLOCATED AMONG STATES.—

''(1) IN GENERAL.—Sixty-five percent of the limitation applicable under subsection (c) for any calendar year shall be allocated among the States under paragraph (2) by the Secretary. The limitation amount allocated to a State under the preceding sentence shall be allocated by the State education agency to issuers within such State and such allocations may be made only if there is an approved State application.

''(2) ALLOCATION FORMULA.—The amount to be allocated under paragraph (1) for any calendar year shall be allocated among the States in proportion to the respective amounts each such State received for Basic Grants under subpart 2 of part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6331 et seq.) for the most recent fiscal year ending before such calendar year. For purposes of the preceding sentence, Basic Grants attributable to large local educational agencies (as defined in subsection (e)) shall be disregarded.

''(3) MINIMUM ALLOCATIONS TO STATES.—

''(A) IN GENERAL.—The Secretary shall adjust the allocations under this subsection for any calendar year for each State to the extent necessary to ensure that the sum of—

''(i) the amount allocated to such State under this subsection for such year, and

''(ii) the aggregate amounts allocated under subsection (e) to large local educational agencies in such State for such year,

is not less than an amount equal to such State's minimum percentage of 65 percent of the national qualified school construction bond limitation under subsection (c) for the calendar year.

''(B) MINIMUM PERCENTAGE.—A State's minimum percentage for any calendar year is the minimum percentage described in section 1124(d) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6334(d)) for such State for the most recent fiscal year ending before such calendar year.

''(4) ALLOCATIONS TO CERTAIN POSSESSIONS.—The amount to be allocated under paragraph (1) to any possession of the United States other than Puerto Rico shall be the amount which would have been allocated if all allocations under paragraph (1) were made on the basis of respective populations of individuals below the poverty line (as defined by the Office of Management and Budget). In making other allocations, the amount to be allocated under paragraph (1) shall be reduced by the aggregate amount allocated under this paragraph to possessions of the United States.

''(5) APPROVED STATE APPLICATION.—For purposes of paragraph (1), the term 'approved State application' means an application which is approved by the Secretary of Education and which includes—

''(A) the results of a recent publicly-available survey (undertaken by the State with the involvement of local education officials, members of the public, and experts in school construction and management) of such State's needs for public school facilities, including descriptions of—

''(i) health and safety problems at such facilities,

''(ii) the capacity of public schools in the State to house projected enrollments, and

''(iii) the extent to which the public schools in the State offer the physical infrastructure needed to provide a high-quality education to all students, and

''(B) a description of how the State will allocate to local educational agencies, or otherwise use, its allocation under this subsection to address the needs identified under subparagraph (A), including a description of how it will—

''(i) give highest priority to localities with the greatest needs, as demonstrated by inadequate school facilities coupled with a low level of resources to meet those needs,

''(ii) use its allocation under this subsection to assist localities that lack the fiscal capacity to issue bonds on their own, including the issuance of bonds by the State on behalf of such localities, and

''(iii) ensure that its allocation under this subsection is used only to supplement, and not supplant, the amount of school construction, rehabilitation, and repair in the State that would have occurred in the absence of such allocation.

Any allocation under paragraph (1) by a State education agency shall be binding if such agency reasonably determined that the allocation was in accordance with the plan approved under this paragraph.

''(e) 35-PERCENT OF LIMITATION ALLOCATED AMONG LARGEST SCHOOL DISTRICTS.—

''(1) IN GENERAL.—Thirty-five percent of the limitation applicable under subsection (c) for any calendar year shall be allocated under paragraph (2) by the Secretary among local educational agencies which are large local educational agencies for such year. No qualified school construction bond may be issued by reason of an allocation to a large local educational agency under the preceding sentence unless such agency has an approved local application.

''(2) ALLOCATION FORMULA.—The amount to be allocated under paragraph (1) for any calendar year shall be allocated among large local educational agencies in proportion to the respective amounts each such agency received for Basic Grants under subpart 2 of part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6331 et seq.) for the most recent fiscal year ending before such calendar year.

''(3) LARGE LOCAL EDUCATIONAL AGENCY.—For purposes of this section, the term 'large local educational agency' means, with respect to a calendar year, any local educational agency if such agency is—

''(A) among the 100 local educational agencies with the largest numbers of children aged 5 through 17 from families living below the poverty level, as determined by the Secretary using the most recent data available from the Department of Commerce that are satisfactory to the Secretary, or

''(B) 1 of not more than 25 local educational agencies (other than those described in clause (i)) that the Secretary of Education determines (based on the most recent data available satisfactory to the Secretary) are in particular need of assistance, based on a low level of resources for school construction, a high level of enrollment growth, or such other factors as the Secretary deems appropriate.

''(4) APPROVED LOCAL APPLICATION.—For purposes of paragraph (1), the term 'approved local application' means an application which is approved by the Secretary of Education and which includes—

''(A) the results of a recent publicly-available survey (undertaken by the local educational agency with the involvement of school officials, members of the public, and experts in school construction and management) of such agency's needs for public school facilities, including descriptions of—

''(i) the overall condition of the local educational agency's school facilities, including health and safety problems,

''(ii) the capacity of the agency's schools to house projected enrollments, and

''(iii) the extent to which the agency's schools offer the physical infrastructure needed to provide a high-quality education to all students,

''(B) a description of how the local educational agency will use its allocation under this subsection to address the needs identified under subparagraph (A), and

''(C) a description of how the local educational agency will ensure that its allocation under this subsection is used only to supplement, and not supplant, the amount of school construction, rehabilitation, or repair in the locality that would have occurred in the absence of such allocation.

A rule similar to the rule of the last sentence of subsection (d)(5) shall apply for purposes of this paragraph.

''(f) CARRYOVER OF UNUSED LIMITATION.—If for any calendar year—

''(1) the amount allocated under subsection (d) to any State, exceeds

''(2) the amount of bonds issued during such year which are designated under subsection (a) pursuant to such allocation,

the limitation amount under such subsection for such State for the following calendar year shall be increased by the amount of such excess. A similar rule shall apply to the amounts allocated under subsection (e). The subsection shall not apply if such following calendar year is after 2002.

''(g) SET-ASIDE ALLOCATED AMONG INDIAN TRIBES.—

''(1) IN GENERAL.—The 1.5 percent set-aside applicable under subsection (c)(1) for any calendar year shall be allocated under paragraph (2) among Indian tribes for the construction, rehabilitation, or repair of tribal schools. No allocation may be made under the preceding sentence unless the Indian tribe has an approved application.

''(2) ALLOCATION FORMULA.—The amount to be allocated under paragraph (1) for any calendar year shall be allocated among Indian tribes on a competitive basis by the Secretary of Education, in consultation with the Secretary of the Interior—

''(A) through a negotiated rulemaking procedure with the tribes in the same manner as the procedure described in section 106(b)(2) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4116(b)(2)), and

''(B) based on criteria described in paragraphs (1), (3), (4), (5), and (6) of section 12005(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8505(a)).

''(3) APPROVED APPLICATION.—For purposes of paragraph (1), the term 'approved application' means an application submitted by an Indian tribe which is approved by the Secretary of Education and which includes—

''(A) the basis upon which the applicable tribal school meets the criteria described in paragraph (2)(B), and

''(B) an assurance by the Indian tribe that such tribal school will not receive funds pursuant to allocations described in subsection (d) or (e).

''(4) DEFINITIONS.—For purposes of this subsection—

''(A) INDIAN TRIBE.—The term 'Indian tribe' has the meaning given such term by section 45A(c)(6).

''(B) TRIBAL SCHOOL.—The term 'tribal school' means a school that is operated by an Indian tribe for the education of Indian children with financial assistance under grant under the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.) or a contract with the Bureau of Indian Affairs under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450f et seq.).''

(b) REPORTING.—Subsection (d) of section 6049 (relating to returns regarding payments of interest) is amended by adding at the end the following new paragraph:

''(8) REPORTING OF CREDIT ON QUALIFIED PUBLIC SCHOOL MODERNIZATION BONDS.—

''(A) IN GENERAL.—For purposes of subsection (a), the term 'interest' includes amounts includible in gross income under section 1397E(f) and such amounts shall be treated as paid on the credit allowance date (as defined in section 1397E(d)(2)).

''(B) REPORTING TO CORPORATIONS, ETC.—Except as otherwise provided in regulations, in the case of any interest described in subparagraph (A) of this paragraph, subsection (b)(4) of this section shall be applied without regard to subparagraphs (A), (H), (I), (J), (K), and (L)(i).

''(C) REGULATORY AUTHORITY.—The Secretary may prescribe such regulations as are necessary or appropriate to carry out the purposes of this paragraph, including regulations which require more frequent or more detailed reporting.''

(c) CLERICAL AMENDMENTS.—

(1) The table of parts for subchapter U of chapter 1 is amended by striking the item relating to part IV and inserting the following new item:

''Part IV. Incentives for qualified public school modernization bonds.''

(2) Part V of subchapter U of chapter 1 is amended by redesignating both section 1397F and the item relating thereto in the table of sections for such part as section 1397H.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to obligations issued after December 31, 1998.

(2) REPEAL OF RESTRICTION ON ZONE ACADEMY BOND HOLDERS.—The repeal of the limitation of section 1397E of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of this Act) to eligible taxpayers (as defined in subsection (d)(6) of such section) shall apply to obligations issued after December 31, 1997.

TITLE III—SMALL BUSINESS AND FARMER TAX RELIEF

SEC. 301. ACCELERATION OF UNIFIED ESTATE AND GIFT TAX CREDIT INCREASE.

The table in section 2010(c) (relating to applicable credit amount) is amended by striking the item relating to calendar year 1999 and by striking ''2000 and 2001'' and inserting ''1999, 2000, and 2001''.

SEC. 302. 100 PERCENT DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.

(a) IN GENERAL.—Paragraph (1) of section 162(l) (relating to special rules for health insurance costs of self-employed individuals) is amended to read as follows:

''(1) ALLOWANCE OF DEDUCTION.—In the case of an individual who is an employee within the meaning of section 401(c)(1), there shall be allowed as a deduction under this section an amount equal to 100 percent of the amount paid during the taxable year for insurance which constitutes medical care for the taxpayer, his spouse, and dependents.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1998.

SEC. 303. INCOME AVERAGING FOR FARMERS MADE PERMANENT.

Subsection (c) of section 933 of the Taxpayer Relief Act of 1997 is amended by striking '', and before January 1, 2001''.

SEC. 304. 5-YEAR NET OPERATING LOSS CARRYBACK FOR FARMING LOSSES.

(a) IN GENERAL.—Paragraph (1) of section 172(b) (relating to net operating loss deduction) is amended by adding at the end the following new subparagraph:

''(G) FARMING LOSSES.—In the case of a taxpayer which has a farming loss (as defined in subsection (i)) for a taxable year, such farming loss shall be a net operating loss carryback to each of the 5 taxable years preceding the taxable year of such loss.''

(b) FARMING LOSS.—Section 172 is amended by redesignating subsection (i) as subsection (j) and by inserting after subsection (h) the following new subsection:

''(i) RULES RELATING TO FARMING LOSSES.—For purposes of this section—

''(1) IN GENERAL.—The term 'farming loss' means the lesser of—

''(A) the amount which would be the net operating loss for the taxable year if only income and deductions attributable to farming businesses (as defined in section 263A(e)(4)) are taken into account, or

''(B) the amount of the net operating loss for such taxable year.

''(2) COORDINATION WITH SUBSECTION (b)(2).—For purposes of applying subsection (b)(2), a farming loss for any taxable year shall be treated in a manner similar to the manner in which a specified liability loss is treated.

''(3) ELECTION.—Any taxpayer entitled to a 5-year carryback under subsection (b)(1)(G) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to subsection (b)(1)(G). Such election shall be made in such manner as may be prescribed by the Secretary and shall be made by the due date (including extensions of time) for filing the taxpayer's return for the taxable year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for such taxable year.''

(c) COORDINATION WITH FARM DISASTER LOSSES.—Clause (ii) of section 172(b)(1)(F) is amended by adding at the end the following flush sentence:

''Such term shall not include any farming loss (as defined in subsection (i)).''

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to net operating losses for taxable years beginning after December 31, 1997.

SEC. 305. INCREASE IN EXPENSE TREATMENT FOR SMALL BUSINESSES.

(a) GENERAL RULE.—Paragraph (1) of section 179(b) (relating to dollar limitation) is amended to read as follows:

''(1) DOLLAR LIMITATION.—The aggregate cost which may be taken into account under subsection (a) for any taxable year shall not exceed $25,000.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1998.

SEC. 306. RESEARCH CREDIT.

(a) TEMPORARY EXTENSION.—

(1) IN GENERAL.—Paragraph (1) of section 41(h) (relating to termination) is amended—

(A) by striking ''June 30, 1998'' and inserting ''February 29, 2000'',

(B) by striking ''24-month'' and inserting ''44-month'', and

(C) by striking ''24 months'' and inserting ''44 months''.

(2) TECHNICAL AMENDMENT.—Subparagraph (D) of section 45C(b)(1) is amended by striking ''June 30, 1998'' and inserting ''February 29, 2000''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after June 30, 1998.

(b) INCREASE IN PERCENTAGES UNDER ALTERNATIVE INCREMENTAL CREDIT.—

(1) IN GENERAL.—Subparagraph (A) of section 41(c)(4) is amended—

(A) by striking ''1.65 percent'' and inserting ''2.65 percent'',

(B) by striking ''2.2 percent'' and inserting ''3.2 percent'', and

(C) by striking ''2.75 percent'' and inserting ''3.75 percent''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after June 30, 1998.

SEC. 307. WORK OPPORTUNITY CREDIT.

(a) TEMPORARY EXTENSION.—Subparagraph (B) of section 51(c)(4) (relating to termination) is amended by striking ''June 30, 1998'' and inserting ''February 29, 2000''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to individuals who begin work for the employer after June 30, 1998.

SEC. 308. WELFARE-TO-WORK CREDIT.

Subsection (f) of section 51A (relating to termination) is amended by striking ''April 30, 1999'' and inserting ''February 29, 2000''.

SEC. 309. CONTRIBUTIONS OF STOCK TO PRIVATE FOUNDATIONS; EXPANDED PUBLIC INSPECTION OF PRIVATE FOUNDATIONS' ANNUAL RETURNS.

(a) SPECIAL RULE FOR CONTRIBUTIONS OF STOCK MADE PERMANENT.—

(1) IN GENERAL.—Paragraph (5) of section 170(e) is amended by striking subparagraph (D) (relating to termination).

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to contributions made after June 30, 1998.

(b) EXPANDED PUBLIC INSPECTION OF PRIVATE FOUNDATIONS' ANNUAL RETURNS, ETC.—

(1) IN GENERAL.—Section 6104 (relating to publicity of information required from certain exempt organizations and certain trusts) is amended by striking subsections (d) and (e) and inserting after subsection (c) the following new subsection:

''(d) PUBLIC INSPECTION OF CERTAIN ANNUAL RETURNS AND APPLICATIONS FOR EXEMPTION.—

''(1) IN GENERAL.—In the case of an organization described in subsection (c) or (d) of section 501 and exempt from taxation under section 501(a)—

''(A) a copy of—

''(i) the annual return filed under section 6033 (relating to returns by exempt organizations) by such organization, and

''(ii) if the organization filed an application for recognition of exemption under section 501, the exempt status application materials of such organization,

shall be made available by such organization for inspection during regular business hours by any individual at the principal office of such organization and, if such organization regularly maintains 1 or more regional or district offices having 3 or more employees, at each such regional or district office, and

''(B) upon request of an individual made at such principal office or such a regional or district office, a copy of such annual return and exempt status application materials shall be provided to such individual without charge other than a reasonable fee for any reproduction and mailing costs.

The request described in subparagraph (B) must be made in person or in writing. If such request is made in person, such copy shall be provided immediately and, if made in writing, shall be provided within 30 days.

''(2) 3-YEAR LIMITATION ON INSPECTION OF RETURNS.—Paragraph (1) shall apply to an annual return filed under section 6033 only during the 3-year period beginning on the last day prescribed for filing such return (determined with regard to any extension of time for filing).

''(3) EXCEPTIONS FROM DISCLOSURE REQUIREMENT.—

''(A) NONDISCLOSURE OF CONTRIBUTORS, ETC.—Paragraph (1) shall not require the disclosure of the name or address of any contributor to the organization. In the case of an organization described in section 501(d), subparagraph (A) shall not require the disclosure of the copies referred to in section 6031(b) with respect to such organization.

''(B) NONDISCLOSURE OF CERTAIN OTHER INFORMATION.—Paragraph (1) shall not require the disclosure of any information if the Secretary withheld such information from public inspection under subsection (a)(1)(D).

''(4) LIMITATION ON PROVIDING COPIES.—Paragraph (1)(B) shall not apply to any request if, in accordance with regulations promulgated by the Secretary, the organization has made the requested documents widely available, or the Secretary determines, upon application by an organization, that such request is part of a harassment campaign and that compliance with such request is not in the public interest.

''(5) EXEMPT STATUS APPLICATION MATERIALS.—For purposes of paragraph (1), the term 'exempt status applicable materials' means the application for recognition of exemption under section 501 and any papers submitted in support of such application and any letter or other document issued by the Internal Revenue Service with respect to such application.''

(2) CONFORMING AMENDMENTS.—

(A) Subsection (c) of section 6033 is amended by adding ''and'' at the end of paragraph (1), by striking paragraph (2), and by redesignating paragraph (3) as paragraph (2).

(B) Subparagraph (C) of section 6652(c)(1) is amended by striking ''subsection (d) or (e)(1) of section 6104 (relating to public inspection of annual returns)'' and inserting ''section 6104(d) with respect to any annual return''.

(C) Subparagraph (D) of section 6652(c)(1) is amended by striking ''section 6104(e)(2) (relating to public inspection of applications for exemption)'' and inserting ''section 6104(d) with respect to any exempt status application materials (as defined in such section)''.

(D) Section 6685 is amended by striking ''or (e)''.

(E) Section 7207 is amended by striking ''or (e)''.

(3) EFFECTIVE DATE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by this subsection shall apply to requests made after the later of December 31, 1998, or the 60th day after the Secretary of the Treasury first issues the regulations referred to such section 6104(d)(4) of the Internal Revenue Code of 1986, as amended by this section.

(B) PUBLICATION OF ANNUAL RETURNS.—Section 6104(d) of such Code, as in effect before the amendments made by this subsection, shall not apply to any return the due date for which is after the date such amendments take effect under subparagraph (A).

TITLE IV—SOCIAL SECURITY EARNINGS LIMIT

SEC. 401. INCREASES IN THE SOCIAL SECURITY EARNINGS LIMIT FOR INDIVIDUALS WHO HAVE ATTAINED RETIREMENT AGE.

(a) IN GENERAL.—Section 203(f)(8)(D) of the Social Security Act (42 U.S.C. 403(f)(8)(D)) is amended by striking clauses (iv) through (vii) and inserting the following new clauses:

''(iv) for each month of any taxable year ending after 1998 and before 2000, $1,416.66⅔,

''(v) for each month of any taxable year ending after 1999 and before 2001, $1,541.66⅔,

''(vi) for each month of any taxable year ending after 2000 and before 2002, $2,166.66⅔,

''(vii) for each month of any taxable year ending after 2001 and before 2003, $2,500.00,

''(viii) for each month of any taxable year ending after 2002 and before 2004, $2,608.33⅓,

''(ix) for each month of any taxable year ending after 2003 and before 2005, $2,833.33⅓,

''(x) for each month of any taxable year ending after 2004 and before 2006, $2,950.00,

''(xi) for each month of any taxable year ending after 2005 and before 2007, $3,066.66⅔,

''(xii) for each month of any taxable year ending after 2006 and before 2008, $3,195.83⅓, and

''(xiii) for each month of any taxable year ending after 2007 and before 2009, $3,312.50.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 203(f)(8)(B)(ii) of such Act (42 U.S.C. 403(f)(8)(B)(ii)) is amended—

(A) by striking ''after 2001 and before 2003'' and inserting ''after 2007 and before 2009''; and

(B) in subclause (II), by striking ''2000'' and inserting ''2006''.

(2) The second sentence of section 223(d)(4)(A) of such Act (42 U.S.C. 423(d)(4)(A)) is amended by inserting ''and section 121 of the Taxpayer Relief Act of 1998'' after ''1996''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to taxable years ending after 1998.

TITLE V—REVENUE OFFSET

SEC. 501. TREATMENT OF CERTAIN DEDUCTIBLE LIQUIDATING DISTRIBUTIONS OF REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.

(a) IN GENERAL.—Section 332 (relating to complete liquidations of subsidiaries) is amended by adding at the end the following new subsection:

''(c) DEDUCTIBLE LIQUIDATING DISTRIBUTIONS OF REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.—If a corporation receives a distribution from a regulated investment company or a real estate investment trust which is considered under subsection (b) as being in complete liquidation of such company or trust, then, notwithstanding any other provision of this chapter, such corporation shall recognize and treat as a dividend from such company or trust an amount equal to the deduction for dividends paid allowable to such company or trust by reason of such distribution.''.

(b) CONFORMING AMENDMENTS.—

(1) The material preceding paragraph (1) of section 332(b) is amended by striking ''subsection (a)'' and inserting ''this section''.

(2) Paragraph (1) of section 334(b) is amended by striking ''section 332(a)'' and inserting ''section 332''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after May 21, 1998.

(d) TRANSFER OF INCREASED REVENUES TO SOCIAL SECURITY TRUST FUNDS.—

(1) ESTIMATE BY SECRETARY.—The Secretary of the Treasury shall periodically estimate the increase in Federal revenues for each fiscal year beginning after September 30, 1997, by reason of the amendments made by this section. The Secretary shall adjust any estimate to the extent necessary to correct any error in a prior estimate.

(2) TRANSFER OF FUNDS.—The Secretary of the Treasury shall, not less frequently than quarterly, transfer to the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401) from the general fund of the Treasury an amount equal to the increase in Federal revenues estimated under paragraph (1) for the period covered by the transfer. Such transfer shall be allocated among the trust funds in the same manner as other revenues.

TITLE VI—SAVING SOCIAL SECURITY FIRST

SEC. 601. EFFECTIVE DATE OF PROVISIONS CONTINGENT ON SAVING SOCIAL SECURITY FIRST.

(a) FINDINGS.—The Senate finds that—

(1) the social security program, created in 1935 to provide old-age, survivors, and disability insurance benefits, is one the most successful and important social insurance programs in the United States, and has played an essential role in reducing poverty among seniors;

(2) the social security program will face significant pressures when the baby boom generation retires, which could threaten the long-term viability of the program;

(3) Congress needs to act promptly to ensure that social security benefits will be available when today's younger Americans retire; and

(4) current budget law and rules that were established to ensure fiscal discipline, including the pay-as-you-go system (which requires tax cuts to be fully offset), prevent Congress from using projected budget surpluses to pay for tax cuts, except by a supermajority vote by three-fifths of the membership of the Senate.

(b) REQUIREMENT FOR SOCIAL SECURITY SOLVENCY.—Notwithstanding any other provision of, or amendment made by, this Act, no

such provision or amendment shall take effect before the first January 1 after the date of enactment of this Act that follows a calendar year for which there is a social security solvency designation pursuant to subsection (c).

(c) SOCIAL SECURITY SOLVENCY DESIGNATION.—For purposes of subsection (b), there is a social security solvency designation for a calendar year if, during such year—

(1) the Board of Trustees of the social security trust funds certifies in its annual report that both the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are in long-range actuarial balance pursuant to section 201(c)(2) of the Social Security Act (42 U.S.C. 401(c)(2)); and

(2) Congress, upon review of the Board of Trustees' determination that the trust funds are in long-range actuarial balance, so certifies by statute.

● Mr. LAUTENBERG. Mr. President, today I am submitting an amendment to the House-passed tax bill on the calendar. This amendment would improve the House bill by directing more of its tax relief to middle income taxpayers, and by protecting Social Security.

The amendment would provide relief from the marriage penalty, help parents afford child care, promote the modernization of our schools, allow self-employed individuals to deduct the costs of health insurance, encourage savings and investment by establishing new exclusions for interest and dividends for all Americans, promote research by reinstating the research and experimentation tax credit, provide relief from the estate and gift tax, promote the revitalization of depressed areas, expand support for small businesses, and modify rules that discourage seniors from working.

The amendment differs from the House bill in two primary respects. First, it would target tax relief to middle income families, largely by providing additional relief for families with children in child care, and by promoting the modernization of our nation's schools. Second, the bill protects Social Security, by deferring the effective date of the tax cuts until the Social Security Trust Fund is actuarially sound.

Mr. President, let me briefly review the items that are included in my proposal.

First, the amendment would provide relief from the marriage penalty. As proposed in the House-passed bill, the amendment would increase the standard deduction for married couples so that each spouse would have the same deduction as a single filer.

Second, the amendment would help families handle the costs of child care. It would increase the child care and dependent tax credit to a maximum allowable expense for inflation. It would make the credit refundable, so that it benefits those with lower incomes. And it would provide a new tax credit worth $90 per month for stay-at-home parents of children under one year of age.

Third, the amendment would promote education, by supporting the modernization of our schools, and allowing schools of higher education to establish prepaid tuition programs.

Fourth, the amendment would allow self-employed individuals to fully deduct the costs of health insurance.

Fifth, the amendment would promote savings and investment, by establishing a new exclusion for dividends and interest. Individuals could exclude up to $200, and couples could exclude up to $400 in dividends and interest.

Sixth, the amendment would extend several provisions of the tax code that expired this year or would expire next year. These include the credits for research, work opportunity and welfare-to-work, would be extended through Feb. 29, 2000. The credit for contributions of stock to private foundations would be extended permanently.

Seventh, the amendment would provide immediate relief from the estate and gift tax. Under the legislation, an additional $25,000 of estates would, in effect, be excludable from this tax in 1999. This would increase the total credit against this tax to $675,000.

Eighth, the amendment would encourage the revitalization of depressed areas, by providing a variety of tax incentives to businesses and individuals in 20 so-called renewal communities. These low-income areas would be designated by the Secretary of Housing and Urban Development.

Ninth, the amendment includes various provisions to assist small businesses. For example, the legislation would allow small-business owners to deduct up to $25,000 of the cost of business-related equipment.

Finally, the amendment would allow seniors to work more without suffering a reduction in their Social Security benefits. Under the proposal, seniors would be able to earn up to $17,000 in 1999 without losing a portion of their Social Security benefits. That limit would increase to $39,750 in 2008.

Mr. President, there also are other provisions in this amendment, and I will not detail each one. Suffice it to say that, to a very large extent, this proposal tracks the tax cuts included in legislation approved by the House. However, as I have noted, the amendment is more targeted to middle income taxpayers, largely because it includes support for child care and school modernization. Also, its estate tax provisions are somewhat modified from the House version, to help us afford these other provisions, and to ensure that the bulk of the relief provided in the bill goes to middle class and moderate-income Americans.

The second key difference from the House Mr. President, it that this proposal includes significant tax relief while fully protecting Social Security. Under the proposal, all tax cuts would become effective when the Social Security Trust Fund is in long-range actuarial balance. This ensures that we will not squander our opportunity to reform Social Security next year, and that we will not force unnecessary cuts in Social Security benefits for today's younger Americans. It also reflects a commitment to abide by the Balanced Budget Agreement and to maintain fiscal discipline.

I hope my colleagues will support this proposal, and I ask unanimous consent that a summary of the amendment be printed in the RECORD.

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

The Lautenberg Amendment includes approximately $85 billion in tax relief that would be available when the Social Security Trust Fund is actuarially sound. The tax cuts are largely the same as those proposed in the House-passed tax bill (though the Amendment also includes tax cuts for child care and school modernization so that its benefits are more targeted to the middle class). Unlike the House-passed bill, the Amendment would not reduce any budget surplus before Congress saves Social Security first.

The main elements of the proposal (and cost in $ billions/5 years) are:

From House bill: (1) Marriage penalty relief, 28; (2) Interest and dividends exclusion, 15; (3) Self-employed health deduction, 5; (4) Expiring provisions (e.g., R&E credit), 6; (5) Social Security earnings test, 0.5.

Items not in House bill: (1) Child care, 17; (2) School modernization, 5.

Item modified from House bill: Estate tax relief, 2 (House: 18).

AMENDMENT SUMMARY

1. Family Tax Relief Provisions

A. *Marriage Penalty Relief*—Increase the standard deduction for married couples so that each spouse would have the same deduction as a single filer. The deduction for married couples would increase from $7200 to $8600 in 1999, reducing their taxes by an average of $243 per return. Cost: $28 billion (House tax bill)

B. *Interest and Dividends*—Individuals, regardless of income, would be able to exclude up to $200 of combined interest and dividends from taxes. Married couples could exclude $400. Cost: $15 billion (House tax bill)

C. *AMT Relief*—Individuals would not have to pay the alternative minimum tax as a result of claiming certain tax credits, such as the dependent care credit, the adoption credit, and the child tax credit. Cost: $8.1 billion (House tax bill)

D. *Affordable Child Care*—Increase the maximum credit rate to 50% from the current 30%, index the maximum allowable expense for inflation, and make the current dependent care tax credit refundable. Provides a new tax credit worth $90 per month for stay-at-home parents of children under 1. Creates an employer tax credit for child care services. Cost: $17.0 billion. (From S. 1610, Sen. Dodd's Affordable Child Care for Early Success and Security Act)

2. Education and Infrastructure

A. *Permit Schools of Higher Education to Establish Qualified Prepaid Tuition Programs*—These programs allow parents to make contributions which are held for use when their children attend college. Contributions accumulate on a tax-deferred basis. Cost: $572 million (House tax bill)

B. *Government Bonds*—States would be able to issue more private activity tax-exempt bonds, which typically finance privately owned transportation facilities, municipal services, economic development projects and social programs. The current annual limits of $50 per resident or $150 million (whichever is greater) would be increased to $75 per resident or $225 million. Cost $1.1 billion (House tax bill)

C. *Renewal Communities*—To promote the revitalization of depressed areas, the bill

would provide a variety of tax incentives in 20 ''removal communities.''—Cost: $1 billion (House tax bill)

D. *School Modernization*—Bond holders would receive tax credits (a standard amount for all bonds) worth the full interest cost on the bonds, allowing localities to construct or renovate schools without paying any interest. Cost $5 billion (President's budget proposal)

3. Small Business and Farmer Tax Relief

A. *Estate and Gift Tax Unified Credit*—The proposal would accelerate from 2000 to 1999 an increase in the Estate and Gift tax credit (increasing the credit from $650,000 to $675,000). Cost: $1.8 billion (Revised provision from House tax bill)

B *Deduction for Health Insurance Premiums of the Self-Employed.*—Full deductibility is now scheduled to be phased in by 2007. The bill would make the change effective in 1999. Cost: $5.1 billion (House tax bill)

C. *Agriculture*—The bill would permanently extend ''income averaging'' for farmers, which is scheduled to expire in 2000. Rather than pay high taxes in good years, a farmer would have the option of paying taxes based on a three year average. Farmers also could reduce their tax burden by applying an operating loss in one year to their taxable income in any one of five past years, or to a future year. Under current law, they can apply it to two past years or to a future year. Cost $126 million. (House tax bill)

D. *Business Expensing*—Starting in 1999, small-business owners and farmers would be able to deduct up to $25,000 of the cost of business-related equipment. Under current law, the deduction is limited to $18,500 and is slated to rise to $25,000 in 2003. Cost $1.1 billion. (House tax bill)

E. *Expired Credits.* Several tax credits that expired this year or would expire next year, including credits for research, work opportunity and welfare-to-work, would be extended through Feb. 29, 2000. The credit for contributions of stock to private foundations would be extended permanently. Cost: $6.2 billion (House tax bill)

4. Social Security Earnings Test

Senior citizens ages 65 to 69 would be able to earn up to $17,000 in 1999 without losing a portion of their Social Security benefits. The earnings limit would gradually rise to $30,000 in 2002 and $39,750 in 2008. Current law permits the earnings limit to increase to $37,948 in 2008, but at a slower pace. Cost: $550 million (House tax bill)

5. House Loophole Closer

The amendment retains a provision in the House bill that closes tax loopholes related to certain liquidations of real estate investment trusts and regulated investment companies.

6. Tax Reductions Effective When Social Security is Saved

The bill's provisions would become effective when the Social Security Trust Fund achieves long-range actuarial balance.●

INTERNET TAX FREEDOM ACT

HUTCHINSON (AND McCAIN) AMENDMENT NO. 3748

Mr. HUTCHINSON (for himself and Mr. McCAIN) submitted an amendment intended to be proposed by him to the bill, S. 442, supra; as follows:

At the end of the amendment, add the following:

On page 24, strike line 5 and insert the following:

communications services; and

(F) an examination of the effects of taxation, including the absence of taxation, on all interstate sales transactions, including transactions using the Internet, on local retail businesses and on State and local governments, which examination may include a review of the efforts of State and local governments to collect sales and use taxes owed on in-State purchases from out-of-State sellers.

NATIONAL FISH AND WILDLIFE FOUNDATION ESTABLISHMENT ACT AMENDMENTS OF 1998

CHAFEE AMENDMENT NO. 3749

Ms. SNOWE (for Mr. CHAFEE) proposed an amendment to the bill (S. 2095) to reauthorize and amend the National Fish and Wildlife Foundation Establishment Act; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''National Fish and Wildlife Foundation Establishment Act Amendments of 1998''.

SEC. 2. PURPOSES.

Section 2(b) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3701(b)) is amended by striking paragraph (1) and inserting the following:

''(1) to encourage, accept, and administer private gifts of property for the benefit of, or in connection with, the activities and services of the Department of the Interior or the Department of Commerce, particularly the United States Fish and Wildlife Service and the National Oceanic and Atmospheric Administration, to further the conservation and management of fish, wildlife, and plant resources;''.

SEC. 3. BOARD OF DIRECTORS OF THE FOUNDATION.

(a) ESTABLISHMENT AND MEMBERSHIP.—Section 3 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3702) is amended by striking subsection (a) and inserting the following:

''(a) ESTABLISHMENT AND MEMBERSHIP.—

''(1) IN GENERAL.—The Foundation shall have a governing Board of Directors (referred to in this Act as the 'Board'), which shall consist of 25 Directors appointed in accordance with subsection (b), each of whom shall be a United States citizen.

''(2) REPRESENTATION OF DIVERSE POINTS OF VIEW.—To the maximum extent practicable, the membership of the Board shall represent diverse points of view relating to conservation and management of fish, wildlife, and plants.

''(3) NOT FEDERAL EMPLOYEES.—Appointment as a Director of the Foundation shall not constitute employment by, or the holding of an office of, the United States for the purpose of any Federal law.''.

(b) APPOINTMENT AND TERMS.—Section 3 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3702) is amended by striking subsection (b) and inserting the following:

''(b) APPOINTMENT AND TERMS.—

''(1) AGENCY HEADS.—The Director of the United States Fish and Wildlife Service and the Under Secretary of Commerce for Oceans and Atmosphere shall be Directors of the Foundation.

''(2) APPOINTMENTS BY THE SECRETARY OF THE INTERIOR.—

''(A) IN GENERAL.—Subject to subparagraph (B), after consulting with the Secretary of Commerce and considering the recommendations submitted by the Board, the Secretary of the Interior shall appoint 23 Directors who meet the criteria established by subsection (a), of whom—

''(i) at least 6 shall be knowledgeable or experienced in fish and wildlife conservation;

''(ii) at least 4 shall be educated or experienced in the principles of fish and wildlife management; and

''(iii) at least 4 shall be knowledgeable or experienced in ocean and coastal resource conservation.

''(B) TRANSITION PROVISION.—

''(i) CONTINUATION OF TERMS.—The 15 Directors serving on the Board as of the date of enactment of this paragraph shall continue to serve until the expiration of their terms.

''(ii) NEW DIRECTORS.—The Secretary of the Interior shall appoint 8 new Directors; to the maximum extent practicable those appointments shall be made not later than 45 calendar days after the date of enactment of this paragraph.

''(3) TERMS.—

''(A) IN GENERAL.—Subject to subparagraph (B), each Director (other than a Director described in paragraph (1)) shall be appointed for a term of 6 years.

''(B) INITIAL APPOINTMENTS TO NEW MEMBER POSITIONS.—Of the Directors appointed by the Secretary of the Interior under paragraph (2)(B)(ii), the Secretary shall appoint—

''(i) 2 Directors for a term of 2 years;

''(ii) 3 Directors for a term of 4 years; and

''(iii) 3 Directors for a term of 6 years.

''(4) VACANCIES.—

''(A) IN GENERAL.—The Secretary of the Interior shall fill a vacancy on the Board; to the maximum extent practicable the vacancy shall be filled not later than 45 calendar days after the occurrence of the vacancy.

''(B) TERM OF APPOINTMENTS TO FILL UNEXPIRED TERMS.—An individual appointed to fill a vacancy that occurs before the expiration of the term of a Director shall be appointed for the remainder of the term.

''(5) REAPPOINTMENT.—An individual (other than an individual described in paragraph (1)) shall not serve more than 2 consecutive terms as a Director, excluding any term of less than 6 years.''.

(c) PROCEDURAL MATTERS.—Section 3 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3702) is amended by adding at the end the following:

''(h) PROCEDURAL MATTERS.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Foundation.''.

(d) TECHNICAL AMENDMENTS.—

(1) Section 4(c)(5) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703(c)(5)) is amended by striking ''Directors of the Board'' and inserting ''Directors of the Foundation''.

(2) Section 6 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3705) is amended by striking ''Secretary'' and inserting ''Secretary of the Interior or the Secretary of Commerce''.

(3) Section 6 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3705) is amended by inserting ''or the Department of Commerce'' after ''Department of the Interior''.

SEC. 4. RIGHTS AND OBLIGATIONS OF THE FOUNDATION.

(a) PRINCIPAL OFFICE OF THE FOUNDATION.—Section 4(a)(3) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703(a)(3)) is amended by inserting after ''the District of Columbia'' the following: ''or in a county in the State of Maryland or Virginia that borders on the District of Columbia''.

(b) INVESTMENT AND DEPOSIT OF FEDERAL FUNDS.—Section 4(c) of the National Fish

and Wildlife Foundation Establishment Act (16 U.S.C. 3703(c)) is amended—

(1) by redesignating paragraphs (3) through (7) as paragraphs (7) through (11), respectively; and

(2) by inserting after paragraph (2) the following:

''(3) to invest any funds provided to the Foundation by the Federal Government in obligations of the United States or in obligations or securities that are guaranteed or insured by the United States;

''(4) to deposit any funds provided to the Foundation by the Federal Government into accounts that are insured by an agency or instrumentality of the United States;

''(5) to make use of any interest or investment income that accrues as a consequence of actions taken under paragraph (3) or (4) to carry out the purposes of the Foundation;

''(6) to use Federal funds to make payments under cooperative agreements entered into with willing private landowners to provide substantial long-term benefits for the restoration or enhancement of fish, wildlife, and plant resources on private land;''.

(c) AGENCY APPROVAL OF ACQUISITIONS OF PROPERTY.—Section 4(e)(1) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703(e)(1)) is amended by striking subparagraph (B) and inserting the following:

''(B) the Foundation notifies the Federal agency that administers the program under which the funds were provided of the proposed acquisition, and the agency does not object in writing to the proposed acquisition within 45 calendar days after the date of the notification.''.

(d) REPEAL.—Section 304 of Public Law 102–440 (16 U.S.C. 3703 note) is repealed.

(e) AGENCY APPROVAL OF CONVEYANCES AND GRANTS.—Section 4(e)(3)(B) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703(e)(3)(B)) is amended by striking clause (ii) and inserting the following:

''(ii) the Foundation notifies the Federal agency that administers the Federal program under which the funds were provided of the proposed conveyance or provision of Federal funds, and the agency does not object in writing to the proposed conveyance or provision of Federal funds within 45 calendar days after the date of the notification.''.

(f) RECONVEYANCE OF REAL PROPERTY.—Section 4(e) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703(e)) is amended by striking paragraph (5) and inserting the following:

''(5) RECONVEYANCE OF REAL PROPERTY.—The Foundation shall convey at not less than fair market value any real property acquired by the Foundation in whole or in part with Federal funds if the Foundation notifies the Federal agency that administers the Federal program under which the funds were provided, and the agency does not disagree within 45 calendar days after the date of the notification, that—

''(A) the property is no longer valuable for the purpose of conservation or management of fish, wildlife, and plants; and

''(B) the purposes of the Foundation would be better served by use of the proceeds of the conveyance for other authorized activities of the Foundation.''.

(g) TERMINATION OF CONDEMNATION LIMITATION.—Section 4 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703) is amended by striking subsection (d).

(h) EXPENDITURES FOR PRINTING SERVICES OR CAPITAL EQUIPMENT.—Section 4 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703) (as amended by subsection (g)) is amended by inserting after subsection (c) the following:

''(d) EXPENDITURES FOR PRINTING SERVICES OR CAPITAL EQUIPMENT.—The Foundation shall not make any expenditure of Federal funds in connection with any 1 transaction for printing services or capital equipment that is greater than $10,000 unless the expenditure is approved by the Federal agency that administers the Federal program under which the funds were provided.''.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

Section 10 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3709) is amended by striking subsections (a), (b), and (c) and inserting the following:

''(a) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There are authorized to be appropriated to carry out this Act for each of fiscal years 1999 through 2003—

''(A) $25,000,000 to the Department of the Interior; and

''(B) $5,000,000 to the Department of Commerce.

''(2) REQUIREMENT OF ADVANCE PAYMENT.—The amount made available for a fiscal year under paragraph (1) shall be provided to the Foundation in an advance payment of the entire amount on October 1, or as soon as practicable thereafter, of the fiscal year.

''(3) USE OF APPROPRIATED FUNDS.—Subject to paragraph (4), amounts made available under paragraph (1) shall be provided to the Foundation for use for matching, on a 1-to-1 basis, contributions (whether in currency, services, or property) made to the Foundation by private persons and State and local government agencies.

''(4) PROHIBITION ON USE FOR ADMINISTRATIVE EXPENSES.—No Federal funds made available under paragraph (1) shall be used by the Foundation for administrative expenses of the Foundation, including for salaries, travel and transportation expenses, and other overhead expenses.

''(b) ADDITIONAL AUTHORIZATION.—

''(1) IN GENERAL.—In addition to the amounts authorized to be appropriated under subsection (a), the Foundation may accept Federal funds from a Federal agency under any other Federal law for use by the Foundation to further the conservation and management of fish, wildlife, and plant resources in accordance with the requirements of this Act.

''(2) USE OF FUNDS ACCEPTED FROM FEDERAL AGENCIES.—Federal funds provided to the Foundation under paragraph (1) shall be used by the Foundation for matching, in whole or in part, contributions (whether in currency, services, or property) made to the Foundation by private persons and State and local government agencies.

''(c) PROHIBITION ON USE OF GRANT AMOUNTS FOR LITIGATION AND LOBBYING EXPENSES.—Amounts provided as a grant by the Foundation shall not be used for—

''(1) any expense related to litigation; or

''(2) any activity the purpose of which is to influence legislation pending before Congress.''.

SEC. 6. LIMITATION ON AUTHORITY.

The National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3701 et seq.) is amended by adding at the end the following:

''SEC. 11. LIMITATION ON AUTHORITY.

''Nothing in this Act authorizes the Foundation to perform any function the authority for which is provided to the National Park Foundation by Public Law 90–209 (16 U.S.C. 19e et seq.).''.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Tuesday, October 6, 1998, at 9 a.m. in open session, to receive testimony on the worldwide threats facing the United States and potential U.S. operational and contingency requirements.

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

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Tuesday, October 6, 1998, to conduct a hearing on S. 2178, the ''Children's Development Commission Act''.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Tuesday, October 6, for purposes of conducting a Full Committee business meeting which is scheduled to begin at 9:30 a.m. The purpose of this business meeting is to consider pending calendar business.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, October 6, 1998 at 2:15 p.m. to hold a hearing.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. COCHRAN. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Tuesday, October 6, 1998, at 10:30 a.m. for a hearing on the nomination of Sylvia Mathews to be Deputy Director of the Office of Management and Budget.

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

COMMITTEE ON THE JUDICIARY

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, October 6, 1998 at 9 a.m. in room 226 of the Senate Dirksen Office Building to hold a hearing on: ''Judicial Nominations.''

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

COMMITTEE ON VETERANS' AFFAIRS

Mr. COCHRAN. Mr. President, the Committee on Veterans' Affairs would like to request unanimous consent to hold a joint hearing with the House Committee on Veterans' Affairs to receive the legislative presentation of the American Legion. The hearing will be held on October 6, 1998, at 9:30 a.m., in room 345 of the Cannon House Office Building.

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

COMMITTEE ON VETERANS' AFFAIRS

Mr. COCHRAN. Mr. President, the Committee on Veterans' Affairs would like to request unanimous consent to hold a markup on the following nominations:

(1) Leigh Bradley, Esq., to be General Counsel, Department of Veterans Affairs;

(2) Eligah Dane Clark to be Chairman, Board of Veterans Appeals, Department of Veterans Affairs;

(3) Edward A. Powell, Jr. to be Assistant Secretary for Management, Department of Veterans Affairs; and

(4) Kenneth W. Kizer, M.D., M.P.H., to be Under Secretary for Health, Department of Veterans Affairs.

The markup will take place in S–216, of the Capitol Building, after the first scheduled vote in the Senate on Tuesday afternoon, October 6, 1998.

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

SUBCOMMITTEE ON CLEAN AIR

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Subcommittee on Clean Air, Wetlands, Private Property, and Nuclear Safety be granted permission to conduct a hearing on S. 1097, the Acid Deposition Control Act Tuesday, October 6, 9:30 a.m., Hearing Room (SD–406).

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

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, RESTRUCTURING AND THE DISTRICT OF COLUMBIA

Mr. COCHRAN. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia to meet on Tuesday, October 6, 1998, at 2 p.m. for a hearing on ''Agency Management of the Implementation of the Coal Act.''

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

ADDITIONAL STATEMENTS

TRIBUTE TO THE UNITED STATES NAVY

• Mr. GRAMS. Mr President, I rise today to pay tribute to the courageous men and women who serve in the United States Navy.

The origins of the Navy can be traced back to October 13, 1775, when the Continental Congress ordered the construction of ships for use in the War of Independence. It was at this time that the Continental Navy was formed, nine months before America declared itself independent. However, it wasn't until later, on April 30, 1798, that the Department of the Navy was established and Benjamin Stoddert was appointed its first Secretary. This past spring we celebrated the 200th anniversary of the Department of the Navy.

Today, the United States Navy has grown to a force of nearly 400,000 active duty and 96,000 Reserves. During times of war, these brave individuals join with the other Armed Forces and valiantly risk their lives to defend America's freedom and national interests. During times of peace, the Navy is engaged in promoting regional economic and political stability by maintaining a global presence both above and beneath the surface of the seas.

The Navy is organized into three main components. The first component, the Navy Department, consists of the Washington, D.C. executive offices and the Secretary of Defense. The second component, the operating forces, includes the Marine Corps, the reserve components and during times of war, the U.S. Coast Guard. The operating component trains and equips naval forces. The third component, the shore establishment, provides intelligence support, medical and dental facilities, training areas, communications centers, and facilities for the repair of machinery and electronics. Together these components form a strong force ready to defend the seas whenever freedom is threatened.

An important division of the Navy is the Naval Reserve. Today, the Naval Reserve comprises 20 percent of the Navy's total assets. These dedicated men and women have provided assistance as medical personnel and offered fleet intelligence support in operations such as Desert Shield and Desert Storm. At other times, the Naval Reserve has helped provide humanitarian assistance and has engaged in maritime patrol. Over the years, the Naval Reserve has evolved from a reactive to a proactive force ready to meet the challenges of the next century.

Minnesota is home to 282 active duty Navy servicepeople, of which 35 are officers and 247 are enlisted. In addition, Minnesota has 1,540 Navy reservists, of which 340 are officers and 1,200 are enlisted.

Mr. President, since its founding over 200 years ago, the Navy has shown the utmost dedication and service while protecting our national interests. I truly appreciate its commitment to defending this nation and am honored today to pay tribute to the men and women of the United States Navy.•

HONORING JOSEPH C. AND LUCILLE PARISI

• Mr. TORRICELLI. Mr. President, I rise today to join the Holy Name Healthcare Foundation in honoring Joseph C. Parisi and Lucille his wife as they receive the Lifetime Achievement Award. The Parisi's record of community activism and involvement has been extensive, and I am pleased to recognize them on this occasion.

Joseph C. Parisi has served as Mayor of Englewood Cliffs since 1976. Prior to that he served on the town council for four years and was also the Englewood Cliffs Police Commissioner. His involvement in the Englewood Cliffs community for over twenty-five years has made Englewood Cliffs one of the finest towns in the North Jersey area. Mayor Parisi has worked on behalf of a diverse pool of charitable and civic organizations that include the Witte Scholarship Fund, the Quincentennial Columbus Day Celebration, Veterans of Foreign Wars, and the Knights of Columbus. The Englewood Chamber of Commerce, UNICO, and the New Jersey Insurance Agents, have all honored Mayor Parisi as their ''Man of the Year'' in the past.

Lucille Parisi has equaled her husband's accomplishments in a number of civic organizations. As President of the Hudson County Independent Insurance Agents, President of the Englewood Cliffs Democratic Club, and Director of the Fort Lee Savings and Loan, Lucille has been an active member of the community. For the past 16 years, she has also served on the Board of Trustees and the Foundation of the Holy Name Hospital.

As a native of Bergen County, I have known the Parisis well for many years. I have seen their dedication to the Englewood Cliffs Community firsthand, and I have consistently been impressed by their level of commitment. They truly embody the activism and dedication to community that is so vital.

I know they will inspire others to take an interest in improving their communities. They have earned a place in the hearts of Englewood Cliffs residents, and it is my pleasure to be able to honor them and their family on this occasion.•

RETIREMENT OF DARLENE GARCIA

• Mr. DOMENICI. Mr. President, as United States Senators, we are often fortunate to have people of exceptional ability work for us. It is, however, unusual to have someone of unlimited compassion helping the people in the State we represent. Darlene Garcia is a person of unlimited compassion and I have been very lucky to have her on my staff for the last 20 years.

Darline is the Director of my Las Cruces office. This is one of the fastest growing areas in New Mexico, and Darlene has her finger on the pulse on it all. She has helped hundreds of New Mexicans with their veterans benefits, social security, food stamps, and immigration problems. Darlene knows how to make the Federal Government do what it is supposed to do for its citizens. In fact, Darlene knows how to make U.S. Senators do what is right by their constituents.

I sometimes say, there isn't any kind of care that Darlene hasn't championed be it health care, child care, or elder care. She has always worked for more and better care for the people of Southern New Mexico because it is Darlene who rally cares. Darlene is the doer of good deeds. If good deed were dollars, she would have surpassed Bill Gates years ago.

Darlene always has a smile for everyone who walks into my office. She always knows who to call to solve a problem. She has been a mother figure and an inspiration to all of the young people who have interned in my Las Cruces office.

Darlene has been my representative to the business community, worked extensively with county and municipal government officials and of course, the Hispanic community. She has worked on border issues and has helped keep the Texans under control The latter is no small feat.

I want to thank Darlene for all of her hard work, and wish her the best in retirement. God bless you, Darlene, for all that you have done for me and for the people of New Mexico.●

HONORING RODRIGO d'ESCOTO

● Ms. MOSELEY-BRAUN. Mr. President, it is my honor to rise today to recognize a distinguished resident and successful businessman from my home state of Illinois, Mr. Rodrigo d'Escoto. Last month, Mr. d'Escoto was named the National Minority Male Entrepreneur of the Year by the U.S. Department of Commerce's Minority Development Agency. This award recognizes Mr. d'Escoto's Hispanic heritage, his success as an entrepreneur, and his service and dedication to the community.

Mr. d'Escoto is the founder and chairman of d'Escoto, Inc., a Chicago-based architectural engineering firm. Established in 1972, d'Escoto, Inc. is one of the largest Hispanic-owned firms of its kind in the Midwest. Over the last twenty five years, the firm has participated in some of the most ambitious and important design/construction projects in the Chicago area. These projects include the Northwestern Memorial Hospital Expansion project, the expansion of the McCormick Place Convention Center and Hotel, the construction of the new Cook County Hospital, the ongoing expansion of O'Hare International Airport and the construction of the airport's new international terminal. Certainly, Rodrigo d'Escoto and d'Escoto Inc. have contributed greatly to the look and structure of Chicago, one of the world's great architectural cities.

As is often the case with someone who has achieved so much professionally, Rodrigo d'Escoto is a committed community member. Among the many boards and organizations that Mr. d'Escoto has given his time and expertise to are: the Harold Washington Foundation, the Urban League, the United Way, the United States Hispanic Chamber of Commerce, the Pilsen Resurrection Development Corporation, the National Association of Latino Elected and Appointed Officials, the Centro Hispano Americano, the City of Chicago Planning Commission, the Alliance of Latinos and Jews, and the Hispanic American Construction Industry Association. It is important to note that this is only a partial list of the many worthwhile and important enterprises that Rodrigo d'Escoto has touched over the years.

Mr. President, as one can see, the dimensions of Rodrigo d'Escoto's professional and civic accomplishments are of breathtaking proportions. Indeed, he is quite deserving of being named the National Minority Male Entrepreneur of the Year. I am confident that my Senate colleagues will join me in congratulating Mr. d'Escoto and d'Escoto, Inc. for this prestigious award, and in wishing them much continued success in the future.●

HIGHER EDUCATION REAUTHORIZATION ACT

● Mr. ABRAHAM. Mr. President, I rise today to express my strong support for the Higher Education Reauthorization Act that passed the Senate by a 96–0 vote last week.

Mr. President, this legislation illustrates this Congress' strong support for education, particularly higher education. This bill will make strong investments in our future by increasing the availability of financial aid to students in need, thereby allowing more students to benefit from our higher education system. Specifically, the bill lowers students' five-year loan rate to the lowest it has been for 17 years. Congress was able to strike a balance of lowering the rates students pay on their loans to 7.46 percent while keeping commercial lenders in the market. This reduction in interest rates will result in a savings of $700 on the average debt of $13,000 and savings of more than $1,000 on a $20,000 debt. By striking this balance, the long-term stability of the student loan program will continue.

The Higher Education Reauthorization Act also increases the maximum Pell Grant available to low-income students. Beginning in 1999, the maximum student Pell Grant authorization level will increase gradually each year from the current level of $3,000 to $5,800 in 2003. This change will enable low-income students to afford college and accumulate less debt.

The bill also includes an important change to the State Student Incentive Grant (SSIG) program that is of particular importance to me. Under this legislation, the SSIG program was reformed and changed to the Special Leveraging Education Assistance Partnership (LEAP) Program. Working with Senators JEFFORDS, COLLINS, and REED, I was able to have language included under the LEAP Program to provide scholarships for low-income students studying mathematics, computer science, or engineering. I believe this language is particularly important given the current shortage of high-tech workers. Through the LEAP program, States are provided matching money from the Federal Government to provide grants for students entering various fields of study.

The Higher Education Reauthorization Act makes a strong commitment to pre-K and K–12 education by creating a loan forgiveness program for students who earn a degree and obtain employment in the child care industry, as well as for students who gain teaching jobs in school districts serving large populations of low-income children. The loan forgiveness program will provide an important incentive for teachers to go into underserved areas and fields. Coupled with this provision, the Higher Education Act strengthens and promotes greater accountability within current teacher preparation programs. The legislation provides State and local partnerships with incentives to place a greater focus on academics and strong teaching skills for teacher certification programs. By focusing on teacher preparation, this bill increases the likelihood that students will be adequately prepared and able to succeed in our higher education system.

In all, this legislation demonstrates the bipartisan nature of this Congress' commitment to education. This bill will impact thousands of college-bound students each year and will prepare thousands of school-age children for higher education in the years to come.●

THE TRUE STORY OF HYDROGEN AND THE ''HINDENBURG'' DISASTER

● Mr. HARKIN. Mr. President, for many years I have spoken of the promise of hydrogen energy as our best hope for an environmentally safe sustainable energy future. My vision, and the vision of many of our top scientists is simple. Hydrogen, which is produced by renewable energy with absolutely no pollution and no resource depletion of any kind, will prove a truly sustainable energy option.

I recognize that hydrogen is not yet a form of energy widely known to the American public. In fact, hydrogen has an unfortunate association. I would like to spend a few minutes dispelling one unfortunate myth of hydrogen energy.

Mr. President, mention the word ''hydrogen'' and many people remember the *Hindenburg*—the dirigible that caught fire back in May of 1937, killing 36 of the 97 people on board. Now, thanks to the scientific sleuthing of Addison Bain, a retired NASA scientist with 30 years experience with hydrogen, we can state with a fair degree of certainty that the *Hindenburg* would have caught fire even without any hydrogen on board.

This detective story was reported in a recent issue of Popular Science. I ask that the Popular Science article be printed in the CONGRESSIONAL RECORD at the conclusion of my remarks.

Addison Bain collected actual samples from the *Hindenburg*—the cloth bags that contained the hydrogen—which were saved as souvenirs by the crowd awaiting the *Hindenburg* at Lakehurst, New Jersey on May 6, 1937. When these samples were analyzed by modern techniques, Bain discovered

that the bags had been coated with cellulose nitrate or cellulose acetate—both flammable materials. Furthermore, the cellulose material was impregnated with aluminum flakes to reflect sunlight, and aluminum powder is used in rocket fuel. Essentially the outside of the *Hindenburg* was coated with rocket fuel!

Addison now believes that the *Hindenburg* probably caught fire from an electrical discharge igniting the cellulose-coated gas bags. Remember, the ship docked at Lakehurst with electrical storms in the area, which was against regulations.

I would like to personally thank Addison Bain for his valuable contribution to the history of the *Hindenburg,* and to lessening the public's concerns over the safety of hydrogen. Hydrogen, in my judgment, will become a premier fuel in the 21st century, since burning hydrogen produces no pollution of any kind, just pure, clean water. And hydrogen can be produced by using sunlight or wind electricity to split water.

Hydrogen energy has been used safely in the Nation's space program for many decades, and I believe it can be used safely for many other applications here on Earth. For example, hydrogen could be a safe alternative fuel for cars. It would be much less dangerous than gasoline in an accident. Hydrogen gas disperses rapidly, while gasoline lingers in the vicinity of the accident, increasing the risks to survivors of the crash. I believe there are also countless other uses for hydrogen. We can pursue those options without fear because of Addison Bain's efforts. Thanks to Addison Bain, we can continue down the path toward a renewable hydrogen future without the undue fear of a singular event from 60 years ago.

The article follows:

WHAT REALLY DOWNED THE HINDENBURG

(By Mariette DiChristina)

May 6, 1937. The sky still appears moody after a stormy day. A stately, silvery marvel, the 240-ton *Hindenburg* airship glides 200 feet above Lakehurst, New Jersey, at around 7:21 p.m. In a 6-knot wind, the Zeppelin is attempting its first ''high landing'': The crew throws the spider lines out, preparing for mooring. The gigantic ship, nearly three football fields in length, would be slowly winched down.

If you think you know exactly what happened next, Adison Bain has a surprise for you. Six decades after the infamous *Hindenburg* disaster, when 36 of 97 aboard died during the horrific blaze that halted rigid-airship travel, Bain has revealed a stunning new explanation for what started the fire. Bain, a recently retired engineer and manager of hydrogen programs who spent more than 30 years at NASA, has recently concluded several years of scientific sleuthing work in search of the culprit behind the conflagration. He combed through thousands of pages of original testimony and materials at four archives in the United States and one in Germany, interviewed survivors and airship experts, and ultimately tested original materials from the model LZ–129 *Hindenburg* and its contemporaries. Contrary to what the investigators ruled at the time, asserts Bain, the fire did not start with free hydrogen lit by natural electrical discharge or sabotage.

The hunt for the truth about the *Hindenburg* began in the late 1960s for Bain, a genial man with slicked-backed dark hair and a face lined by many smiles. He was working on a hydrogen safety manual for NASA. Sitting in a ''Florida room'' of mint and mauve tiled floors and furniture in a Cocoa Beach apartment, Bain recalls how he paged through the literature on hydrogen. ''Invariably,'' he says, ''the topic of the *Hindenburg* would come up. At the time, I didn't think a lot about it.''

Over the years, however, as he continued his NASA work in hydrogen systems, the reference began to accumulate in his mind. ''What I was starting to notice is that the authors were inconsistent,'' he says. Hydrogen detractors said the gas was so flammable it killed everyone on the *Hindenburg,* which wasn't true—about one-third of those aboard had died. On the other hand, hydrogen promoters pooh-poohed safety concerns and claimed that those who perished did so only because they jumped from the burning airship, which also wasn't true. Says Bain: ''I thought, wait a minute! Where are they getting their information?'' He has also seen the famous photos of the *Hindenburg's* bright, blistering hot fire and knew that hydrogen doesn't burn in that way. A hydrogen fire radiates little heat and is barely visible to the unaided eye.

By 1990, Bain pulled a one-year assignment in Washington, D.C., at NASA headquarters, then across the street from the National Air & Space Museum. ''I like airplanes, so I went over there. Lo and behold, there's this 25-foot-long model of the *Hindenburg* used in the 1975 movie with George C. Scott,'' he recalls. ''I'm looking at that model and a plaque on the wall. The plaque says something about how the hydrogen exploded,'' As a hydrogen expert, he knew that the pure gas doesn't just explode. That was enough: He made an appointment with the archivists upstairs, dooned a pair of protective gloves, and lost himself in decades-old original documents in the museum's *Hindenburg* files for the rest of the day.

His research soon became something of a part-time obsession. Over the next few years. Bain would steal away to the archive and travel to others in College Park and Suitland, Maryland, poring through thousands of pages and copying documents in search of answers. He even traveled to the Fires Sciences Lab in Missoula, Montana. He speculated that, perhaps, some of the airship's materials had played a role in the ignition. Maddeningly, however, he couldn't find the exact formulations used. ''I had the idea of the problem, but needed enough evidence to back my story up,'' he says.

That was as far as he got until 1994, when he ran into Richard van Treuren, a space shuttle technician, at a conference on hydrogen. Van Treuren, a self-avowed ''helium head'' and member of the airship aficionados called the Lighter-Than-Air Society in Akron, Ohio, was seeking Bain to talk about hydrogen. Van Treuren had a book about airships. Bain spotted the book in the crook of van Treuren's arm and bought it from him on the spot.

''The rain still spatters the wet ground in starts and stops. The air is highly charged from the thunderstorms, investigators would rule later. Six and three-quarter acres of *Hindenburg* fabrics is kiting in the breeze. A witness later would recall a bluish electrical phenomenon that dances over the aft starboard side of the *Hindenburg* for more than a minute.''

Through van Treuren, Bain learned that pieces of the *Hindenburg's* skin still existed. Bain traveled around the country to procure them, spending hundreds of dollars buying original materials, books, and papers from collectors. ''What I was trying to find out is, what did they use specifically in the coating?'' he says.

Hepburn Walker, who had been stationed in Lakehurst in the early '40s, was among those in possession of pieces of the *Hindenburg,* Walker had found them in the soil. Another sample, a part of the swastika painted on the *Hindenburg*'s side, was kept in a safe by Cheryl Gantz, head of the Zeppelin Collectors Club in Chicago.

Bain remembers meeting Gantz. ''May I have a little clipping, just anything to take to the lab?'' he begged. Gantz was willing, but wanted to impress upon Bain the fabric's value to her: ''How much do you value your firstborn?'' she asked. Bain laughs: ''I got the message!'' Bain also located fabric samples in Germany that were representative of the top of the *Hindenburg,* where the fire started.

Materials in hand, Bain headed to NASA's Materials Science Laboratory at the nearby Kennedy Space Center. Over the next 14 months, he carefully laid out a systematic testing protocol involving some 14 researchers who would volunteer their spare time to assist in what became known as Project H.

''A jagged fire licks along the aft starboard side of the *Hindenburg,* another witness later recalls. Crewman Helmut Lau, on the lower left of the craft, looks up through the translucent gas cells and sees a red glow. In moments, cells begin to melt before his eyes. The fire crests the top of the *Hindenburg* and spreads outward and downward, toward lau and the others. Girders start cracking and wires snap. With hydrogen still in the cells, the giant airship maintains level trim.''

What was in that fabric? Work to create a chemical and physical analysis included using an infrared stectrograph and a scanning electron microscope, which provided, respectively, the chemical signatures of the organic compounds and elements present.

A startling variety of highly flammable compounds proved to have been added to the cotton fabric base. ''They used a cellulose acetate or nitrate as a typical doping compound, which is flammable to begin with—a forest fire is cellulose fire,'' says Bain. ''OK, you coat that with cellulose nitrate—nitrate is used to make gunpowder. And then you put [on] aluminum powder. Now, aluminum powder is a fuel used on the solid rocket boosters on the space shuttle.'' The wood spacers and ramie cord used to bind the structure together, along with the silk and other fabrics in the ship, would also have added to the fuel-rich inferno. Even the duralumin support framework of the *Hindenburg*'s, rigid skeleton was coated with lacquer, ostensibly to protect it from moisture.

In a flame test, a fabric section ignited and burned readily. The arc test, in which 30,000 volts were zapped across a piece of fabric several inches long, was even more revealing: ''Poof, it disappeared. The whole thing happened faster than I can explain it,'' Bain says. ''I guess the moral of the story is, don't paint your airship with rocket fuel.''

Bain is quick to point out, however, that it's not that the Germans and other airship and aircraft makers of the era were simply foolish in doping the fabric the way they did. They had a number of technical problems to solve using the materials of the time. Today's synthetic fabrics, with their range of properties, did not yet exist. The cotton or linen fabric skin was swabbed with the chemicals to make it taut and reduce flutter for aerodynamics, and then painted with the reflective red iron oxide and aluminum so the sun's heat wouldn't expand the gas in the cells, to help prevent gas from escaping. The skin had to be protected from deterioration from sunlight and rot from moisture. When engineers changed one part of the formulation to address flammability concerns, the

mixture might not have adhered well or other problems would crop up.

''And I'm not saying hydrogen didn't contribute to the fire,'' adds Bain. It is after all a fuel, he notes—and one he is hoping will develop into a replacement or supplement to natural gas. ''But it was a fuel-rich fire already; the hydrogen just added to it.'' Bain figures that maybe half of the 5 million cubic feet of hydrogen remaining aboard the *Hindenburg* after the Atlantic crossing burned in the fire. ''But so what? It's academic.''

Also made academic, perhaps, are decades of speculation over the causes behind the start of the Zeppelin fire. All have blamed hydrogen, with various ideas about how the gas became free and ignited. One popular theory has it that a wire punctured a gas cell. Bain, obviously, finds this doubtful. ''If that happened, it should have occurred during one of the final maneuvers.'' But, ''The ship was stationary for 4 minutes before the first fire was indicated.'' If cells were leaking gas that long, ''The ship should really start going like this,'' Bain says as he tilts a handheld *Hindenburg* model nose upward. ''And it's not. [At the start of the fire,] it's still in trim.''

What about the possibility of loose hydrogen from the vents? Hydrogen was released to help maintain level flight, and others have theorized that a valve may have stuck open. ''The *Hindenberg* had an excellent venting system'' says Bain, with vents between cells that measured some 2 feet high and 7 feet across. If hydrogen accumulated—difficult to imagine for the lightest element, which has the greatest dispersal rate in the universe—how come, he asks, none of the fires were observed at the vent sites atop the ship?

''In seconds, the rear half of the *Hindenburg* is engulfed in bright, writhing flames. Gas cells one and two expand and burst with explosive force; the released hydrogen adds fuel to the conflagration. The ship lurches forward, breaking off water tanks attached by light-release connectors near the bow of the craft. Having lost ballast, the airship's nose heads upward and people start jumping to escape the flames, some too far from the ground to survive the fall.''

What is perhaps most stunning about Bain's research is that what he has discovered comes 60 years after some German airship experts already knew it. While visiting an archive in Germany, he copied two 1937 letters handwritten in German that had not been seen by earlier investigators. Their shocking contents were revealed to Bain only after he returned to Florida and had them translated. They were written by an electrical engineer named Otto Beyerstock, who had incinerated pieces of *Hindenburg* fabric during electrical tests conducted at the behest of the Zeppelin Co. In the notes, Beyerstock testily dismissed the idea that hydrogen could have started the fire, stating with certitude that it could only have been caused by the fabric's flammability in a charged atmosphere. In a similar craft flying under the same atmospheric conditions that the *Hindenburg* faced in Lakehurst, the same sort of conflagration would occur, even if noncombustible helium were used as the lifting gas. (In fact, notes Bain, such a fire did take place in 1935, when a helium-filled airship with an acetate-aluminum skin burned near Point Sur, California.)

''I beg you to kindly inform me about the corrective measures to be taken or that have already been taken,'' Beyerstock wrote to Zeppelin. Some modifications were made in a subsequent airship plan, such as the addition of a fire retardant. ''They knew,'' Bain says simply. But shortly after the *Hindenburg* disaster, and probably because of it, the great Zeppelins were removed from service.

Some detractors are still not ready to put aside the idea of hydrogen as fire-starter. ''Addison Bain's hydrogen background carries some weight,'' says Eric Brothers, the editor of Buoyant Flight, the Lighter-Than-Air Society's bulletin, but not everyone at the society is convinced. The bulletin this year ran three articles detailing the skin-ignition research, coauthored by van Treuren and Bain. As for Brothers: ''I would like to see more independent verification of the tests, though I recognize that that's difficult to do,'' he says. Still, ''I'm 90 percent convinced that the fabric had some role.''

One of the Buoyant Flight articles' most stringent critics is Donald E. Overs, a retired engineer and pilot who worked on Goodyear blimp construction and engineering for more than 20 years. ''Based on the authors' cover burn rate tests, it would have taken anywhere from 15 minutes to probably an hour or more for the cover alone to burn off. The entire ship, on the other hand, was consumed in less than 60 seconds,'' he says. Overs' detailed e-mail challenges to Bain's theory—and the various defenses supporters—would occupy some 50 printed pages. ''Bain can at most demonstrate or argue that the cover was a brief link in the early ignition of the hydrogen, but he cannot prove even that,'' concludes Overs.

''Like the mythical Icarus who ventured too close to the sun, the *Hindenburg* goes down in flames. As it touches the ground, the ship bounces lightly, perhaps still buoyant with remaining hydrogen.''

None of what Bain has learned has diminished his admiration for the engineering achievement in creating the great airships. ''With all due respect,'' he says, ''the Germans did a fantastic job. I admire their technology.

''It was just an unfortunate little flaw, just like the flaw on the *Titanic* and the flaw in the *Challenger*,'' he says, referring to the ''unsinkable'' ship's sulfurous, brittle steel and the space shuttle's O-ring—both of which failed under the prevailing weather conditions. ''You never know what Mother Nature is going to do to you.''●

HIGH-INTENSITY DRUG TRAFFICKING AREA

● Mr. SMITH of Oregon. Mr. President, I rise today to speak for a High-Intensity Drug Trafficking Area (HIDTA) designation for the State of Oregon. On October 1, 1998 Senator WYDEN and I sent letters to the Director of the Office of the National Drug Control Policy, General Barry McCaffrey and Attorney General Janet Reno requesting the designation.

High-Intensity Drug Trafficking Areas (also known as HIDTAs) were authorized in 1988 by the Anti-Drug Abuse Act of 1988 and are administered by the Office of National Drug Control Policy. HIDTA designations are granted to regions that are centers of illegal drug production, manufacturing, importation or distribution and have harmful impacts on the entire country. Once a HIDTA has been designated, increased funding is granted to the State, design strategies to combat drug threats are adopted and these designs are then strategically implemented. The Office of National Drug Control Policy's HIDTA Program has been profoundly successful in those regions where it has been implemented.

Mr. President, the State of Oregon is in desperate need of this designation. Western States—California, Washington, Arizona, New Mexico, and regions in the Rocky Mountains—have received designations to help them combat tremendous drug trafficking challenges. Oregon has been too long without assistance, fighting national and international traffickers.

This request is not idly made. It comes following more than a year of work with local and federal law enforcement agencies, and the U.S. Attorney's Office. There experience, dedication and tireless commitment to eliminating drug production, trafficking, and use is to be commended. Unfortunately, they have insufficient resources to combat this scourge in Oregon or the country. I appreciate their coordinated efforts and have learned through meetings with them and extensive work in my State that we must act—and act now.

I am proud to report that in our first meeting of the HIDTA steering committee, of which I am a member, the Department of Defense announced it was sending Joint Task Force Six to Oregon to engage in a drug threat assessment. As we speak, Task Force Six is conducting its study in our state and will present its report to us at our next steering committee meeting on October 29, 1998. Having requested a copy of the threat assessment for Washington State's HIDTA Program in the Seattle-Tacoma areas and met with Washington State Drug Enforcement Administration (DEA) specialists, I am confident our request will be accepted. The obstacles we face in fighting drug production and trafficking are similar.

Oregon's central location along the Interstate 5, and its proximity to the coast, render it particularly vulnerable to those who move heroine, cocaine and marijuana. For many years traffickers have moved large quantities of illegal drugs along interstate 5, highway 101, highway 97 and interstate 84. Crackdowns along interstate 5 have been successful, but the insufficiency of resources has produced an unbalanced, under-powered drug defense. Drug shipments from Central America moving along these routes continue to increase, while Pacific Rim countries feed the problem through Oregon ports. These drug shipments are then trafficked throughout the continental United States.

This flow, from sources outside Oregon, has introduced a criminal element into the fabric of Oregon society. They came to produce and sell drugs, and stayed to enjoy the climate, the abundance of space and breathtaking beauty, as well as the serenity and tranquility of our fields and forests. These very qualities that make Oregon unique are also the qualities that drug traffickers found beneficial to their trade.

The facts are indisputable. In 1991, only 7 years ago, there were 39 drug-related deaths in Oregon. There were 221

such deaths in 1997. Methamphetamine use among incarcerated adults increased from 30 percent in 1991–1992 to 49 percent in 1996–1997.

Children are the most victimized. There were 629 juvenile arrests for drug offenses in 1991, and 2,392 in 1997. The number of juveniles treated in drug treatment centers increased from 1,742 in 1991 to 4,028 in 1996. The Oregon Public School Drug Use Survey Key Findings Report states that since 1990, marijuana use by eighth graders—eighth graders—mind you!, has tripled, while marijuana use by eleventh graders has increased 68 percent. General illicit drug use by eighth graders has doubled since 1992, and over the same time period increased in eleventh graders by 21 percent.

I have given this problem much thought in the past few months. While I am confident that a HIDTA designation is vital to our ability to deter drug trafficking and production, this problem has been further exacerbated by the current Administration's failure to focus and its diminished emphasis on the international component to the war on drugs. That is why I am proud to be an original cosponsor of the Western Hemisphere Drug Elimination Act of 1998 (S. 2522) which calls for an additional $2.6 billion investment in international counter narcotics efforts over the next three years. This bi-partisan legislation restores funding to international interdiction and eradication efforts that were all but abandoned in 1993. Without decreasing domestic funding or effort, this legislation recommits the nation to fighting drugs with a comprehensive international approach.

We, Oregonians, are committed to the welfare of our State. We will drive the criminal elements from our borders. Finally, Mr. President, we have no choice but to fight. We have no alternative but to win. I thank the chair.●

TRIBUTE TO JOSEPH MORGART

● Mr. LAUTENBERG. Mr. President, I rise today to pay tribute to a very special young man, one who is close to my heart and certainly close to my daughter's. He is my son-in-law Joe Morgart.

I rise to congratulate him not simply for being a terrific husband to my daughter Nan and a loving father to my grandsons, Alexander and Jonathan, but also to recognize some of his personal achievements. Today, I commend him for becoming a leader in the Jewish community in Boston. He was honored there recently with the 1998 Young Leadership Award given by the Combined Jewish Philanthropies (CJP) of Greater Boston.

CJP now raises nearly $25 million annually to support educational, humanitarian and cultural causes, as well as providing funding for health care and social service programs in Israel and other Jewish communities around the world. The Young Leadership Division of CJP gives young Jewish people in the Boston area the opportunity to get involved in community service, as well as to participate in discussions about Jewish issues from religious, ethical, social, political and economic perspectives.

For Joe to receive this award is especially noteworthy, coming from one of the oldest philanthropies in the country and one so dedicated to educating others about Jewish issues. That is so, Mr. President, because Joe has not always been a member of the Jewish faith.

Maybe Joe was attracted to Judaism to impress Nan when they were dating. Maybe he was attracted to Judaism to impress me! Or, knowing Joe and his thirst for knowledge when learning about Judaism, he found that the Jewish religion fulfilled him spiritually and invited him into the community. Joe then decided to convert, and he has become a most valuable participant in the community.

Joe Morgart has served on CJP's Board of Directors, has been an active fundraising campaigner and started a successful outreach and educational services program that drew in many new members for CJP. He has participated in CJP's leadership development program, and has been deeply involved in community service programs for the organization. Beyond his involvement in CJP, Joe is a leader of the Jewish Big Brother & Big Sister Association, part of the American Israel Public Affairs Committee, and is a member of the United Jewish Appeal's Young Leadership Cabinet.

Mr. President, I am proud that a well-regarded organization like CJP recognized Joe Morgart's ability and contributions by honoring him with this award. I know that his entire family is proud as well of his accomplishments and the love and respect that he has earned from all of those who know him.●

ASSISTIVE TECHNOLOGY ACT OF 1998

● Mr. JEFFORDS. Mr. President, I am very pleased that last night we passed S. 2432, the Assistive Technology Act of 1998, the ATA. In the spring of 1988, I made a commitment to individuals with disabilities. I said that I would, with their help, and that of my colleagues, develop and pass legislation that would provide greater access to assistive technology for people with disabilities. Between April and August of that year, we did just that. The Technology-Related Assistance for Individuals with Disabilities, commonly referred to as the Tech Act, became P. L. 100–407 and received its first appropriation. That legislation has had a successful 10 year run. It sunsets on September 30, 1998.

This spring I made another commitment. I said I would, with the help of my friends in the disability community, my partners Senators HARKIN and BOND, develop new technology legislation that would promote greater access to technology for people with disabilities, promote greater interest in and investment by the Federal Government and public and private entities in addressing the unmet technology needs of individuals with disabilities, and create expanded means by which individuals with disabilities could purchase assistive technology. We were joined in our efforts by Senators KERRY, MCCONNELL, COLLINS, KENNEDY, REED, FRIST, DEWINE, BINGAMAN, WELLSTONE, WARNER, DODD, FAIRCLOTH, FORD, MIKULSKI, SARBANES, D'AMATO, REID, COCHRAN, and JOHNSON. This legislation will equip individuals with disabilities through technology, to sustain their functioning, to expand their range of abilities, to be more independent, and to contribute at home, in school, at work, and in the community.

S. 2432 builds on the success of the Tech Act. In recognition of the accomplishments of State Tech Projects, State protection and advocacy systems, and technical assistance provided by the Rehabilitation Engineering and Assistive Technology Society of North America (RESNA) and United Cerebral Palsy Associations, Inc., the bill continues federal support for activities proven to be effective in promoting access to assistive technology. It also sets policies and authorizes federal support for new challenges related to technology and its impact on individuals with disabilities. It encourages states, the Federal Government, public and private entities, individuals with disabilities and their families and advocates, to form new partnerships, to stretch expectations and to build consensus through common goals, to promote and to endorse meaningful accountability by measuring progress on common goals, and generally work together to make the environments and the technology of tomorrow accessible to and usable by individuals with disabilities.

The specific purposes of the bill are to: support states in sustaining and strengthening their capacity to address the assistive technology needs of individuals with disabilities; focus the federal investment in technology that could benefit individuals with disabilities; and support micro-loan programs to provide assistance to individuals who desire to purchase assistive technology devices or services.

S. 2432 reaffirms the federal role of promoting access to assistive technology devices and services for individuals with disabilities. The bill allows states flexibility in responding to the assistive technology needs of their citizens with disabilities, and does not disrupt the accomplishments of states over the last decade through the state assistive technology programs funded under the Tech Act.

Title I of the ATA authorizes funding for multiple grant programs from fiscal years 1999 through 2004: continuity grants, challenge grants, millennium

grants, and grants to protection and advocacy systems, as well as funding for a technical assistance program. The bill streamlines and clarifies expectations, including expectations related to accountability, associated with continuing federal support for state assistive technology programs. The bill targets specific, proven activities, as priorities, referred to as ''mandatory activities''. All State grantees must set measurable goals in connection to their use of ATA funds, and both the goals and the approach to measuring the goals must be based on input from individuals with disabilities in the State.

If a State has received less than 10 years of Federal funding under the Tech Act for its assistive technology program, title I of S. 2432 allows a State, which submits a supplement (a continuity grant) to its current grant for Federal funds, to use ATA funds for mandatory activities related to a public awareness program, policy development and interagency coordination, technical assistance and training, and outreach, especially to elderly and rural populations with disabilities. Such a State also may use ATA funds for optional grant activities: alternative State-financed systems for assistance technology devices and services, technology demonstrations, distribution of information about how to finance assistive technology devices and services, and operation of a technology-related information system, or participation in interstate activities or public-private partnerships pertaining to assistive technology.

If a state has had 10 years of funding for its assistive technology program, the State may submit an application for a noncompetitive challenge grant. Grant funds must be spent on specific activities—interagency coordination, an assistive technology information system, a public awareness program, technical assistance and training, and outreach activities.

In fiscal year 2000 through 2004, if funding for title I exceeds $40 million, States operating under challenge grants may apply for additional ATA funding, provided through competitive millennium grants. These grants are to focus on specific statewide or local level capacity building activities in an area or areas related to access to technology for individuals with disabilities.

Title I of the bill also authorizes funding for protection and advocacy systems in each State to assist individuals with disabilities to access assistive technology devices and services, and funding for a technical assistance program, and specifies administrative procedures with regard to monitoring of entities funded under title I of the bill. The bill contains an authorization for a National Public Internet Site on assistive technology as part of the technical assistance program. This site will have two distinct functions. First, once developed and operating, the site will have the capacity, through interaction with an individual, both to identify a profile of the individual's specific assistive technology needs and to recommend alternatives for addressing those needs. Second, once information is identified and links established, the site will be a location on the Internet through which individuals may access information about assistive technology devices and services and be linked to state Tech Projects and other sites to access additional information.

S. 2432 treats year 1999 as a transition year for current grantees of federal funds for assistive technology. The bill provides the Secretary of Education with discretion to treat grantees who have completed 10 years of Federal funding in that year as if those states were in their tenth year of federal funding. In addition, grantees who have received less than 10 years of funding for assistive technology programs may elect in fiscal year 2000 only to transition from continuity grant status to challenge grant status by submitting a grant application for a challenge grant.

The authorization level for title I of the bill is $36 million for fiscal year 1999, and such sums for fiscal years 2000 through 2004.

Title II of S. 2432 provides for increased coordination of Federal efforts related to assistive technology and universal design, and authorizes funding for multiple grant programs from fiscal years 1999 through 2004. Title II strengthens the mandate of the Interagency Committee on Disability Research (ICDR) to include assistive technology and universal design research, and authorizes funding the joint research projects by ICDR members. Title II also provides for increased cooperation between the National Institute on Disability and Rehabilitation Research (NIDRR), which oversees the State Tech Projects, and the Federal Laboratories Consortium.

Title II of the bill also authorizes increased funding for Small Business Innovative Research grants (an existing program under the Small Business Act) related to assistive technology and funding to commercial or other organizations for research and development related to how to incorporate the principles of universal design into the design of products and buildings so they can be used without alteration by all people. This title also authorizes funding for grants or other mechanisms to address the unique assistive technology needs of urban and rural areas, of children and the elderly, and to improve training of rehabilitation engineers and technicians.

Finally, title II of S. 2432 authorizes funding for the President's Commission on the Employment of People with Disabilities to work with the private sector to promote the development of accessible information technologies.

The authorization of appropriations for title II is $15 million for fiscal year 1999, and such sums for fiscal years 2000 through 2004.

Title II of the bill provides for alternative financing mechanisms for people with disabilities to purchase assistive technology devices and services from fiscal years 1999 through 2004. These funds are to be used to establish specified types of loan programs for individuals with disabilities, and not to be used simply to purchase assistive technology for individuals with disabilities. The authorization of appropriations for title III of S. 2432 is $25 million for fiscal year 1999, and such sums for fiscal years 2000 through 2004.

We would not have been successful in passing S. 2432 without the technical assistance and cooperation from the U.S. Department of Education, the state Tech Projects, particularly, Lynne Cleveland, Director of the Vermont state Tech Project, the National Association of Protection and Advocacy Systems, and the Technology Task Force of the Consortium for Individuals with Disabilities, especially Jennifer Dexter, Jim Gelecka, Glen Sutcliffe, Sally Rhodes, and Ellin Nolan. I would also like to recognize the efforts of Senate staff, Lloyd Horwich with Senator HARKIN, Dreama Towe with Senator BOND, and Pat Morrissey, Heidi Mohlman, and Carolyn Dupree of my staff.

In addition to being supported by the disability community, S. 2432 has been endorsed by the Administration and the Chamber of Commerce and supported by the Administration. Moreover, the National Governors Association, and individual governors have urged the passage of assistive technology legislation this year.

Everyone has worked especially hard to help us meet our ambitious, compressed time table. Along the way, every Senate office now has a better understanding and appreciation of assistive technology—what it means to an individual with a disability who has it and what it means to an individual with a disability who needs it, but can't get it.

Technology has become commonplace and thus, is often taken for granted. Yet, the power of technology is, in many ways, our last frontier. As we push technology to do more for us, S. 2432 offers us the tools to ensure that individuals with disabilities also benefit.

I appreciate the support of my colleagues in passing S. 2432.●

EUGENE L. MCCABE

● Mr. MOYNIHAN. Mr. President, many years ago Eugene L. McCabe came to Washington seeking financial support for his new North General Hospital in Harlem. By then people living in Harlem, like many in our cities, suffered from hospital cutbacks and closings. They were in desperate need of affordable and reliable medical care. The AIDS and crack epidemics overburdened what few local facilities there were. But where others saw despair, Eugene saw hope and opportunity. He founded North General as a community hospital specializing in the treatment

of diabetes, cancer, and hypertension—common afflictions in urban areas. Still, North General did not become overnight what Kenneth Raske, president of the Greater New York Hospital Association, called a wonderful hospital. It took Eugene's dedication, vision, and compassion to see it through. When told his hospital would fail because there was no money to be made, he worked harder. The hospital became his life's passion. He appealed to banks, businesses, and political leaders for support. And he made good on his promise. North General became a thriving hospital that has never lost touch with its community. It remains the only minority-run hospital in New York State. Located at 121st Street and Madison Avenue, North General Hospital stands as a memorial to Eugene McCabe and his dedication to improving the lives of others.

With his passing much will be said of him. Those who worked with him remember a leader—self-assured and inspiring—who, despite popular motivations and trends, compelled himself and others to make affordable and quality health care a reality for many who might otherwise have gone without it. Those who loved him remember his smile, his helpfulness, and his gracious presence. Eugene McCabe's life was a blessing and we are grateful to have been touched by it.

I ask that the obituary from The New York Times be printed in the RECORD.

The obituary follows:

[From the New York Times, Oct. 1, 1998]

EUGENE L. MCCABE, 61, FOUNDER OF HARLEM COMMUNITY HOSPITAL

(By Barbara Stewart)

Eugene L. McCabe, a management consultant who founded and was president of North General Hospital, a thriving, minority-operated community hospital in Harlem, died there yesterday. He was 61.

The cause was breast cancer, his family said.

''He was indefatigable in putting it together,'' said Mario M. Cuomo, who, as Governor, approved many of the grants and loans to build North General. ''His strength was his will and his total commitment.''

North General, a 200-bed hospital on 121st Street and Madison Avenue, is the only minority-operated hospital in the state. Most of its trustees are black. The hospital specializes in treatment for diabetes, cancer and hypertension, which occur widely among low-income blacks. It recently built 300 units of condominium housing for low- and middle-income residents of Harlem.

''It is a wonderful hospital,'' said Kenneth Raske, president of the Greater New York Hospital Association. ''And Gene did it through sheer dogged persistence and sharp business acumen.''

When another specialized hospital moved out of Harlem in the late 1970's, Mr. McCabe, along with Randolph Guggenheimer, a lawyer, developed the idea for North General: a community hospital to serve the impoverished, medically deprived area.

''It became his passion, his life work,'' said Livingston S. Francis, chairman of the board of North General.

Mr. Cuomo, who described the hospital's creation as ''a miracle,'' said it took all of Mr. McCabe's persuasive powers to talk him and others into approving the necessary loans. At the time, many small community hospitals, overwhelmed with the unexpected demands of AIDS patients and crack addicts, were being closed. ''It didn't make financial sense,'' Mr. Cuomo said. ''But he made a case for that hospital. He was always entreating. He was never offensively pushy, but he was insistent.''

As a result of Mr. McCabe's entreaties in Albany, Washington and New York City, the state appropriated $150 million to build the hospital. From the start, it was rooted in the community. At one early point, the union asked the hospital workers to continue working despite a missed pay period, Mrs. Guggenheimer said. With the help of banks, local businesses and politicians, it pulled through several financial crises.

As president of the new hospital, Mr. McCabe drew on the resources of the staff in unexpected ways, Mr. Francis said. Nurses helped choose color schemes, and engineers installed lighting and laid floors—tasks that would ordinarily be done by outside workers. The process was repeated seven years ago, when North General moved into its current facility, a modern brick building on 121st Street and Madison Avenue, with a bright interior decorated with art selected by staff members.

''The hospital,'' Mr. Cuomo said, ''was his.''

Mr. McCabe, who grew up in New Haven, graduated from Southern Connecticut State University.

He is survived by this wife, the former Elsie Crum, who is the president of the Museum for African Art in SoHo; their 1-year-old twins, Eugene and Erin, and a son, Kevin, from a previous marriage.●

GOVERNOR RACICOT ON COMMUNITY SERVICE

● Mr. BURNS. Mr. President, Governor Marc Racicot of my home State of Montana recently wrote an op-ed on community service which appeared in the Washington Times and The Hill newspapers. For the benefit of those who haven't seen it, I ask to have the op-ed inserted into the CONGRESSIONAL RECORD.

[From The Washington, Times, Aug. 31, 1998]

COMMUNITY SERVICE THAT WORKS

(By Marc Racicot)

Governors meet together and routinely stake out areas of broad bipartisan agreement that transcend the partisan struggles that have become synonymous with election-year politics. One issue that enjoys strong support from governors of both parties is national and community service. The support for service is based on a simple conviction that I share with many other governors: that every generation of young people needs to accept responsibility for its country and its community.

As a first-term Republican governor in January, 1993, I asked, and our legislature approved, a proposal to create a Governor's Office of Community Service intended to enhance the ethic of service and elevate the importance of ''community,'' particularly among our young people. Meaningful service, we believed, would nurture productive young citizens committed to the future of our state because they had invested their sweat and labor in that future. Here in Montana, we sought to encourage service as a life-long ''habit of the heart.''

When the National Community Service Act of 1993 was passed, Montana was in an ideal position to move forward with the opportunity offered through AmeriCorps. The Office of Community Service's mission and the mission of AmeriCorps was one and the same: to develop opportunities for young people to provide meaningful, direct and demonstrable service to their communities. It was our hope that AmeriCorps would help us to build unique partnerships with public and private agencies by engaging young people in productive and meaningful service to their communities. These partnerships would serve as clear examples of how we could work together in Montana to improve how we, as fellow citizens, respond to pressing needs.

Now in its fourth year, AmeriCorps offers a creative, effective, and non-bureaucratic means of addressing the unmet education, human, public safety and environmental needs of our state— and our country. Indeed, AmeriCorps has become a model of devolution, where real authority and ownership for a federal initiative is delegated to the states. Through governor-appointed bipartisan state commissions, priorities are established and projects are selected to receive AmeriCorps funding.

The results are impressive. Last year alone, our locally-run AmeriCorps programs generated nearly $1,000 hours of service to Montana communities. Their service directly benefits 50,000 children and families in Montana, and indirectly almost one-third of our state population. Nationally, similar results abound. This year, some 40,000 AmeriCorps members will get things done for more than 1,200 communities across the country.

When AmeriCorps was created, some feared it might replay the worst of the welfare state—an entrenched, expensive, Washington run program. Many feared, even more, that it would undermine traditional volunteers with yet another federal program. I can say from experience that the fears were misplaced. As a governor who tries very hard to be careful with tax dollars, I have witnessed time and again the fruits of this prudent investment in Montana.

Now, after more than five years, we have seen a tremendous rekindling of a sense of public service and civic duty, in many ways, through the programs and opportunities generated through the National Community Service Act. I am convinced national and community service promotes core values—hard work, self-discipline, civic duty, personal responsibility, the cherishing of human life—that we too often sadly find lacking. If the era of big government is finally over, certainly the era of big citizenship must begin.

I have joined twelve of my fellow governors in urging not only continued federal funding of AmeriCorps, but also reauthorization of the Act, increasing the partnership with states and the authority of directing these programs at the state level. We join with our peers from the New England Governors' Conference in urging Congress to support reauthorizing the National Community Service Amendments Act, in order to improve the laws's current language. As their resolution notes, we support the bill's ''devolution provisions that add authority and flexibility to states . . . [to] provide Governor-appointed state commissions more control over program selection.''

Community service is a vital element in the chemistry of our existence as a society, renewing our sense of community and civic initiative. It is the glue that bonds free peoples together. We in Montana have seen how vitally important this is, recently having completed our state Governors' Summit on Youth, and witnessing the real necessity of promoting opportunities for young people to give back to others. Through community service they learn what it's like to belong to

something good and solid and decent. AmeriCorps helps provide that opportunity and truly puts the states in the driver's seat, which translates into meaningful ownership, and impact, at the state and local level.●

ONE GUN A MONTH FORUM

● Mr. LAUTENBERG. Mr. President, on September 2, I convened a forum on gun trafficking. Across America, it is simply too easy for criminals, particularly gangs, to purchase and distribute large numbers of guns. And more guns in the wrong hands means more murder and mayhem on our streets.

Because we must move more aggressively to stop this deadly crime, I introduced S. 466, the Anti-Gun Trafficking Act. The testimony I heard at the forum has made me even more determined to pass this sensible legislation and help stop gun traffickers.

In order to share the insights of the witnesses at the forum with my colleagues and the public, I am submitting the testimony presented for inclusion in the CONGRESSIONAL RECORD. Previously, I submitted the testimony of Mayor Edward Rendell, James and Sarah Brady from the Center to Prevent Handgun Violence and Handgun Control, and John Schuler, Kenisha Green and Quanita Favorite, three young people from the D.C. area.

Today, I would like to submit a statement from Captain R. Lewis Vass, Commander of the Criminal Justice Information Services Division of the Virginia Department of State Police. His testimony bears witness to the success of Virginia's one-gun-in-thirty-day law which was enacted in 1993. Since 1993, the number of crime guns traced back to Virginia from the Northeast dropped by nearly 40 percent. Prior to one-gun-a-month, Virginia had been among the leading suppliers of weapons to the so-called ''Iron Pipeline'' that fed the arms race on the streets of Northeastern cities.

Mr. President, I ask that the testimony of Captain R. Lewis Vass be printed in the RECORD.

The testimony follows:

TESTIMONY OF CAPTAIN R. LEWIS VASS, SEPTEMBER 2, 1998

Senator Lautenberg, I am Captain Lewis Vass, Commander of the Criminal Justice Information Services (CJIS) Division of the Virginia Department of State Police. I have been a sworn police officer with the Virginia State Police for the past 32 years. Since the enactment and implementation of Virginia's instant check firearms purchase approval program in 1989, I have been responsible for the administration and operation of the Firearms Transaction Center. One of the functions of the center is the tracking of multiple handgun sales and issuance of multiple handgun purchase certificates approving or denying the application to purchase more than one handgun within a thirty-day period.

I appear here today to speak with regard to Virginia's one-gun-in thirty-day law and the impact the law has had on gun trafficking in Virginia.

Prior to the enactment of Virginia's one handgun in thirty day law, Virginia was described as one of the major source states for illegal handguns being seized on the east coast. Information provided by the Bureau of Alcohol, Tobacco and Firearms regarding firearms seized from March to August of 1991 ranked Virginia as follows: New York Project Lead—(108 Firearms), Ranked Number One; District of Columbia Project Lead)—(244 Firearms), Ranked Number One; Boston Project Lead)—(14 Firearms) Ranked Number Three; Total Firearms—366 Firearms.

In 1989, the Virginia General Assembly enacted legislation which created Virginia's instant background system to address the flow of firearms going to prohibited persons. This system, even though it prevents prohibited persons from purchasing firearms from federally licensed firearms dealers, does not eliminate the flow of Virginia handguns being seized in other states. The Virginia General Assembly studied this issue and amended the law to reduce the flow of Virginia handguns to other states. The law was revised in 1993, to limit the number of handguns to one that a person could purchased during any thirty day period. The law went into effect on July 1, 1993, to address the growing problem of handguns being purchased from Virginia's firearms dealers and being seized by law enforcement authorities in other states namely New York, New Jersey, Massachusetts and the District of Columbia. Another issue that was addressed by enactment of this legislation was the influx of narcotics into Virginia as payment for the firearms being sold in other states. Even when cash was used to purchase the firearms from the trafficker, the trafficker in turn purchased narcotics for sale on Virginia's streets.

An example of illegal gun trafficking from Virginia to states in the north eastern corridor involved a gun shop located directly across the street from the Virginia State Police headquarters. This was a mom-and-pop gun shop favored by gun runners because of the ease in which firearms could be obtained. During an investigation into illegal gun trafficking, it was found that gun purchasers from New York would come to Virginia and solicit the help of either street people or college students possessing a valid Virginia drivers license to purchase firearms for them for a small fee. These ''straw purchasers'' would go into the gun shop and purchase a box of guns, a box contains ten handguns. The firearms would be turned over to the gun trafficker in the parking lot of the store. Videos captured by ATF agents during the investigation revealed that these types of illegal transactions were conducted numerous times a day almost every day of the week that the store was open.

During February 1992, the owner of the gunshop cut to five the maximum number of firearms transferred per purchase to five at the conclusion of a case in which a trafficking group moved 240 firearms from Virginia to New York, 85 percent or approximately 204 of them from this gun shop.

The investigation concluded with the arrest of the store owners and closing of the firearms outlet.

A Project Lead report released by ATF in 1992 reporting the results of firearms traced to New York from January 1, 1992 through June 16, 1992 revealed that for 501 of 805 firearms traces received the leading source states were as follows: 1. Virginia—108 firearms, 20%; 2. Florida—92 firearms, 18%; 3. Texas—39 firearms, 8%; 4. Connecticut—37 firearms, 7%; 5. Ohio—34 firearms, 7%.

A 1997 trace report released by ATF shows that the percentage of firearms from Virginia seized in New York has dropped to 12.5 percent as compared to 20 percent in 1992. While Virginia remains the leading source state for firearms seized in Washington, D.C., the percentage of firearms recovered in D.C. has dropped from 35.1 percent in 1991 to 26.8 percent in 1997. Additionally, Virginia has dropped from the number two source state in 1990 to number eight in 1997 for guns seized in Boston.

The law was designed to stop the flow of handguns being purchased for illegal purposes and transported out of state, but not to impede the law-abiding citizens from purchasing more than one handgun in thirty days. The statute was designed with provisions for the purchase of multiple handguns for collections by collectors, business use, personal use and estate sales. An individual desiring to purchase more than one handgun in thirty days is required to complete a multiple handgun purchase application. The application is submitted to the State Police and processed by the Firearms Transaction Center (FTC). The FTC conducts an enhanced background check on the applicant. If the applicant is approved, he/she is issued a multiple handgun purchase certificate which permits him to purchase the number and type of handguns requested in the application. The FTC has issued 2,245 multiple handgun purchase certificates from July 1, 1993 to July 30, 1998 while denying 164 applications because the applicant did not meet the multiple purchase requirements or had already exceeded the limit for the thirty-day period.

The one handgun in thirty days was studied by the Virginia Crime Commission in 1995; copy attached. The results of that study concluded that most gun control policies currently being advocated in the United States (e.g., licensing, registration, and one-gun-a-month) could, most fairly, be described as efforts to limit the supply of guns available in the illegal market. In other words, these are policies crafted to keep guns from prescribed individuals. Once enacted; however, it is important to demonstrate that they are effective. This study, which is attached, looks at the impact of Virginia's one-gun-a-month law, provides persuasive evidence that a prohibition on the acquisition of more than one handgun per month by an individual is an effective means of disrupting the illegal interstate transfer of firearms.

As a follow-up to this previous study, the Bureau of Alcohol, Tobacco and Firearms provided this Department with information on firearms seized on the east coast regarding Virginia firearms. The information revealed that of the firearms seized in 1997, 184 originated from Virginia. Of that number, 87 of these firearms were obtained after the law was enacted in July 1993. This demonstrates a significant reduction from 366 firearms for six months in 1991 to 87 firearms in 12 months of 1997.

We believe that Virginia's one handgun in thirty day law has had its intended effect of reducing Virginia's status as a source state for gun trafficking. At the same time, the law does not appear to create an onerous burden for the law-abiding gun purchaser who apply for and are granted multiple handgun purchase certificates. Even though there is not conclusive evidence that the one-gun-in-thirty-days reduced the number of violent criminal offenses occurring with firearms, the number of Murders, Robberies and Aggravated Assaults occurring with the use of a firearm has significantly dropped since 1993 the year the one-gun-in-thirty-days was enacted.●

DOUGLAS FONTAINE

● Mr. COCHRAN. Mr. President, I am very pleased to learn that the Mississippi Hotel and Motel Association

will honor my good friend, Douglas Fontaine, on October 23, 1998, by establishing a scholarship in his name. The scholarship will provide education assistance to future entrepreneurs in the hospitality industry.

Doug literally grew up in the hotel business watching both his parents and grandparents manage the historic ''Allison's Wells Spa'' in Way, MS. After returning from a tour of duty in Germany where he managed a R & R hotel, he took his turn managing Allison's Wells. Doug eventually moved to Pascagoula, MS, where he has owned and operated the La Font Inn for over 35 years.

As the only Mississippian to have been President and Chairman of the Board of the American Hotel and Motel Association, his program, ''Quest for Quality'' has been his lasting legacy for hotels around the United States, Europe and the Caribbean.

Doug has been President of such organizations as the Jackson County Heart Fund, Rotary Club, the Pas-Point Navy League, United Way of Jackson County, the Mississippi Hotel and Motel Association, the Gulf Coast Hotel and Motel Association, the Gulf Coast Economic Development Council, the Jackson County Economic Development Council, and the Jackson County Chamber of Commerce.

Doug was also on the committee that worked to bring Naval Station Pascagoula to Mississippi, and he has chaired the committee to ''Save the Homeport'' for many years.

Currently, Doug serves as a lifetime Director of the American Hotel and Motel Association and as a member of the National Restaurant Association. He also serves on the Board of Director's of the Hancock Bank, a position he has held for over 27 years.

We are very proud of the leadership and example of Doug Fontaine. Our Nation is strong because of people like him. I congratulate him, his wife Lou, and the Mississippi Hotel and Motel Association for making this tribute a lasting legacy that will offer opportunities to younger members of this industry.●

THE REMARKABLE NEW YORK YANKEES

● Mr. MOYNIHAN. Mr. President, I rise today to add my voice to the growing chorus of people proclaiming, ''Thank God for baseball!'' In this otherwise tumultuous year, the national pastime is back. Mark McGwire and Sammy Sosa broke Ruthian *(and Marisian!)* records, Cal Ripken voluntarily ended his heroic streak of 2,632 consecutive games played (a record which may never be broken) and, most importantly, the New York Yankees and the incomparable Joe Torre are back on top. Well done!

While New Yorkers have grown accustomed to the success of the Bronx Bombers, 1998 is truly a departure from anything we've witnessed of late. The numbers astound. Their 114 regular season victories are the most in baseball since the 1906 Chicago Cubs. Bernie Williams took the batting title, and on May 17 David Wells hurled the first perfect game by a Yankee pitcher since Don Larsen's masterpiece in game five of the 1956 World Series. (I was an aide to Governor Harriman at the time.) On Friday night, after a three-hour rain delay, the Yankees swept the prodigiously talented Texas Rangers 3–0 in their first-round American League playoff series.

Sadly, the season is not without its concerns. Darryl Strawberry, the embattled talent who so bravely and admirably turned his life and career around these past few years, was diagnosed last week with colon cancer. The Yankees outfielder/designated hitter underwent surgery Saturday and the prognosis of a full recovery is excellent. Our prayers are with him.

Tonight, in the Bronx, the Yankees will host the Cleveland Indians in the first game of the American League Championship Series, the winner to face the Atlanta Braves or San Diego Padres in the World Series. No doubt Darryl Strawberry will be in the hearts and minds of the entire team and city, as the Yankees continue their most remarkable season. Just two years ago, the Yankees won the World Series, and I was honored to ride in a motorcade down Broadway with Joe DiMaggio, the original Yankee Clipper. In all likelihood another parade is in the offing.●

RECOGNIZING THE ACCOMPLISHMENTS OF INSPECTORS GENERAL

● Mr. THOMPSON. Mr. President, I applaud the Senate's action in passing a joint resolution, S. J. Res. 58, recognizing the accomplishments of Inspectors General during the last 20 years.

Inspectors General came into being in 1978, when with the leadership of the Senate Governmental Affairs Committee, Congress passed the act creating these vital positions. The initial legislation was modified and expanded in 1988, and today there are IGs at nearly 60 Federal departments, agencies, and other entities. IGs are a unique institution. By design, they are independent voices that owe duties to both Congress and their agency heads. Their job, which is not easy, is to identify and report on waste, fraud, and abuse, and other problems in Federal Government and then recommend solutions.

IGs have served the taxpayers of this country well. Every year, they make recommendations totaling billions of dollars on how our government should spend money more wisely. They return hundreds of millions of dollars to the Federal treasury annually through investigative recoveries. And they help protect the integrity of Federal Government operations by successfully prosecuting thousands of criminal cases and suspending or disbarring thousands of individuals and entities who have taken advantage of the government.

Naturally, IGs are not always popular at their agencies. No official likes to hear that a policy proposal is going to cost too much money or that a favored program suffers from waste, fraud, or abuse. But delivering news about problems, while sometimes unpopular or unwelcome by an agency, is vital to responsive and wise government management.

Thus, we did well to pass this resolution recognizing the achievements of the IGs and thanking them for their services. The Governmental Affairs Committee looks forward to working with the IGs in the future, including considering possible improvements to the IG act to ensure that they are afforded the necessary independence and authority.●

COMMEMORATION OF THE BICENTENNIAL OF THE LIBRARY OF CONGRESS

Ms. SNOWE. Mr. President, I ask unanimous consent the Banking Committee be discharged in further consideration of H.R. 3790, and further that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The bill clerk read as follows:

A bill (H.R. 3790) to require the Secretary of the Treasury to mint coins in commemoration of the Bicentennial of the Library of Congress.

There being no objection, the Senate proceeded to consider the bill.

Ms. SNOWE. I ask unanimous consent that the bill be deemed read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The bill (H.R. 3790) was deemed read a third time and passed.

CONSUMER REPORTING EMPLOYMENT CLARIFICATION ACT OF 1998

Ms. SNOWE. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of S. 2561 introduced earlier today by Senators NICKLES and BRYAN.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The bill clerk read as follows:

A bill (S. 2561) to amend the Fair Credit Reporting Act with respect to furnishing and using consumer reports for employment purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. NICKLES. Mr. President, Senator BRYAN and I have been working for nearly a year to address concerns within the motor carrier industry with

respect to the Fair Credit Reporting Act. I would like to thank Senator BYRAN for his leadership on this important legislation. We have been working to ensure all involved parties are in agreement with the changes to the Fair Credit Reporting Act in this bill.

The Consumer Credit Reporting Reform Act of 1996, which passed as part of the Omnibus Conciliation Appropriations Act of 1997, contained reforms to the Fair Credit Reporting Act which are in conflict with the reality of how the motor carrier industry hires safe, responsible drivers.

We have reached an agreement with consumer groups, including U.S. PIRG, the chairman and ranking member of the Banking Committee, the Federal Trade Commission, and the credit industry which will not reduce consumer protections but will ensure a fair process for the regulated community. I would like to thank everyone for their help throughout this process on this important legislation.

This legislation will more appropriately address the manner in which the trucking industry hires safe, responsible drivers. If an individual applies for employment by mail, telephone, or electronic means, the employer can notify the potential employee orally, in writing, or electronically, that a consumer report may be obtained for employment purposes. The applicant must then consent to the procurement of that report.

This legislation will also allow an employer within the trucking industry, if the potential employee has applied for employment by mail, telephone, or electronically, to take adverse action based on the report and then notify the consumer within three business days that adverse action has been taken.

In addition, this bill also includes a provision that will allow criminal convictions to be reported past 7 years. This information is critical to employers in the areas of child care, education, and household services.

And finally we have included technical amendments to the Fair Credit Reporting Act that, again, the Federal Trade Commission and the regulated community are in agreement with.

It is essential that this commonsense legislation pass the Senate this year and I encourage my colleagues to support this bill. I want to again thank everyone for their support on this issue and I thank my colleagues Senator SARBANES, Senator BRYAN, Senator MACK, and others on the Banking Committee for their leadership on the Fair Credit Reporting Act.

Ms. SNOWE. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The bill (S. 2561) was considered read the third time and passed.

(The text of the bill will be printed in a future edition of the RECORD.)

MIGRATORY BIRD HUNTING AND CONSERVATION STAMPS

Ms. SNOWE. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of H.R. 4248 which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A bill (H.R. 4248) to authorize the use of receipts from the sale of the Migratory Bird Hunting and Conservation Stamp to promote additional stamp purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. CHAFEE. Mr. President, I am pleased to offer my support for the Migratory Bird Hunting and Conservation Stamp Promotion Act of 1998, or the Duck Stamp Act as it is more commonly known.

In 1934 President Roosevelt signed into law the Migratory Bird Hunting Stamp Act (Act). The Act required that all waterfowl hunters 16 years of age and over must annually purchase and carry a Federal Duck Stamp. The revenue generated from duck stamp sales is earmarked for the Migratory Bird Conservation Fund to buy or lease waterfowl sanctuaries. As a result, many of the nation's wildlife refuges have been purchased in whole or part with duck stamp funds.

Although the Duck Stamp program has been extremely successful, the Act does not provide funds to market and advertise duck stamps. This legislation authorizes the Secretary of the Interior to use up to $1 million a year in duck stamp receipts until 2003 for marketing purposes. To ensure that this program is a success the marketing plan has to be approved by the Migratory Bird Conservation Commission prior to implementation.

Duck stamp sales could increase substantially if funds were available to market the stamp, and I urge my colleagues in the Senate to support H.R. 4248.

Ms. SNOWE. Mr. President, I ask unanimous consent that the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The bill (H.R. 4248) was considered read the third time and passed.

NATIONAL FISH AND WILDLIFE FOUNDATION ESTABLISHMENT ACT AMENDMENTS OF 1998

Ms. SNOWE. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 434, S. 2095.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A bill (S. 2059) to reauthorize and amend the National Fish and Wildlife Foundation Establishment Act.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Environment and Public Works, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

S. 2095

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''National Fish and Wildlife Foundation Establishment Act Amendments of 1998''.

SEC. 2. PURPOSES.

Section 2(b) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3701(b)) is amended by striking paragraph (1) and inserting the following:

''(1) to encourage, accept, and administer private gifts of property for the benefit of, or in connection with, the activities and services of the Department of the Interior or the Department of Commerce, particularly the United States Fish and Wildlife Service and the National Oceanic and Atmospheric Administration, to further the conservation and management of fish, wildlife, and plant resources;''.

SEC. 3. BOARD OF DIRECTORS OF THE FOUNDATION.

(a) ESTABLISHMENT AND MEMBERSHIP.—Section 3 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3702) is amended by striking subsection (a) and inserting the following:

''(a) ESTABLISHMENT AND MEMBERSHIP.—

''(1) IN GENERAL.—The Foundation shall have a governing Board of Directors (referred to in this Act as the 'Board'), which shall consist of 25 Directors appointed in accordance with subsection (b), each of whom shall be a United States citizen.

''(2) REPRESENTATION OF DIVERSE POINTS OF VIEW.—To the maximum extent practicable, the membership of the Board shall represent diverse points of view relating to conservation and management of fish, wildlife, and plants.

''(3) NOT FEDERAL EMPLOYEES.—Appointment as a Director of the Foundation shall not constitute employment by, or the holding of an office of, the United States for the purpose of any Federal law.''.

(b) APPOINTMENT AND TERMS.—Section 3 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3702) is amended by striking subsection (b) and inserting the following:

''(b) APPOINTMENT AND TERMS.—

''(1) AGENCY HEADS.—The Director of the United States Fish and Wildlife Service and the Under Secretary of Commerce for Oceans and Atmosphere shall be Directors of the Foundation.

''(2) APPOINTMENTS BY THE SECRETARY OF THE INTERIOR.—

''(A) IN GENERAL.—Subject to subparagraph (B), after consulting with the Secretary of Commerce and considering the recommendations submitted by the Board, the Secretary of the Interior shall appoint 23 Directors who meet the criteria established by subsection (a), of whom—

''(i) at least 6 shall be knowledgeable or experienced in fish and wildlife conservation;

''(ii) at least 4 shall be educated or experienced in the principles of fish and wildlife management; and

''(iii) at least 4 shall be knowledgeable or experienced in ocean and coastal resource conservation.

''(B) TRANSITION PROVISION.—

''(i) CONTINUATION OF TERMS.—The 15 Directors serving on the Board as of the date of

enactment of this paragraph shall continue to serve until the expiration of their terms.

''(ii) NEW DIRECTORS.—The Secretary of the Interior shall appoint 8 new Directors; to the maximum extent practicable those appointments shall be made not later than 45 calendar days after the date of enactment of this paragraph.

''(3) TERMS.—

''(A) IN GENERAL.—Subject to subparagraph (B), each Director (other than a Director described in paragraph (1)) shall be appointed for a term of 6 years.

''(B) INITIAL APPOINTMENTS TO NEW MEMBER POSITIONS.—Of the Directors appointed by the Secretary of the Interior under paragraph (2)(B)(ii), the Secretary shall appoint—

''(i) 2 Directors for a term of 2 years;

''(ii) 3 Directors for a term of 4 years; and

''(iii) 3 Directors for a term of 6 years.

''(4) VACANCIES.—

''(A) IN GENERAL.—The Secretary of the Interior shall fill a vacancy on the Board; to the maximum extent practicable the vacancy shall be filled not later than 45 calendar days after the occurrence of the vacancy.

''(B) TERM OF APPOINTMENTS TO FILL UNEXPIRED TERMS.—An individual appointed to fill a vacancy that occurs before the expiration of the term of a Director shall be appointed for the remainder of the term.

''(5) REAPPOINTMENT.—An individual (other than an individual described in paragraph (1)) shall not serve more than 2 consecutive terms as a Director, excluding any term of less than 6 years.''.

(c) PROCEDURAL MATTERS.—Section 3 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3702) is amended by adding at the end the following:

''(h) PROCEDURAL MATTERS.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Foundation.''.

(d) TECHNICAL AMENDMENTS.—

(1) Section 4(c)(5) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703(c)(5)) is amended by striking ''Directors of the Board'' and inserting ''Directors of the Foundation''.

(2) Section 6 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3705) is amended by striking ''Secretary'' and inserting ''Secretary of the Interior or the Secretary of Commerce''.

(3) Section 6 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3705) is amended by inserting ''or the Department of Commerce'' after ''Department of the Interior''.

SEC. 4. RIGHTS AND OBLIGATIONS OF THE FOUNDATION.

(a) PRINCIPAL OFFICE OF THE FOUNDATION.—Section 4(a)(3) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703(a)(3)) is amended by inserting after ''the District of Columbia'' the following: ''or in a county in the State of Maryland or Virginia that borders on the District of Columbia''.

(b) INVESTMENT AND DEPOSIT OF FEDERAL FUNDS.—Section 4(c) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703(c)) is amended—

(1) by redesignating paragraphs (3) through (7) as paragraphs ❚(8)❚ *(7)* through ❚(12)❚ *(11)*, respectively; and

(2) by inserting after paragraph (2) the following:

''(3) to invest any funds provided to the Foundation by the Federal Government in obligations of the United States or in obligations or securities that are guaranteed or insured by the United States;

''(4) to deposit any funds provided to the Foundation by the Federal Government into accounts that are insured by an agency or instrumentality of the United States;

''(5) to make use of any interest or investment income that accrues as a consequence of actions taken under paragraph (3) or (4) to carry out the purposes of the Foundation;

''(6) to use Federal funds to make payments under cooperative agreements entered into with willing private landowners to provide substantial long-term benefits for the restoration or enhancement of fish, wildlife, and plant resources on private land;''.

(c) AGENCY APPROVAL OF ACQUISITIONS OF PROPERTY.—Section 4(e)(1) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703(e)(1)) is amended by striking subparagraph (B) and inserting the following:

''(B) the Foundation notifies the Federal agency that administers the program under which the funds were provided of the proposed acquisition, and the agency does not object in writing to the proposed acquisition within 45 calendar days after the date of the notification.''.

(d) REPEAL.—Section 304 of Public Law 102–440 (16 U.S.C. 3703 note) is repealed.

(e) AGENCY APPROVAL OF CONVEYANCES AND GRANTS.—Section 4(e)(3)(B) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703(e)(3)(B)) is amended by striking clause (ii) and inserting the following:

''(ii) the Foundation notifies the Federal agency that administers the Federal program under which the funds were provided of the proposed conveyance or provision of Federal funds, and the agency does not object in writing to the proposed conveyance or provision of Federal funds within 45 calendar days after the date of the notification.''.

(f) RECONVEYANCE OF REAL PROPERTY.—Section 4(e) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703(e)) is amended by striking paragraph (5) and inserting the following:

''(5) RECONVEYANCE OF REAL PROPERTY.—The Foundation shall convey at not less than fair market value any real property acquired by the Foundation in whole or in part with Federal funds if the Foundation notifies the Federal agency that administers the Federal program under which the funds were provided, and the agency does not disagree within 45 calendar days after the date of the notification, that—

''(A) the property is no longer valuable for the purpose of conservation or management of fish, wildlife, and plants; and

''(B) the purposes of the Foundation would be better served by use of the proceeds of the conveyance for other authorized activities of the Foundation.''.

(g) EXPENDITURES FOR PRINTING SERVICES OR CAPITAL EQUIPMENT.—Section 4 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703) is amended by adding at the end the following:

''(f) EXPENDITURES FOR PRINTING SERVICES OR CAPITAL EQUIPMENT.—The Foundation shall not make any expenditure of Federal funds in connection with any 1 transaction for printing services or capital equipment that is greater than $10,000 unless the expenditure is approved by the Federal agency that administers the Federal program under which the funds were provided.''.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

Section 10 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3709) is amended by striking subsections (a), (b), and (c) and inserting the following:

''(a) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There are authorized to be appropriated to carry out this Act for each of fiscal years 1999 through 2003—

''(A) $30,000,000 to the Department of the Interior; and

''(B) $5,000,000 to the Department of Commerce.

''(2) REQUIREMENT OF ADVANCE PAYMENT.—The amount made available for a fiscal year under paragraph (1) shall be provided to the Foundation in an advance payment of the entire amount on October 1, or as soon as practicable thereafter, of the fiscal year.

''(b) ADDITIONAL AUTHORIZATION.—In addition to the amounts authorized to be appropriated under subsection (a), the Foundation may accept Federal funds from a Federal agency under any other Federal law for use by the Foundation to further the conservation and management of fish, wildlife, and plant resources in accordance with the requirements of this Act.

''(c) USE OF FEDERAL FUNDS.—

''(1) IN GENERAL.—Subject to paragraphs (2) and (3), Federal funds provided to the Foundation under this section shall be used by the Foundation for matching, in whole or in part, contributions (whether in currency, services, or property) made to the Foundation by private persons and State and local government agencies.

''(2) PROHIBITION ON USE FOR ADMINISTRATIVE EXPENSES.—No Federal funds provided to the Foundation under this section shall be used by the Foundation to pay for administrative expenses of the Foundation, including for salaries, travel and transportation expenses, and other overhead expenses.

''(3) REQUIREMENT OF NON-FEDERAL MATCH.—No Federal funds provided to the Foundation under this section shall be used by the Foundation to carry out a cooperative agreement under section 4(c)(6) unless the funds are matched on at least a 1-for-1 basis by non-Federal contributions to the ❚Foundation.''.❚ *Foundation.*

''(4) LIMITATION ON USE OF FUNDS.—No Federal funds appropriated under the authority granted by this Act shall be used to support lobbying or litigation by any recipient of a Foundation grant.''.

AMENDMENT NO. 3749

(Purpose: To provide a complete substitute)

Ms. SNOWE. Mr. President, Senator CHAFEE has a substitute amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Maine [Ms. SNOWE], for Mr. CHAFEE, proposes an amendment numbered 3749.

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. CHAFEE. Mr. President, I am pleased to offer my support today for S. 2095, legislation to reauthorize the National Fish and Wildlife Foundation Establishment Act of 1984. This legislation makes important changes in the Foundation's charter, changes that I believe will allow the Foundation to build on its fine record of providing funding for conservation of our nation's fish, wildlife and plant resources.

The National Fish and Wildlife Foundation was established in 1984, to bring together diverse groups to engage in conservation projects across America and, in some cases, around the world. Since its inception, the Foundation has made more than 2,300 grants totaling over $270 million. This is an impressive record of accomplishment. The Foundation has pioneered some notable conservation programs, including implementing the North American Waterfowl Management plan, Partners in

Flight for neotropical birds, Bring Back the Natives Program, the Exxon Save the Tiger Fund, and the establishment of the Conservation Plan for Sterling Forest in New York and New Jersey, to name just a few.

Mr. President, the Foundation has funded these programs by raising private funds to match federal appropriations on at least a 2 to 1 basis. During this time of fiscal constraint this is an impressive record of leveraging federal dollars. Moreover, all of the Foundation's operating costs are raised privately, which means that federal and private dollars given for conservation is spent only on conservation projects.

Mr. President, this legislation is quite simple. It makes three key changes to current law. First, the bill would expand the Foundation's governing Board of Directors from 15 members to 25 members. This will allow a greater number of those with a strong interest in conservation to actively participate in, and contribute to, the Foundation's activities.

The bill's second key feature authorizes the Foundation to work with other agencies within the Department of the Interior and the Department of Commerce, in addition to the Fish and Wildlife Service and the National Oceanic and Atmospheric Administration. Mr. President, it is my view that the Foundation should continue to provide valuable assistance to government agencies within the Departments of the Interior and Commerce that may be faced with conservation issues. Finally, it would reauthorize appropriations to the Department of the Interior and the Department of Commerce through 2003.

Mr. President, I believe that this legislation will produce real conservation benefits, and I strongly urge my colleagues to give the bill their support.

Ms. SNOWE. Mr. President, I ask unanimous consent that the substitute be agreed to, the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The amendment (No. 3749) was agreed to.

The bill (S. 2095), as amended, was considered read a third time and passed, as follows.

S. 2095

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''National Fish and Wildlife Foundation Establishment Act Amendments of 1998''.

SEC. 2. PURPOSES.

Section 2(b) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3701(b)) is amended by striking paragraph (1) and inserting the following:

''(1) to encourage, accept, and administer private gifts of property for the benefit of, or in connection with, the activities and services of the Department of the Interior or the Department of Commerce, particularly the United States Fish and Wildlife Service and the National Oceanic and Atmospheric Administration, to further the conservation and management of fish, wildlife, and plant resources;''.

SEC. 3. BOARD OF DIRECTORS OF THE FOUNDATION.

(a) ESTABLISHMENT AND MEMBERSHIP.—Section 3 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3702) is amended by striking subsection (a) and inserting the following:

''(a) ESTABLISHMENT AND MEMBERSHIP.—

''(1) IN GENERAL.—The Foundation shall have a governing Board of Directors (referred to in this Act as the 'Board'), which shall consist of 25 Directors appointed in accordance with subsection (b), each of whom shall be a United States citizen.

''(2) REPRESENTATION OF DIVERSE POINTS OF VIEW.—To the maximum extent practicable, the membership of the Board shall represent diverse points of view relating to conservation and management of fish, wildlife, and plants.

''(3) NOT FEDERAL EMPLOYEES.—Appointment as a Director of the Foundation shall not constitute employment by, or the holding of an office of, the United States for the purpose of any Federal law.''.

(b) APPOINTMENT AND TERMS.—Section 3 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3702) is amended by striking subsection (b) and inserting the following:

''(b) APPOINTMENT AND TERMS.—

''(1) AGENCY HEADS.—The Director of the United States Fish and Wildlife Service and the Under Secretary of Commerce for Oceans and Atmosphere shall be Directors of the Foundation.

''(2) APPOINTMENTS BY THE SECRETARY OF THE INTERIOR.—

''(A) IN GENERAL.—Subject to subparagraph (B), after consulting with the Secretary of Commerce and considering the recommendations submitted by the Board, the Secretary of the Interior shall appoint 23 Directors who meet the criteria established by subsection (a), of whom—

''(i) at least 6 shall be knowledgeable or experienced in fish and wildlife conservation;

''(ii) at least 4 shall be educated or experienced in the principles of fish and wildlife management; and

''(iii) at least 4 shall be knowledgeable or experienced in ocean and coastal resource conservation.

''(B) TRANSITION PROVISION.—

''(i) CONTINUATION OF TERMS.—The 15 Directors serving on the Board as of the date of enactment of this paragraph shall continue to serve until the expiration of their terms.

''(ii) NEW DIRECTORS.—The Secretary of the Interior shall appoint 8 new Directors; to the maximum extent practicable those appointments shall be made not later than 45 calendar days after the date of enactment of this paragraph.

''(3) TERMS.—

''(A) IN GENERAL.—Subject to subparagraph (B), each Director (other than a Director described in paragraph (1)) shall be appointed for a term of 6 years.

''(B) INITIAL APPOINTMENTS TO NEW MEMBER POSITIONS.—Of the Directors appointed by the Secretary of the Interior under paragraph (2)(B)(ii), the Secretary shall appoint—

''(i) 2 Directors for a term of 2 years;

''(ii) 3 Directors for a term of 4 years; and

''(iii) 3 Directors for a term of 6 years.

''(4) VACANCIES.—

''(A) IN GENERAL.—The Secretary of the Interior shall fill a vacancy on the Board; to the maximum extent practicable the vacancy shall be filled not later than 45 calendar days after the occurrence of the vacancy.

''(B) TERM OF APPOINTMENTS TO FILL UNEXPIRED TERMS.—An individual appointed to fill a vacancy that occurs before the expiration of the term of a Director shall be appointed for the remainder of the term.

''(5) REAPPOINTMENT.—An individual (other than an individual described in paragraph (1)) shall not serve more than 2 consecutive terms as a Director, excluding any term of less than 6 years.''.

(c) PROCEDURAL MATTERS.—Section 3 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3702) is amended by adding at the end the following:

''(h) PROCEDURAL MATTERS.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Foundation.''.

(d) TECHNICAL AMENDMENTS.—

(1) Section 4(c)(5) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703(c)(5)) is amended by striking ''Directors of the Board'' and inserting ''Directors of the Foundation''.

(2) Section 6 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3705) is amended by striking ''Secretary'' and inserting ''Secretary of the Interior or the Secretary of Commerce''.

(3) Section 6 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3705) is amended by inserting ''or the Department of Commerce'' after ''Department of the Interior''.

SEC. 4. RIGHTS AND OBLIGATIONS OF THE FOUNDATION.

(a) PRINCIPAL OFFICE OF THE FOUNDATION.—Section 4(a)(3) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703(a)(3)) is amended by inserting after ''the District of Columbia'' the following: ''or in a county in the State of Maryland or Virginia that borders on the District of Columbia''.

(b) INVESTMENT AND DEPOSIT OF FEDERAL FUNDS.—Section 4(c) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703(c)) is amended—

(1) by redesignating paragraphs (3) through (7) as paragraphs (7) through (11), respectively; and

(2) by inserting after paragraph (2) the following:

''(3) to invest any funds provided to the Foundation by the Federal Government in obligations of the United States or in obligations or securities that are guaranteed or insured by the United States;

''(4) to deposit any funds provided to the Foundation by the Federal Government into accounts that are insured by an agency or instrumentality of the United States;

''(5) to make use of any interest or investment income that accrues as a consequence of actions taken under paragraph (3) or (4) to carry out the purposes of the Foundation;

''(6) to use Federal funds to make payments under cooperative agreements entered into with willing private landowners to provide substantial long-term benefits for the restoration or enhancement of fish, wildlife, and plant resources on private land;''.

(c) AGENCY APPROVAL OF ACQUISITIONS OF PROPERTY.—Section 4(e)(1) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703(e)(1)) is amended by striking subparagraph (B) and inserting the following:

''(B) the Foundation notifies the Federal agency that administers the program under which the funds were provided of the proposed acquisition, and the agency does not object in writing to the proposed acquisition within 45 calendar days after the date of the notification.''.

(d) REPEAL.—Section 304 of Public Law 102–440 (16 U.S.C. 3703 note) is repealed.

(e) AGENCY APPROVAL OF CONVEYANCES AND GRANTS.—Section 4(e)(3)(B) of the National Fish and Wildlife Foundation Establishment

Act (16 U.S.C. 3703(e)(3)(B)) is amended by striking clause (ii) and inserting the following:

''(ii) the Foundation notifies the Federal agency that administers the Federal program under which the funds were provided of the proposed conveyance or provision of Federal funds, and the agency does not object in writing to the proposed conveyance or provision of Federal funds within 45 calendar days after the date of the notification.''.

(f) RECONVEYANCE OF REAL PROPERTY.—Section 4(e) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703(e)) is amended by striking paragraph (5) and inserting the following:

''(5) RECONVEYANCE OF REAL PROPERTY.—The Foundation shall convey at not less than fair market value any real property acquired by the Foundation in whole or in part with Federal funds if the Foundation notifies the Federal agency that administers the Federal program under which the funds were provided, and the agency does not disagree within 45 calendar days after the date of the notification, that—

''(A) the property is no longer valuable for the purpose of conservation or management of fish, wildlife, and plants; and

''(B) the purposes of the Foundation would be better served by use of the proceeds of the conveyance for other authorized activities of the Foundation.''.

(g) TERMINATION OF CONDEMNATION LIMITATION.—Section 4 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703) is amended by striking subsection (d).

(h) EXPENDITURES FOR PRINTING SERVICES OR CAPITAL EQUIPMENT.—Section 4 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3703) (as amended by subsection (g)) is amended by inserting after subsection (c) the following:

''(d) EXPENDITURES FOR PRINTING SERVICES OR CAPITAL EQUIPMENT.—The Foundation shall not make any expenditure of Federal funds in connection with any 1 transaction for printing services or capital equipment that is greater than $10,000 unless the expenditure is approved by the Federal agency that administers the Federal program under which the funds were provided.''.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

Section 10 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3709) is amended by striking subsections (a), (b), and (c) and inserting the following:

''(a) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There are authorized to be appropriated to carry out this Act for each of fiscal years 1999 through 2003—

''(A) $25,000,000 to the Department of the Interior; and

''(B) $5,000,000 to the Department of Commerce.

''(2) REQUIREMENT OF ADVANCE PAYMENT.—The amount made available for a fiscal year under paragraph (1) shall be provided to the Foundation in an advance payment of the entire amount on October 1, or as soon as practicable thereafter, of the fiscal year.

''(3) USE OF APPROPRIATED FUNDS.—Subject to paragraph (4), amounts made available under paragraph (1) shall be provided to the Foundation for use for matching, on a 1-to-1 basis, contributions (whether in currency, services, or property) made to the Foundation by private persons and State and local government agencies.

''(4) PROHIBITION ON USE FOR ADMINISTRATIVE EXPENSES.—No Federal funds made available under paragraph (1) shall be used by the Foundation for administrative expenses of the Foundation, including for salaries, travel and transportation expenses, and other overhead expenses.

''(b) ADDITIONAL AUTHORIZATION.—

''(1) IN GENERAL.—In addition to the amounts authorized to be appropriated under subsection (a), the Foundation may accept Federal funds from a Federal agency under any other Federal law for use by the Foundation to further the conservation and management of fish, wildlife, and plant resources in accordance with the requirements of this Act.

''(2) USE OF FUNDS ACCEPTED FROM FEDERAL AGENCIES.—Federal funds provided to the Foundation under paragraph (1) shall be used by the Foundation for matching, in whole or in part, contributions (whether in currency, services, or property) made to the Foundation by private persons and State and local government agencies.

''(c) PROHIBITION ON USE OF GRANT AMOUNTS FOR LITIGATION AND LOBBYING EXPENSES.—Amounts provided as a grant by the Foundation shall not be used for—

''(1) any expense related to litigation; or

''(2) any activity the purpose of which is to influence legislation pending before Congress.''.

SEC. 6. LIMITATION ON AUTHORITY.

The National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3701 et seq.) is amended by adding at the end the following:

''SEC. 11. LIMITATION ON AUTHORITY.

''Nothing in this Act authorizes the Foundation to perform any function the authority for which is provided to the National Park Foundation by Public Law 90–209 (16 U.S.C. 19e et seq.).''.

UNANIMOUS CONSENT AGREEMENT—H.R. 4194

Ms. SNOWE. Mr. President, I ask unanimous consent that the majority leader, after consultation with the Democratic leader, may proceed to the consideration of the conference report to accompany H.R. 4194, the VA/HUD appropriations bill, and, further, that the conference report be considered as read. I further ask consent that there be 40 minutes for debate on the conference report equally divided and, at the conclusion or yielding back of time, the Senate proceed to vote on adoption of the report.

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

ORDERS FOR WEDNESDAY, OCTOBER 7, 1998

Ms. SNOWE. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9:30 a.m. on Wednesday, October 7. I further ask the time for the two leaders be reserved.

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

Ms. SNOWE. Mr. President, I further ask consent that there be a period for the transaction of morning business until 10 a.m., with Senators permitted to speak for up to 5 minutes each.

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

PROGRAM

Ms. SNOWE. Mr. President, for the information of all Senators, on Wednesday there will be a period of morning business until 10 a.m. Following morning business, under a previous order the Senate will proceed to two stacked rollcall votes. The first vote will be on the adoption of the motion to proceed to H.R. 10, the financial services reform bill. The second vote will be on the motion to invoke cloture on S. 442, the Internet tax bill. Assuming cloture is invoked, the Senate will remain on the Internet tax bill with amendments being offered and debated throughout Wednesday's session.

In addition to the Internet tax bill, the Senate may also consider any available appropriations conference reports, executive nominations, or any other legislative items cleared for action. The leader would like to remind all Members that there are only a few days left in which to consider remaining appropriations bills and other important legislation. Members are encouraged to plan their schedules accordingly to accommodate a busy week with votes occurring early in the morning and extending late into the evening.

RECESS UNTIL 9:30 A.M. TOMORROW

Ms. SNOWE. If there is no further business to come before the Senate, I ask the Senate stand in recess under the previous order.

There being no objection, the Senate, at 7:14 p.m., recessed until Wednesday, October 7, 1998, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate October 6, 1998:

INTER-AMERICAN FOUNDATION

KAY KELLEY ARNOLD, OF ARKANSAS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE INTER-AMERICAN FOUNDATION FOR A TERM EXPIRING OCTOBER 6, 2004, VICE NEIL H. OFFEN, TERM EXPIRED.

DEPARTMENT OF JUSTICE

DONNIE R. MARSHALL, OF TEXAS, TO BE DEPUTY ADMINISTRATOR OF DRUG ENFORCEMENT, VICE STEPHEN H. GREENE.

JOSE ANTONIO PEREZ, OF CALIFORNIA, TO BE UNITED STATES MARSHAL FOR THE SOUTHERN DISTRICT OF CALIFORNIA FOR THE TERM OF FOUR YEARS VICE STEPHEN SIMPSON GREGG.

EXTENSIONS OF REMARKS

IMF MUST LEARN FROM ITS PAST MISTAKES

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. GINGRICH. Mr. Speaker, the attached op-ed by Martin Feldstein from The Wall Street Journal illustrates why the IMF must learn from its past mistakes. Feldstein suggests that the IMF can redefine itself as a valuable institution by narrowly defining the problem, rebuilding market confidence, and maintaining growth while reducing the current-account deficit. I submit the op-ed to the CONGRESSIONAL RECORD.

[From The Wall Street Journal, Oct. 6, 1998]

FOCUS ON CRISIS MANAGEMENT . . .

(By Martin Feldstein)

International officials and bankers assembled in Washington for the annual meeting of the International Monetary Fund and the World Bank are considering the failures of the past year and what the IMF should do differently in the future.

The fund made three key mistakes: undermining the confidence of global leaders, attempting unnecessary and radical changes in the basic economic structures of the debtor countries, and imposing excessively contractionary monetary and fiscal polices. But the IMF should aim to do more than just avoid these mistakes. It can play a positive role in future crises by coordinating the rescheduling of international obligations between creditors and debtors.

The IMF can also help prevent future crises by creating a collateralized credit facility that lends foreign exchange to governments that are illiquid but internationally solvent—that is, capable of repaying foreign debts through future export surpluses. President Clinton's proposal to create an IMF credit facility, though vague, may be useful in refocusing the fund's activities.

A rapid-payout credit facility can reduce the risk of speculative attacks and induce countries to maintain open capital markets and free trade. Leaders of emerging-market economies see their national capital markets as small relative to the internationally mobile capital that can be arrayed against them. They fear that even if they pursue sound long-run policies, they could suffer from sudden global shifts of sentiment. Unless the global financial system changes to reduce their vulnerability, emerging-market countries may respond by imposing a variety of counterproductive capital controls, leading to restrictions on foreign investment and trade.

LEGISLATED DIVERSION

An international credit facility can work only if it provides credit rapidly, at an above-market interest rate that discourages unnecessary use and in exchange for good collateral. A country can provide such collateral by pledging a share of the foreign exchange earned by its exporters. A country that borrows from this facility would automatically trigger a legislated diversion of all export receipts to a foreign central bank like the Federal Reserve or the Bank of England, with exporters then paid in a mixture of foreign exchange and domestic currency. Any country that contemplates such collateralized borrowing at some future time must embody such an arrangement in both domestic legislation and international agreements well in advance.

A foreign-exchange facility of this sort need not create moral-hazard problems for either the international lenders or the emerging-market countries. Banks and bond holders would still bear the risk that the companies to which they lend are incapable of repaying their loans. They would also not be protected against countries that become internationally insolvent and cannot earn the foreign exchange to meet their international obligations. And high interest rates would discourage the emerging-market countries themselves from any temptation to act imprudently.

The availability of a credit facility could by itself repulse a purely speculative attack on a healthy currency. When the attack is on the currency of an economy with an overvalued exchange rate that causes an unsustainable current account deficit, the availability of credit must be combined with a shift to an appropriate exchange rate and a deflation of domestic demand to make room for increased net exports.

When crises do occur, the IMF should help by bringing together the creditors and debtors to work out orderly reschedulings of international obligations. The lengthening of debt maturities gives debtor countries the time to earn the foreign exchange needed to meet their obligations. In the case of South Korea, the Fed took the lead and brought along the other major central banks. But since the problem is inherently international and the adjustment process must be monitored, this should be the primary responsibility of the IMF.

The fund must also abandon the mistaken strategy that contributed to the past year's failures. Asia's ''crisis countries'' bear responsibility for causing their own problems through unsustainable current-account deficits and short-term foreign debts that exceeded their foreign-exchange reserves. But these problems could have been solved less painfully. These economies are fundamentally sound, with remarkable long-term growth of both gross domestic product and exports. With modest adjustments, they could easily have earned extra foreign exchange to repay foreign debts. The problem was temporary illiquidity, not insolvency.

When these countries came to the IMF for assistance, it should have seen its task as providing liquidity, supervision and negotiating assistance. Instead, it publicly criticized them as incompetent, corrupt countries with fundamentally unsound economies. In doing so, it not only discouraged any further lending or investment in these countries but also undermined the confidence of global lenders in emerging-market countries generally, thereby contributing to the contagion the IMF wanted to prevent.

Although the IMF organized massive potential loan funds for each of the Asian crisis countries, it did not use those funds to prevent currency runs. On the contrary, it announced that these funds would be provided only if the country accepted the IMF's advice about the radical restructuring of the entire domestic economy—labor rules, corporate governance, tax systems and other matters not germane to the short-run financial crisis. Moreover, the funds would be given out only gradually, as the countries made IMF-prescribed changes. Since this policy meant the IMF would not provide the funds needed to repulse speculators, it caused excessive declines of currency values and required extremely high interest rates to prevent further declines.

IMF Managing Director Michel Camdessus has said that if the IMF had only wanted to deal with the countries' liquidity and debt problems, it would by now have succeeded. He then repeated his earlier statement that the Asian crisis was really a ''blessing in disguise'' because it gave the IMF the leverage to force structural policy changes that the national governments would not otherwise adopt.

This is a remarkable confession of the arrogance and inappropriateness of the IMF policies. Even apart from whether the IMF has any legitimate right to usurp these sovereign responsibilities, the attempt to remake an economy in the midst of a currency crisis made it likely that there would be neither fundamental restructuring nor a rapid resolution of the currency crisis itself. By putting every aspect of these economies into flux, the IMF made it more difficult to make the changes needed to regain access to international capital. Creating massive bankruptcies and widespread political unrest is not conducive to attracting a return of foreign investors.

MASSIVE RECESSIONS

While most of the target countries did need to contract domestic demand in order to reduce imports and provide scope for more exports, the IMF's policies of high interest rates and big tax increases were too contractionary in most countries. This IMF implicitly acknowledged this when it relaxed those policies—but this easing came too late to prevent massive recessions.

The IMF should commit itself publicly to avoiding a repetition of its recent mistakes. Future IMF programs for crisis countries should define the problem narrowly in terms of the country's current-account deficit, the structure of its balance sheet and the soundness of its banks. The guiding concepts should be rebuilding market confidence, focusing on the specific liquidity problems and maintaining as much growth as possible while reducing the current-account deficit. The world will be watching closely to see if the IMF can redefine itself as a valuable institution.

INDIA SHOULD BE DECLARED A TERRORIST STATE

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. TOWNS. Mr. Speaker, the August 14 issue of News India-Times carried a very interesting story. Kuldip Nayar, a veteran journalist and former Indian Ambassador to the United Kingdom who is now a member of the upper house of India's Parliament, admitted that India is a terrorist state. How long will it take for America to admit it?

Mr. Nayar was quoted as saying that Pakistan's attack on the village of Doda was an act of retaliation for Indian massacres in the Pakistani state of Sindh. Nayar has been a vocal opponent of the Indian government's nuclear tests, according to the story. Now he is admitting that India has undertaken activities designed to destabilize Pakistan. This is part of India's drive for total hegemony in South Asia.

Unfortunately, Mr. Nayar's remarks ignore another aspect of Indian state terrorism: the tyranny it has inflicted on the Sikhs, the Christians of Nagaland, the Muslims of Kashmir and others. According to very credible numbers published by human-rights groups and the Punjab judiciary, the government of India has murdered more than 250,000 Sikhs since 1984, in excess of 200,000 Christians in Nagaland since 1947, almost 60,000 Kashmiri Muslims since 1988, and tens of thousands of Assamese, Tamils, Manipuris, Dalits, and others.

The State Department reported that between 1992 and 1994 the Indian government paid over 41,000 cash bounties to police officers for murdering Sikhs. Two Canadian journalists published a book called Soft Target in which they proved that the Indian government blew up its own airliner in 1985 just to blame the Sikhs.

In this light, the United States must declare India a terrorist state. We must then impose all the sanctions that we impose on any other terrorist state. This will be a good step towards ending the terrorism and restoring freedom to all the people of South Asia.

I submit the News India-Times article for the RECORD.

[From the News India-Times, Aug. 14, 1998]

KULDIP NAYAR FLAYED FOR 'ANTI-INDIA' REMARKS

NEW DELHI.—The recent statement allegedly made by Kuldip Nayar, veteran journalist and nominated member of the Rajya Sabha on the Doda massacre has created a furor in the country.

Nayar is now looked upon as a ''treacherous, anti-national element'' for suggesting that the massacre at Doda is only a retaliation by Pakistan for similar actions by Indian agents in Sindh.

The comment which has been so strong has even taken up editorial columns of the country's leading newspapers and magazines.

One such editorial piece has even called it a blasphemous statement and that patriotism has been turned into a dirty word by a ''coterie of influential so-called intellectual.''

It added that such a statement would not have been made even by a spokesperson of Pakistan's notorious Inter-Services intelligence as that would have indicated its involvement in the Doda massacres.

Meanwhile, American Friends of India condemning Kuldip Nayar have circulated a release questioning Nayar's credibility as a representative of the nation. ''This preposterous action by Kuldip Nayar brings several issues into question. Can he be trusted to be our representative in the Upper House of the Indian Parliament? Isn't his allegiance undoubtedly toward Pakistan? How can he support this inhuman brutality against his own countrymen? Is his representation of the Indian people justified?

It may be noted here that Nayar represents a lobby of so-called intellectuals that blames the Indian government for Pakistan-sponsored massacres in Kashmir, and vehemently supports the US Government protests against the Indian nuclear tests. Does this lobby stand for India's unity or does it wish for its dismemberment?

Nayar and his fellow co-conspirators will do well to note that Kashmir is not about religion. It is about freedom of religion. We urge the government of India and the Indian National Human Rights Commission to treat the Kashmiri Pandits as ''internally displaced people'' and stress the importance of providing conditions for their safe return to the valley.

In light of such terrible tragedy of fellow Indians in Kashmir, Nayar should be expelled from the Rajya Sabha. We also urge the patriotic parliamentarians to take immediate action against Nayar for his treacherous and anti-national actions in the Rajya Sabha,'' the organization stated.

TRIBUTE TO ALAN B. FLORY

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. FAZIO of California. Mr. Speaker, I rise today to recognize and commend Alan B. Flory upon his retirement as Yolo County Assessor. Mr. Flory has served the people of Yolo County in this position for twelve years and will complete his service in January 1999.

Alan received a B.A. in Business Administration from California State University, Sacramento. In addition, he has continuously sought to supplement his education and refine his skills by taking many management and real estate courses through the American Institute of Real Estate Appraisers, the University of California, and the California State Board of Equalization throughout his long career.

Alan began his public service career as an appraiser with the Sacramento County Assessor's office. He next served as a property tax advisor with the Marshall and Stevens Appraisal Company. During his tenure, he directed and developed property tax programs in Montana, New York, Canada, Colombia, and throughout South America. While in Canada, he authored a rural appraisal manual for the Province of Ontario.

Mr. Flory settled into his position with the California State Board of Equalization as a property tax appraiser for nineteen years. He directed state units that audited County Assessor Offices to determine the adequacy of their practices and procedures. These units were charged with the development of rules, regulations and procedural handbooks governing assessment practices and unity that provided guidance and training to county assessors and their staffs.

During his years as Yolo County Assessor, he has held numerous positions elected by his peers including: president, California Assessors Association; president, Bay Area Assessors Association; chair, Executive Committee California Assessors Association; chair, Legislative Committee California Assessors Association. Alan, as a member of the Assessors Association Committee, put his finesse with numbers and his negotiating experience to practice and assisted in settling a property tax dispute between public utility companies and counties. His leadership helped broker a settlement that would have cost the State of California a revenue loss of $1.7 billion.

Finally, Mr. Speaker, I wish to thank Alan for his years of friendship and wise counsel, and to wish him the best in his new position as a trustee of the Yuba Community College District. Alan has been a real asset to the people of my congressional district. Alan exemplifies a model public servant. I congratulate and wish him well on his next adventure.

HONORING THE MELHA SHRINERS OF GREATER SPRINGFIELD, MASSACHUSETTS ON THE CELEBRATION OF THEIR 100TH ANNIVERSARY

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. NEAL of Massachusetts. Mr. Speaker, I rise to recognize and honor the Melha Shriners of the Springfield area on the celebration of their 100th anniversary.

The Melha Shrine is a fraternal organization composed of two dozen units and clubs—ranging from its Shriner Clowns, Directors, a Military Band and Hadji (the familiar ''little cars'') to the Vintage Autos and an Oriental Band.

Melha began when Charles H. Miller and other Shriners, who were Springfield residents but belonged to Boston's Aleppo Temple, decided to form their own Temple in Springfield in 1897; they received their charter in 1898. They went through many meeting places until finding Hibernian hall where they met for the next 38 years.

In the 1920's, Melha acquired 7.5 acres of property in Springfield as the potential site for one of the Shriners Hospitals. The hospital's committee was met with such pride and enthusiasm from the Melha Shriners, it is said to have melted to hearts of the committee and the Springfield site was selected. Melha and the hospital have been intertwined ever since. The Shrine currently operates 19 orthopedic, burns and spinal-cord injury hospitals for children free of charge, and conducts important research as well.

During the post World War II economic boom, the financial and economic outlook for the Melha Shriners was very optimistic. In 1955, the Melha decided that an indoor circus would be a worthwhile endeavor. That was the beginning of the annual Melha Shrine Circus, which has become a springtime tradition in Western Massachusetts. Parents bring their children to the circus they fondly remember seeing as youngsters themselves.

In the late 1950's, because of expanding membership the Melha Shriners moved their Temple to a new location, where they have thrived ever since. The Temple was not the only thing that need updating and in the 1980's it was decided that the existing Springfield Shriners Hospital needed to be replaced. Because of the large amount of land owned by the Shriners the new hospital was built behind the old hospital. This allowed children to receive medical care without interruption.

The new state-of-the-art facility includes outpatient and inpatient services along with two operating theaters, an occupational therapy department and a gait lab. In 1996 an new cleft lip and palate clinic was added. Just this year the hospital has received approval for a

telemedicine pilot program to be established between the Springfield Shriners Hospital and the island of Cyprus and a residency program in orthotics and prosthetics started in June. Although it is hard to imagine, the hospital is under consideration for expansion and renovation because of the consistently increasing level of activity at the hospital.

This year, to celebrate the 100th anniversary, the Melha Shriners hosted the Northeast Shrine Association Field Days. Approximately 3,500 Shriners and their families took part in the convention which culminated with a mammoth parade through Springfield. I want to acknowledge the members of the Melha Shrine on their 100th anniversary.

HONORING FRED McCALL

HON. BOB ETHERIDGE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. ETHERIDGE. Mr. Speaker, I rise today to honor a distinguished North Carolinian, former Campbell University coaching great, Fred McCall. He is an important figure on that legendary Tobacco Road where basketball is considered more a spiritual event than just another team sport. Coach McCall led the Fighting Camels to five state junior college championships in eight years, and through their first eight years at senior level competition. After leaving the head coaching position in 1969, Coach McCall remained at Campbell University as Vice-President for Institutional Advancement for a decade, after which he served as Vice-President for Administration until his retirement in 1986.

During his tenure at the University, Coach McCall started the internationally respected Campbell Basketball School. That school is now the nation's oldest and largest continually running basketball camp, with over a thousand young men enrolled and a coaching staff of over 100, including the legendary UCLA coach, John Wooden.

Coach McCall is not only a coach, teacher, administrator, and mentor, he is also an inventor. He saw a need for a more accurate way to evaluate a player's rebounding ability, so he took the initiative to invent a machine that measures reach, stretch, and jumping ability of the players, while developing strength and control in their fingers, hands, arms, legs, and torso. The McCall Rebounder can be considered nothing less than revolutionary to the teaching of rebounding skills. Most of the nation's top coaches have employed the machine as standard equipment, and it can be found in gymnasiums throughout the country and around the world.

While attending Lenoir-Rhyne College, Fred McCall excelled in three varsity sports. As a member of the basketball team for four years, he was a phenomenal scorer and rebounder who made all-conference for two years. He also played for three years as an end-tackle on the football team and two years as a pitcher on the baseball team.

Coach McCall graduated from Lenoir-Rhyne College in 1948 and later received his master's degree from Peabody College. Coach McCall also proudly served our country for four years during World War II as a first lieutenant in the U.S. Army.

His many honors include being named ''Tarheel of the Week'' by the Raleigh News and Observer in 1969, and being profiled in the ''Who's Who in American Colleges and Schools'' for 1948. The great state of North Carolina has inducted him into its Sports Hall of Fame. Then there are the unmentioned tributes that come from the thousands of lives he has touched and the countless young men that consider him a mentor, myself included. I am honored to have played under Coach McCall at Campbell University. His esteemed colleague, John Wooden once remarked that Fred McCall was, ''As fine a man as I have ever met.'' I wholeheartedly agree.

COUNCIL OF KHALISTAN OBSERVES ELEVENTH ANNIVERSARY

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. TOWNS. Mr. Speaker, October 7 is the eleventh anniversary of the Sikh Nation's declaration of an independent Khalistan and the founding of the Council of Khalistan to lead the independence movement. I congratulate the Council and its President, Dr. Gurmit Singh Aulakh, on this important occasion.

The Sikhs have a history of self-rule. They ruled Punjab from 1765 to 1849 and were recognized by most of the world's major countries. They were promised an independent state at the time of India's independence but were given false promises to keep them within India's artificial borders. Not one single Sikh representative ever signed the Indian constitution to this day, 51 years later. Now the Sikhs seek to reclaim their national status. Dr. Aulakh and his organization have been tireless and effective leaders in that struggle.

In our own Declaration of Independence, Thomas Jefferson wrote that when governments become destructive of their obligation to protect liberty, 'it is the right of the people to alter or to abolish it.'' The Indian government has murdered over 250,000 Sikhs since 1984, about 60,000 Muslims in Kashmir since 1988, more than 200,000 Christians in Nagaland, and tens of thousands of other minorities, including Dalits—the aboriginal people of South Asia—Assamese, Tamils, and Manipuris, to name just a few. The Indian Supreme Court described the situation in Punjab as ''worse than a genocide.''

When the Serbian dictator institutes a campaign of ''ethnic cleansing'' in Bosnia or Kosovo, we recognize that this is a clear example of a government which is destroying liberty, not upholding it, yet when India commits genocide against Sikhs, Christians, Muslims, and others, many members of this House proudly defend it as ''as the world's largest democracy.''

Mr. Speaker, the United States is the world's only superpower. It is the beacon of liberty for the world. We must support self-determination for all the occupied nations of South Asia. We must maintain sanctions against India, especially now that Prithvi and Agni missiles, some of which can reach Alaska, are deployed in Punjab.

The time has come to stop all aid and trade to this corrupt government. And we must support free and fair votes and peaceful talks to bring freedom to South Asia by democratic means. Only when all the nations and peoples of South Asia live in freedom will peace and stability come to that region.

I salute the Council of Khalistan for its work in this noble cause. I thank Dr. Aulakh for reminding us of our obligation to ensure the survival and the success of liberty. I call on my colleagues to listen to the information he brings us and to extend him and his people our full support.

TRIBUTE TO DEPUTY SECRETARY OF AGRICULTURE RICHARD ROMINGER

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. FAZIO of California. Mr. Speaker, I rise today to pay tribute to a true friend, a dedicated public servant, and one of our nation's leading agricultural policy-makers, Deputy Secretary of Agriculture Richard Rominger. Rich is also one of my constituents and a long-time Yolo County farmer. As I prepare to leave office at the end of this Congress, I am confident that the interests of the American farmer will be well protected with Rich Rominger in Washington, D.C.

Rich has had a long and distinguished career in the field of agriculture, beginning with the family farm. The Romingers have been farming in the Winters, California area for nearly 140 years. He is a true California farmer who, along with his brother, sons, and nephews, has raised alfalfa, beans, corn, tomatoes, rice, safflower, sunflowers, wheat, and numerous other crops for consumption and export. Rich took this expertise to Sacramento in 1977 where he headed the Department of Food and Agriculture under Governor Brown. During that period, he also served as the president of the Western Association of State Departments of Agriculture and the Western U.S. Agricultural Trade Association. He was also on the board of directors for the National Association of State Departments of Agriculture.

Throughout his career, Rich has received various awards from groups too numerous to mention here. Suffice it to say, they have all been extremely well-deserved. I am proud of my long and productive relationship with Rich. We have both toiled on behalf of ag issues and the farmers of northern California, he more literally than I, for over twenty years. From the Farm Bill of 1996, to expanding overseas markets to addressing critical agricultural research needs, Rich Rominger has been, and will remain, a leader on issues related to the health of our nation's farms and ranches.

His work on behalf of farmland preservation also deserves praise. As a past board member of the American Farmland Trust and now as deputy secretary, Rich has devoted a considerable amount of time to efforts which seek to preserve valuable farmland, particularly in California's Central Valley. This work will protect California's food production as well as an important part of our agricultural heritage.

I am proud to have worked with Rich Rominger throughout my career in Congress.

He is a true gentleman, and I salute him for his many accomplishments and hard work on behalf of American agriculture.

RECOGNIZING AMERICAN INTERNATIONAL COLLEGE AND NATIONAL PHYSICAL THERAPY MONTH

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. NEAL of Massachusetts. Mr. Speaker, I would like to bring attention to the fact that October is National Physical Therapy Month. American International College in Springfield, Massachusetts, my alma mater, is celebrating National Physical Therapy Month with a variety of activities designed to get the message out regarding physical therapy as a profession, as well as physical fitness in general.

The theme for this year, ''On The Move,'', reflects the attitude of the people in the physical therapy field. Their goal is to get everyone moving in a healthy and safe way. The students at American International College are ''On The Move'' because they are learning a trade in a burgeoning field. They are learning how to get their patients back onto their feet through the assessment of joint motion and muscle strength and endurance. They must also assess the ability of a patient's heart and lungs to function correctly during the performance of daily activities. To someone recovering from an injury, these skills are of the nutrient importance.

Most people know of at least one person who has had to endure physical therapy after an injury or surgery. Last year President Clinton himself under went knee rehabilitation, after which he praised the physical therapy profession. Every year we see examples of professional athletes, like Jerry Rice and Eric Davis, making wondrous recoveries from career threatening injuries. These athletes seem superhuman when they return to their respective playing fields, yet without the hard work and dedication of physical therapists, their changes for a full recovery would be greatly diminished.

Before they are allowed to treat patients, physical therapists are taught their trade at institutions of higher learning, like American International College. The Health Science Complex at AIC allows students access to state-of-the-art facilities including computer classrooms, an amphitheater, and a human anatomical laboratory. In order to show their appreciation, the students of AIC plan to hold flexibility screenings, visit local schools, and hold an open house for high school students interested in the field of physical therapy. Their goals is to make people more aware of their own physical condition, as well as bring attention to the importance of physical therapy as a medical field.

The American Physical Therapy Association has sent public relations kits around the country to help colleges educate the people in their areas about the field of physical therapy. I invite everyone to join me in recognizing the extremely important work being done by Physical Therapy Departments all over the United States. I would also like to bring special attention to the training being done in the Physical Therapy Department at my alama mater, American International College. These students at AIC are learning how to care for their fellow citizens and their efforts deserve special recognition.

PRESIDENT'S CHALLENGE, NATIONAL YOUTH PHYSICAL FITNESS PROGRAM

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. PACKARD. Mr. Speaker, I rise today to recognize the extraordinary accomplishments of a school which is located in my home district. I would like to express my congratulations to Temecula's Linfield School for winning the President's Challenge, National Youth Physical Fitness Program.

The Presidential Physical Fitness Award was initiated by President Johnson in 1966 and is a prestigious accomplishment for all schools to strive for. From its beginning, the President's Challenge has had a special focus on the Nation's youth, encouraging them to lay the foundation for an active, healthy adult life. This program is designed to accommodate students with special needs and emphasizes that every student can be a winner in fitness.

The State Champion Award is presented to schools with the highest number of students scoring at or above the 85th percentile on the President's Challenge. I am proud to say that the Linfield School is not only a repeat winner, but they had over 82 percent of their students score above the 85th percentile!

Mr. Speaker, I would like to again congratulate the Linfield School for this honor, and encourage other students and schools to follow their example of excellence.

HONORING CARLIE C. MCLAMB

HON. BOB ETHERIDGE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. ETHERIDGE. Mr. Speaker, I rise today to honor a great North Carolinian, Mr. Carlie C. McLamb. Mr. McLamb recently received the Distinguished Service Award of the Occoneechee Council of the Boy Scouts of America. He has been a leader in scouting all his adult life. Carlie C. is a popular businessman and community leader in Dunn, NC. He is the top IGA grocery retailer in North Carolina and one of the largest independent dealers in the Nation. He has touched many lives in this small community where he is considered a role model as a hard worker.

Carlie C. McLamb is a founding director of the Standard Bank in Dunn and will soon join the board of the Betsy Johnson Memorial Hospital. He is also largely responsible for the success of the annual Community Pride event, attended by thousands of area folks.

His reputation for hard work inspired loyalty among his employees. When Carlie C.'s store was destroyed by fire and rebuilt 5 months later, every single employee returned to work. Carlie C. is always willing to help people in need, even if he does not know them personally. Youth in the community respect him as a role model and many experience their first jobs in Carlie C.'s store before striking out in search of their own career.

I am honored to call Carlie C. a friend. I congratulate him on his much deserved Distinguished Service Award.

TRIBUTE TO SHERIFF GLEN CRAIG

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. FAZIO of California. Mr. Speaker, I rise today to commend Sheriff Glen Craig on his outstanding career in law enforcement and community service. During Sheriff Craig's long public career, he has shown the highest commitment to those he has sworn to serve.

Upon being discharged from the U.S. Army, Glen Craig went to work for the Visalia Police Department in 1955. In 1956, he went to work for the California Highway Patrol. Beginning as a patrol officer, he worked his way up through the ranks to become the youngest commissioner in the history of the California Highway Patrol, serving eight years in that position beginning in January 1975. In January 1983, he was appointed director of the State Department of Justice Division of Law Enforcement, and in 1986, he was elected sheriff of Sacramento County. He was re-elected in 1990 and 1994 and will retire in January 1999.

During his over 40 years in law enforcement, he has been held in the highest esteem by both Democratic and Republican political leaders and community leaders throughout the state of California. In addition, Glen Craig has devoted countless hours of volunteer time to the Make a Wish Foundation, the Boy Scouts of America, People Reaching Out, Walk America and the March of Dimes.

Finally, Mr. Speaker, I wish to thank Glen for his years of friendship and wise counsel, and to wish him the best in his new endeavors. I have been very privileged to work with Glen during the course of my congressional career. He has been a real asset to the people of my congressional district in Sacramento County. I salute him for his efforts and commend him for his service.

RESEARCH ACCOMPLISHMENTS AT THE UNIVERSITY OF CALIFORNIA, SAN DIEGO (UCSD)

HON. BRIAN P. BILBRAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. BILBRAY. Mr. Speaker, I want to bring to the attention of my colleagues five major research advances at the University of California, San Diego, that have come about thanks to the support in this body for science research funding. These advances, included in the just-published ''Great Advances'' report released by the Science Coalition, demonstrate once again the value of federal funding for university-based research. The Great Advances report highlights UC San Diego research in the areas of transportation, physics, defense, environment, and disease and injury

treatment. I believe that these five projects reflect much of what is best about science research in the university environment, including collaboration between institutions, leveraging of federal dollars with private dollars to maximize research value, and the potential for university research to support America's national security.

Research at the UCSD's Scripps Institution of Oceanography into acoustics and wave sounds is of immediate value to the U.S. military, enabling defense planners to better monitor onshore activity and better prepare for landings.

Bioengineering Department research into knee cartilage—providing the first real picture of what happens when cartilage is squeezed and flattened as it absorbs impact—was jointly funded by the Whitaker Foundation and the Arthritis Foundation, leveraging funding from the National Institutes of Health and the National Science Foundation.

Biophysicists from UCSD and Caltech collaborated to capture in atomic detail changes that take place in the earliest stages of photosynthesis. Researchers from the Scripps Institution of Oceanography are collaborating with more than 60 scientists from around the world, including India, England, France, Germany, Mauritius, and the Netherlands in the Indian Ocean Experiment, or INDOEX, an effort to measure the cooling effect of sulfates and other aerosols on regional climate.

Mr. Speaker, I have long supported Federal funding for science research, because I believe that it contributes in a wide variety of ways to the health and well-being of the United States. While I commend my colleagues to the entire report, I am pleased to see that so much of the research highlighted as ''Great Advances'' of the 105th Congress includes projects conducted by researchers from UC San Diego. Science has played and will continue to play an important role for America as we move forward into the 21st Century. I congratulate the many UCSD scientists whose work has been recognized in the ''Great Advances'' report, and I urge my colleagues to continue to recognize the importance of Federal funding for university-based science.

EXCERPTS FROM THE SCIENCE COALITION'S ''GREAT ADVANCES'' REPORT: ADVANCES AT THE UNIVERSITY OF CALIFORNIA, SAN DIEGO

TRANSPORTATION: RESEARCH BREAKTHROUGHS LEAD TO LIGHTER, SAFER BRIDGES

Structural engineers at the University of California-San Diego's Irwin and Joan Jacobs School of Engineering have designed the nation's first major advanced composites vehicular bridge, culminating years of defense technology research on advanced composite materials. The 450-foot bridge over Interstate 5 in San Diego will be the first of its kind built for vehicular traffic. It will be constructed with advanced materials—including glass, carbon and aramid fibers embedded in polymer matrices. The composite materials are lighter, stronger and more durable than conventional materials which enables us to build bridges, highways and buildings faster and with less disruption to traffic flow. Because they are lighter, such structures would be much less sensitive to ground motion from earthquakes. This research is made possible through funding from the Federal Highway Administration.

DEFENSE: OCEAN TECHNOLOGY AIDS MILITARY

Using a set of sensitive sound devices called seismoacoustic arrays, a team of scientists at Scripps Institution of Oceanography at the University of California-San Diego monitored current and wave dynamics and beach surf conditions. Their goal was to provide the military with insight into conducting amphibious missions augmented with covertly deployed onshore and offshore acoustic sensors and wave and current sensors. The researchers found that land vehicle activity can be clearly detected and tracked using data from underwater devices located as far as 2.2 miles offshore. This research is made possible through funding from the Office of Naval Research.

DISEASE AND INJURY TREATMENT: MECHANICAL BLUEPRINT FOR KNEE CARTILAGE

A team of bioengineers at the University of California-San Diego has for the first time described in detail what happens when cartilage is squeezed and flattened as it absorbs impact. As the body's shock absorber, cartilage is a cushion of durable tissue that protects the knee from a lifetime of walking, bending and running. Although it is only a few millimeters thick, cartilage is a complex tissue made up of several regions, each with its own distinct composition and structure. The UCSD researchers' blueprint, which includes the mechanical properties of cartilage and how it works in the body, provides valuable insight for the development of laboratory-grown knee cartilage to replace damaged tissue, including treatments for arthritic and aging cartilage. This research is made possible through funding from the National Institutes of Health, the Arthritis Foundation, the National Science Foundation, and the Whitaker Foundation.

PHYSICS: ATOMIC DETAILS OF PHOTOSYNTHESIS

Photosynthesis is probably the single most important chemical reaction in the biological world. Indeed, all life derives its energy from photosynthesis. A team of biophysicists from the University of California-San Diego and Caltech recently captured in atomic detail the changes that take place when light strikes the site where the primary events of photosynthesis occur—a protein called the reaction center. The results are offering a new and detailed explanation for how this complex chemical reaction takes place. They're also offering a vital step toward the creation of artificial photosynthesis, a process that one day could usher in a new era of food and energy production. This research is made possible through funding from the National Science Foundation.

ENVIRONMENT: INTERNATIONAL EXPERIMENT IN INDIAN OCEAN TO STUDY ROLE OF POLLUTANTS IN CLIMATE CHANGE

More than 60 scientists from around the world, including researchers at the University of California-San Diego, have joined forces in a $25 million international experiment to answer a pivotal question in climate change: How are pollutants known as aerosols cooling the planet and impacting global warming?

The project, called the Indian Ocean Experiment, or INDOEX, is one of the first attempts by scientists to measure the cooling effect of sulfates and other aerosols on regional climate. Scientists from England, France, Germany, India, Maldives, Mauritius, the Netherlands, Sweden, and the United States are participating in field studies in the experiment. This research is made possible through funding from the National Science Foundation.

DEFENSE: OCEAN TECHNOLOGY AIDS MILITARY

Using a set of sensitive sound devices called seismoacoustic arrays, a team of scientists at Scripps Institution of Oceanography at the University of California-San Diego monitored current and wave dynamics and beach surf conditions. Their goal was to provide the military with insight into conducting amphibious missions augmented with covertly deployed onshore and offshore acoustic sensors and wave and current sensors. The researchers found that land vehicle activity can be clearly detected and tracked using data from underwater devices located as far as 2.2 miles offshore. This research is made possible through funding from the Office of Naval Research.

SANTE ESPOSITO, DEMOCRATIC COUNSEL, COMMITTEE ON TRANSPORTATION & INFRASTRUCTURE: A TESTIMONIAL

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. OBERSTAR. Mr. Speaker, I rise today to recognize a very special member of the staff of the Committee on Transportation and Infrastructure, Sante Esposito, and to express on behalf of the Committee, our gratitude to Sante for his hard work, wise counsel, wonderful sense of humor, and great personal friendship.

Sante has served on the Committee—and its predecessor, the Committee on Public Works and Transportation—since 1981, and as our Democratic Chief Counsel for the past decade. It is a tribute to his abilities that he has risen through the ranks under five different Democratic Chairmen or Ranking Members (depending on whether we were in the majority or minority). This month, after 23 years on Capitol Hill, Sante will be retiring from public service, leaving behind the late nights, the drafting and redrafting sessions, and the never-ending jurisdictional squabbles, and will be moving on to new challenges in the private sector.

As the Ranking Democratic Member on the Committee, I will greatly miss Sante's keen mind, wise counsel and warm friendship. He has an innate ability to think and act quickly and decisively, and to communicate effectively. His understanding of the legislative and parliamentary processes, transportation, economic development, public buildings, aviation, water, and environmental issues, and the overall politics of these issues, have helped our Committee and its many Members on both sides of the aisle make decisions to build a better America.

Sante Esposito, a native of Plainville, Connecticut, is a graduate of Fairfield University and holds a law degree from the University of Connecticut. He worked for the Connecticut General Assembly, and came to Washington in 1975 answering the call of our former colleague, Robert Giamo, the first Chairman of the Budget Committee. Sante served both the House Budget Committee and the Congressional Budget Office before joining our Committee to serve as our own in-house expert on the budget.

As a member of the Budget Committee staff, Sante helped implement the then-new budget process of the Congressional Budget and Impoundment Control Act of 1974, which we still use today. He also helped develop the budget reconciliation process, a process that has become a staple of the budget debate in every Congress since 1980.

Sante is more than just a budget expert. His imprint can be found on many significant

pieces of legislation. His tireless work on the Transportation Equity Act for the 21st Century (TEA 21) in this Congress is a prime example. He was present at every Sunday morning staff negotiation and every late night Members' conference, guiding both staff and Members to compromises that allowed House and Senate, Democrat and Republican, all to claim victory. And TEA–21 is but one example.

Looking back at the achievements of our Committee in the last two decades—whether the landmark highway, highway safety, and transit legislation of 1991, the Intermodal Surface Transportation Efficiency Act; the Amtrak Reform and Accountability Act of 1997; authorizing the construction of the largest Federal building outside the Pentagon, the Ronald Reagan Building and International Trade Center; or the Committee's long-standing efforts to take the transportation trust funds off budget, Sante's contribution has always been compelling, leading the way to the final compromises that became law.

In all of these initiatives, Sante has always fought for what was best for the Committee, the Congress, and the country. He has always enjoyed working in a bipartisan manner when he could, or a partisan manner when he had to.

In an ordinary day, Sante is just as likely to be talking to an intern who's trying to learn about Congress, as he is to be meeting with Members discussing important legislative and policy issues, or talking to executive branch agency heads. He has been invaluable to many young students as a mentor. In fact, one of these former interns that Sante took under his wing is Ward McCarragher, who has just been named the Committee's Democratic Chief Counsel.

I have enjoyed working with Sante over these many years, admiring his irrepressible spirit and respecting his talent to have fun at work. He has helped each of us fully appreciate and put into practiced the universal truth: ''Blessed are those who can laugh at themselves, for they shall never cease to be amused.'' I recently saw a Frank & Ernest cartoon in the Post which pictured a smiling job applicant saying to the personnel director, ''I don't really have an employment history. It's more a series of funny stories.'' Sante Esposito immediately came to mind. What a gift he has! Bright, talented, intense and hard-working, yet able to find and enjoy every bit of humor life holds.

As a friend and a colleague, Sante will be missed on our Committee. While we are fortunate to have his protégé in place, Sante's spirit and sense of fun will be as difficult to replace as his expertise on the intricacies of the legislative process. We will miss his daily presence as a coworker, but we are sure to continue hearing from him in his new position as a legislative advocate.

I join his many friends in wishing Sante, his lovely wife Nancy, and his children, Jennifer, Mike, Erin and Bryan all the best of everything good in the years ahead.

JUDGE MICHAEL J. SKWIERAWSKI RECEIVES POLISH-AMERICAN HERITAGE AWARD

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. KLECZKA. Mr. Speaker, I rise today to honor Milwaukee County's chief circuit judge Michael J. Skwierawski for his outstanding accomplishments, service to the community and his contributions to further the heritage of Polish-Americans.

A native of West Allis, Judge Skwierawski graduated from Georgetown University Law School in 1967. After 11 years in private practice and in the district attorney's office, he was appointed a circuit judge in 1978 and elected in 1979 serving the court for two decades, earning a reputation as a keen legal mind and able administrator.

Rated among the best by the Milwaukee Bar Association, Judge Skwierawski has served as presiding judge of civil court, presiding judge for court operations, and deputy chief judge among other leadership roles. In light of this record of accomplishment, the Wisconsin Supreme Court this year appointed Judge Skwierawski chief judge of the Milwaukee County Circuit Court.

Judge Skwierawski's accomplishments don't stop at the courthouse doors. His influence and service are known throughout the community, most notably as one of the guiding influences behind Polish Fest. Starting as a volunteer at the fest's inception, Judge Skwierawski again demonstrated leadership as president of Polish Fest.

In addition to numerous memberships in civic groups, Judge Skwierawski has coached basketball and baseball at St. Sebastian's School for girls and boys. He is married to Gloria Skwierawski and they are parents to four children.

Mr. Speaker, it is my honor to recognize Judge Michael J. Skwierawski, a great citizen and friend to the Polish-American community, and recipient this year of the Polish-American Heritage's Appreciation Award for his many years of devoted voluntary service to the Polish National Alliance, Polish Fest and the local community.

ENERGY CONSERVATION REAUTHORIZATION ACT OF 1998

SPEECH OF

HON. MARK E. SOUDER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 28, 1998

Mr. SOUDER. Mr. Speaker, later this week we are planning to vote on almost $4 billion in emergency aid for America's farmers. This package is a combination of relief from the natural disasters much of the country has experienced this year, and market loss assistance. In particular, the market loss provision addresses the collapse of foreign markets which account for almost 40% of what we produce. In 1996, we began a much needed revision of our nation's farm policy. We passed the Freedom to Farm Act to phase out farmer's dependency on government subsidy and give them the flexibility to choose which crops to plant, and how to plant them. In addition we encouraged farmers to seek out new markets for their products, and they have. A great example of a developing market is biodiesel: an alternative fuel which is derived from crops such as soybeans, rapeseed, canola and more.

H.R. 4017, the Energy Conservation Reauthorization Act, also provides an important means to help farmers move into markets for biodiesel. This bill is not a subsidy, as Washington has tried in the past, but amends the Energy Policy Act of 1992 (EPACT) to allow biodiesel to be considered as an alternative fuel. EPACT requires that federal, state, and limited private fleets acquire alternatively fueled vehicles.

For the first time under EPACT, H.R. 4017 would provide strong incentives to provide for fleet managers to actually use the alternative fuel rather than simply acquire additional alternative fueled vehicles that may never run on the alternative fuels for which they were designed. H.R. 4017 enables fleet managers to use blends of at least 20% biodiesel to comply with EPACT requirements. Fleets may count the biodiesel portion of that blend toward a portion of their annual EPACT vehicle purchase requirement. A minimum of 450 gallons of biodiesel must be purchased and actually used by a covered fleet to qualify the use of fuel as a substitute for a vehicle acquisition. The provision does not create any new mandates or impose any new requirements on covered fleets. Instead it rewards the use of alternative fuel to achieve the goals of EPACT, to displace imported petroleum.

In addition to providing an alternative to foreign oil, biodiesel helps reduce emissions. Biodiesel runs cleaner than regular diesel fuel which means less particulate matter, hydrocarbons, and carbon monoxide is released into the atmosphere. This alternative fuel would be used primarily by heavy-duty fleet vehicles, such as city buses, boats and trucks.

What we are attempting to do with this provision is broaden the field of options in complying with the mandates of EPACT, not subsidize a particular fuel. This provision does not require new spending. In fact, the Congressional Budget Office estimates that this provision will save the federal government $40 million over the next 5 years. I fully support H.R. 4017, because I appreciate the way it encourages innovation and development as a way of addressing environmental issues.

This bill helps to create a significant new market for Hoosier soybean farmers. According to USDA, H.R. 4017 may add as much as 7 cents to the value of a bushel of soybeans. When we help increase real demand for soybeans, not simply subsidize them, we increase the price and put more dollars in the hands of working family farmers. I am pleased that in addition to immediate relief, this Congress is taking concrete steps to ensure the survival and prosperity of Hoosier farmers.

SURFACE TRANSPORTATION BOARD SHOULD NOT ACT ON AGREEMENTS

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. RAHALL. Mr. Speaker, in 1996, the Surface Transportation Board was established within the Department of Transportation as a result of Congressional action to terminate the Interstate Commerce Commission. The STB is an adjudicatory body with jurisdiction over certain surface transportation economic regulatory matters which were formally under ICC jurisdiction. The Board consists of three members and herein lies the crux of the problem. Today it consists of two members. By the end of the year, it will consist of only one member.

This is not a situation the Congress envisioned when establishing the STB and enacting provisions such as those found under section 13703 of Title 49 of the United States Code. And I state this as the ranking Democrat on the Subcommittee on Surface Transportation which had a major role in drafting the ICC Termination Act of 1995.

The provisions of section 13703 relate to the grant of antitrust immunity for certain collective activities pertaining to the motor carrier industry. In enacting the 1995 Act, and specifically section 13703 of Title 49, Congress retained immunity for classification making, the collective establishment of through routes and joint rates, rates for the transportation of household goods, general rate adjustments, rules and divisions. These activities have historically had antitrust immunity as being in the public interest and Congress had the good sense not to change that arrangement.

However, the 1995 Act contained a caveat. While immunity would be retained for an initial three year-period, which expires December 1998, the Act requires that the Board continue the immunity beyond the three-year period unless it finds that renewal is not in the public interest. In other words, unless the Board affirmatively determines that there is some public interest basis for not continuing the immunity which Congress provided for in the statute, the immunity is to be renewed beyond the initial three year period.

It is now being left up to a single Board member to make these determinations. In this regard, there is some question as to whether or not the board, when comprised of a single member, even has the authority to make any determinations of this nature. Apparently, the matter is not well settled. But in any event, any action taken by a STB comprised of a single member will be the subject of controversy if not litigation.

As such, I would advise the STB not to take any actions on matters which fall within the purview of section 13703(c) of Title 49 while it lacks a quorum of its statutorily designated membership. Indeed, the clear intent of Congress in enacting the 1995 Act was for the grants of antitrust immunity to continue.

We knew then, as we know now, that the efficient operation of the motor carrier industry, and its ability to serve both shippers and consumers alike, depends on the continuation of commodity classifications. Clearly, motor carriers could not, and would not, meet collectively without immunity and it is a fact that no system other than the National Classification Committee Agreement provides for the grouping of products with comparable characteristics, or the separation of products that are dissimilar, for transportation purposes.

And we knew then, as we know now, that the motor carrier industry remains extremely competitive using the collective ratemaking process authorized by the immunity to provide procompetitive services to shippers. These principally regional motor carriers, by benefit of the immunity, have been able to establish together rates and routes for essentially multi-regional services, and these services compete with the single line services of the large carriers. In this way, these carriers, who compete with each other for regional and inter-regional freight, effectively join together to offer shippers competitive, and often times more cost effective, services. That these carriers are continuing to provide shippers with these services in a market of extreme competition is testimony to the positive competitive effect of the immunity.

I would note that the household goods industry as we know it also depends on the antitrust immunity provided by law.

For these reasons, I believe the public interest is best served by the continuation of the agreements in existence today, and that the public would be ill-served by an STB, comprised of a single member, taking any actions which would jeopardize the efficiencies embodied by the status quo.

A DANGEROUS GAME IN IRAQ

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. BERMAN. Mr. Speaker, one of the most persistent and dangerous foreign policy dangers that America faces today is in Iraq where Saddam Hussein persists in frustrating efforts by the United Nations to eliminate his program to develop weapons of mass destruction and the means to deploy them.

I ask unanimous consent that an editorial, entitled ''A Dangerous Poker Game With Iraq,'' which appeared in the October 4, 1998, issue of the New York Times be printed in the RECORD. The editorial applauds the efforts of Major Scott Ritter to warn the world about Saddam's weapons program. The editorial rightly calls on the United States to intensify efforts to force Saddam to comply with UN resolutions. As the editorial states, ''only the credible threat of force can keep Iraq from resuming its weapons programs.''

This is a stark but true statement with dire consequences. Neither this Congress nor this Administration is as focused today as they should be on the foreign policy crises in the Middle East, Asia, or Russia, which are at our gates. We should be paying more attention before these problems move within our walls. I urge all my colleagues to read this editorial.

A DANGEROUS POKER GAME WITH IRAQ

In altering its approach to Iraq, the Clinton Administration is blundering into a policy that allows Saddam Hussein to rebuild a deadly arsenal of chemical and biological weapons. That makes it all the more repugnant that the Administration is trying to discredit and intimidate Scott Ritter, a former top United Nations weapons inspector in Iraq who is rightly sounding an alarm about the developments in Baghdad.

Seven years of economic sanctions and contested arms inspections in Iraq since the end of the Persian Gulf war have fatigued the Security Council. Mr. Hussein has several times manipulated the simmering confrontation to force Washington to reinforce its military presence in the region, at considerable expense. But for all the frustration, the clear lesson from these encounters is that only the credible threat of force can keep Iraq from resuming its weapons programs.

Washington has now muted that threat even as Mr. Hussein has blocked the most critical avenues of inspection. Though cameras and censors continue to operate at suspected weapons sites, nearly all spot inspections have been banned by the Iraqis. Baghdad's scientists and engineers are essentially free to concoct biological and chemical toxins at unmonitored sites and install them in bombs and missiles. The Clinton Administration, in effect, has suspended its effort to keep Iraq from rearming.

The Clinton Administration maintains that its restraint has allowed the Security Council to deal directly with Iraq, giving members a better appreciation of Mr. Hussein's defiance. The Council, in turn, has rebuffed Iraqi appeals to lift the embargo on most oil sales. That is fine, but the embargo is just one piece of the puzzle and the Security Council shows little desire to deal with the rest. Even without oil revenues, Mr. Hussein has more than enough money to finance new weapons. Absent aggressive inspection, he will do just that.

Mr. Ritter, an American who directed and conducted inspections in Iraq, has correctly warned that the world has largely lost its ability to hunt down Iraqi weapons projects. He resigned in protest, disclosing that the United States blocked several inspections to avoid a new confrontation with Baghdad. Mr. Ritter also reported that many of the best intelligence tips about Iraqi activities came from Israel, an understandable source given Israel's vulnerability to Iraqi attack.

Mr. Ritter has been rewarded for this truth telling with a stern warning from the United Nations, a Federal criminal investigation into his association with Israel and the ludicrous assertion of American officials that he does not know what he is talking about. This treatment is an embarrassment to the country.

Every day that passes without spot inspections gives Iraq more time to rearm. While Washington is toasting its success in uniting the Security Council behind the embargo, Mr. Hussein is busy building weapons that can threaten the entire Middle East.

TRIBUTE TO DOUGLAS A. KAPLAN

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. FAZIO of California. Mr. Speaker, I rise today to recognized and commend Douglas A. Kaplan who is retiring after serving sixteen years as Public Guardian/Public Administrator for the County of Yolo.

Since his days as a student, Doug has shown an interest in helping those who are less fortunate in our society. At the University of California at Davis, from which he graduated in 1978, he helped establish the Adopt a Grandparent Program. Doug ran for the office of Public Guardian/Public Administrator in

1982. He defeated the incumbent and took office in January 1983.

Beginning in 1983, Doug began to modernize and revamp the office of Public Guardian/Public Administrator by stressing outreach to some of the most impoverished and vulnerable citizens in Yolo County. By investigating the need for protective services, conservatorships, and other benefits, he extended the social safety network to those in need.

Once in office, Doug initiated a comprehensive review program of any mental health referral in order to protect an individual's rights during a conservatorship investigation. He worked with the state ombudsman for the care of nursing facility residents who lack the capacity to give informed consent for surgical treatment, and he has helped to draft laws and regulations to protect elderly Medi-Cal recipients from losing their homes. He has also advocated for federal legislation resulting in the reinstatement of benefits for incompetent veterans.

During Doug's tenure in office, he served as president of the California State Association of Public Guardians/Public Administrators and co-founded the National Guardian Association which provides education and training on protective services nationwide. From 1994 to 1995, he also served as president of that association. During his years as Yolo County's Public Guardian/Public Administrator, Doug has become a nationally recognized expert on aging, conservatorship reform, long term care, the disabled, and mental health systems.

Finally, Mr. Speaker, I wish to thank Doug Kaplan for his years of friendship and to wish him the best in his future endeavors. Doug has been a real asset to the people of my congressional district. I salute him for his efforts and commend him for his service.

TRIBUTE TO THE HONORABLE JOSEPH M. MCDADE, MEMBER OF CONGRESS

SPEECH OF

HON. F. JAMES SENSENBRENNER, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 1, 1998

Mr. SENSENBRENNER. Mr. Speaker, I rise to pay tribute to JOE MCDADE, the distinguished gentleman from Pennsylvania, as he prepares to retire after 36 years of service to the country and his constituents. Throughout his 18 terms, JOE MCDADE played key roles in areas ranging from energy and the environment, to America's highways and national defense, all the while displaying grace and dignity under sometimes adverse circumstances.

In the 10th District of Pennsylvania, JOE MCDADE is known as a friend to his constituents, a man whose work as a Member of this House always aimed to help the individuals who sent him here. Among other things, he fought to create better opportunities for small business, to help former coal miners re-train for new careers after many mines closed, and to ensure that local hospitals, highways, and schools were the best that they could be.

As a member of the Appropriations Interior Subcommittee, he addressed issues including alternative sources of energy in order to limit dependence on foreign oil. He devoted considerable effort to funding environmental infrastructure improvements such as sewage treatment facilities and flood control.

JOE MCDADE's contributions reach the national level as well. As a member of the Appropriations Defense Subcommittee during the 1980s, JOE played a key role in crafting defense and national security legislation. It is in no small part a result of his work that the U.S. was able to achieve a peaceful end to the Cold War from a position of strength and readiness.

I join my colleagues today in congratulating JOE MCDADE on a distinguished career. He has been a positive force for this nation and for this House. I wish him continued success in his endeavors and a long and productive retirement.

TRIBUTE TO HARRY D. FRELS

HON. BRIAN P. BILBRAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. BILBRAY. Mr. Speaker, I rise today with respect and admiration for a man of great fortitude and commitment to the world community. It is with great pleasure that I extend my high commendation to Harry D. Frels of San Diego, CA, who has served on the Kiwanis International Foundation's board since 1993 and served as President of the Foundation this year. The Kiwanis International Foundation is the charitable arm of Kiwanis International, one of the world's leading service clubs. There are currently 8,570 Kiwanis clubs in 82 nations. The Kiwanis family of service organizations numbers more than 600,000 adult and youth volunteers. Harry Frels has traveled as far as France and Korea to promote the foundation's goals and programs.

The Kiwanis International Foundation is playing a central role in the Kiwanis Worldwide Service Project. In partnership with the United Nations Children's Fund, Kiwanis clubs have pledged to raise $75 million to assist nations in eliminating iodine deficiency disorders (IDD) the leading preventable cause of mental retardation in the world today. Under Harry Frels' leadership, the Foundation reached the $32 million mark in fulfilling this commitment, and these funds have been distributed to support IDD programs in more than 65 nations. UNICEF estimates that these Kiwanis-funded IDD programs are now saving more than 6 million children from mental retardation each year.

Harry Frels is a Marine Corps veteran of World War II. He has been a Kiwanis member since 1961 and has served as president of both the North Hollywood and the San Diego Kiwanis clubs. He is currently the San Diego club's secretary and executive director. In addition to Kiwanis, he has served his community in many ways, including as a board member or chairman of the San Diego Hall of Champions, the YMCA of San Diego County, the Salvation Army Central Advisory Board, the Greater San Diego Sports Association, and the San Diego Holiday Bowl.

Mr. Speaker, it is an honor for me to pay tribute to Harry D. Frels who is always ready to contribute his time and talents to meet the needs of his community and the world. Although he is stepping down as President of the Kiwanis International Foundation, I am confident his lifestyle of and commitment to public service will continue for years to come.

POLISH LEGION OF AMERICAN VETERANS CELEBRATES 75TH ANNIVERSARY

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. KLECZKA. Mr. Speaker, I rise today to speak in honor of the Woodrow Wilson Post No. 11, Polish Legion of American Veterans, USA, which this year is celebrating its 75th anniversary.

At the conclusion of World War I, various groups of American veterans of Polish descent formed organizations for the purpose of preserving the spirit of patriotism and American ideals, which arose from their service in the United States Armed Forces.

Woodrow Wilson Post No. 11 carries the distinction of being the first such organization in the State of Wisconsin. Formed on September 28, 1923, Woodrow Wilson Post No. 11 was founded by Walter Lewandowski, who moved from Chicago and patterned the Wisconsin post after the Alliance of American Veterans of Polish Extract, later changed in 1932 to the Polish Legion of American Veterans.

The first administration of the Woodrow Wilson Post No. 11 was Walter Lewandowski, Commander; Mathew Lewandowski, Vice Commander; Chester Zaremski, Adjutant; Stephen Czerniejewski, Treasurer; John Czulinski, John Ignacczak and Louis Bryl, Board of Directors.

Three years after the Post was established, a Ladies Legion was formed, which changed its name to Auxiliary in 1947. The ladies enriched the organization by performing voluntary work for the organization which was dedicated to Americanism and American Veterans of Polish Descent.

Members of the Woodrow Wilson Post were instrumental in organizing Posts Cudahy, Racine, Kenosha, and South Milwaukee. The Post has sponsored six national conventions of the Polish Legion of American Veterans and yearly sponsors activities to foster and promote Polish-American heritage in the greater Milwaukee area.

Mr. Speaker, the Woodrow Wilson Post No. 11 represents the best of the best. The freedom and strength of America are in large part due to their actions both at home and abroad. I wish to commemorate and congratulate the past and present members of Woodrow Wilson Post No. 11 on their sacrifice and devotion to our country and community.

THE HEROISM OF STANTON THOMPSON

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. SKELTON. Mr. Speaker, let me take this opportunity to pay tribute to Higginsville, Missouri, resident, Rear Admiral Stanton Thompson (USNR), who recently put his life

on the line to save two Concordia, Missouri, boys' lives.

Recently, Admiral Thompson made the difference between life and death for two Lafayette County 10-year-old boys during a driving rain storm. Cameron Holsten and Gregory Kueck were playing in a ditch near downtown Concordia, with Cameron's twin brother, Kendall, when they were swept into a storm sewer by floodwaters. Working at a nearby drive-in restaurant, Thompson had no idea he was about to risk his life to save two others.

Shortly after 5:30 p.m. on a Sunday evening, word came that the young boys were trapped in the raging waters in the storm drain below the restaurant. Without a second's thought, Thompson sprang into action and headed for the drain. He waded into the waist-deep pool in front of the drain gate, but was eventually forced to jump into the fast moving current.

Thompson located the boys approximately 50 to 75 feet inside the tunnel. While their feet and legs dangled in the current, the boys hung on to small, wire-like rebar strap protruding from the wall of the tunnel. Thompson then made the decision to assist these young boys, and with the help of Concordia fire and rescue teams, he successfully brought Cameron and Gregory to safety one at a time.

Mr. Speaker, Rear Admiral Stanton Thompson (USNR) is a true hero. I am sure that the members of the House will join me in paying tribute to this outstanding American who risked his life to save two young Missourians from drowning.

TRIBUTE TO CARNEY CAMPION, GENERAL MANAGER OF THE GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. OBERSTAR. Mr. Speaker, I rise today to pay tribute to Mr. Carney J. Campion on the occasion of his retirement as General Manager of one of our Nation's most revered historic landmarks, the Golden Gate Bridge. For more than two decades, Mr. Campion has been admired for his effective leadership in managing the Bridge, the Bridge District's bus and ferry services, and in navigating the political waters connected with running such an important transportation enterprise. He will long be remembered as one of the most effective general managers in the history of the Golden Gate Bridge, Highway and Transportation District.

During an illustrious career, Mr. Campion was instrumental in advancing numerous projects of critical importance to the District. He successfully guided to completion the redecking of the Bridge in 1986, purchased and preserved for future transportation use an abandoned Northwestern Pacific Railroad right-of-way, and implemented a public safety patrol and installed crisis communication phones to respond to emergencies on the Bridge. He reorganized the District departments to improve environmental health and safety management, and assured the District public transit system attained full compliance with the Americans With Disabilities Act. Under his leadership, the District obtained federal funding for the seismic retrofit of the Bridge, deployed new capacity transit coaches on long haul trips from Sonoma County, and purchased a new high-speed catamaran placed in ferry service in 1998.

Perhaps District Board Member Ginny Simms said it best in a recent issue of the Metropolitan Transportation Commission's Transactions report: "I don't know of anyone . . . who can state they took a bridge and turned it into a bus and ferry line. That really says something about . . . Carney's ability to look into the future and say, 'Why not?' "

Mr. Speaker, I am pleased to recognize Mr. Campion for his steadfast commitment to excellence over such a long and distinguished career. We sincerely appreciate his 23 years of dedicated public service with the Bridge District and extend to him our best wishes for an active and enjoyable retirement.

TRIBUTE TO RUTH LUBIC

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. RANGEL. Mr. Speaker, I rise today to pay tribute to a woman whose commitment and unselfish devotion, has helped countless women and their children have a better life as well as a more promising outlook to the future. The woman with a heart of gold of whom I speak is Ruth Lubic.

Ruth Lubic, who until recently made her home on Manhattan's Upper West Side, is a nurse-midwife who has come to the nation's capitol with a vision of opening a birthing center in one of the District's poorest neighborhoods. Her need, her aspiration of personally doing something about the city's high infant mortality rate, is evident in her drive, her tenacity, and in her faith in humanity.

Allow me to share with you this article about Ruth which recently appeared in The Washington Post. It's a heartwarming story which speaks of how Ruth is truly "fulfilling a dream."

[From the Washington Post, Sept. 30, 1998]

A BATTLE WON, A CENTER BORN

NURSE-MIDWIFE TO OPEN BIRTHING FACILITY FOR D.C.'S POOR

(By Cindy Loose)

To explain how she came at age 71 to be opening a birthing center in a poor District neighborhood, Ruth Lubic first has to tell about the things that have been bothering her for decades.

The sickly babies she saw in tenement houses during a nurse-midwife career that began in 1961. The child sitting on the floor of a Mississippi sharecropper's cabin, covered with flies, her hair reddened by malnutrition.

That visit to Mississippi was 30 years ago, but Lubic chokes on her words and actually cries when she quotes the state health official who told her not to worry so much, that "some Negroes got red hair."

When the phone call came five years ago telling her she'd won a MacArthur "genius grant," she knew right away what she would do. She would come to the nation's capital and build a model of infant mortality prevention.

Never mind that she was a white-haired grandmother from New York City, a carpetbagger without a building, or millions to run such an operation, or staff, or permits, or city connections. She did have her MacArthur grant of $75,000 a year for five years; she had the power of her convictions.

And she's actually pulling it off.

This month, the new nonprofit she formed began a $1.2 million renovation of an empty supermarket donated by John Hechinger Sr. and her family partnership. The D.C. Developing Families Center will open on Benning Road NE, across from the Hechinger Mall, in early spring.

For the price of a hospital delivery, she and her partners can deliver a baby, offer a wealth of services to the mother and nurture the child for three years.

Although it is a far commute from her life and home on Manhattan's Upper West Side, Washington was an easy choice for Lubic. The city's infant mortality rate of 14.4 per 1,000—double the national average—"has always been on my professional conscience," Lubic said. Besides a center here would be only a cab ride away from policymakers who might be persuaded to replicate the model nationwide.

At a time of life when even the most driven type-A personalities are slowing down, Lubic took on one of her biggest projects ever. Those who have come into her path describe her as single-minded, forceful. She calls herself a "stubborn old woman."

Asked why she would take on what seemed an impossible task, she answered: "People are used to the idea that Ruth is a little crazy. But I'm the age I am, I've had my career, I've been honored and all that. I have nothing to lose."

Soon after being awarded the Mac-Arthur grant, Lubic quit her job as director of the Maternity Center Association in Manhattan. She and her husband took turns flying between cities for visits. She settled in an apartment in Southwest Washington and launched her assault.

Hechinger still seems amazed that he let Lubic talk him out of the building and 1.2 acres of property—land he had planned to develop. He gave it up only after Lubic had badgered him and his real estate manager, Jim Garabaldi, for three solid years.

"We both told her over and over again it would never, never, ever happen," Garabaldi said. "We explained this was our business entity, that as individuals we give charitable contributions, but this is our business here."

But Lubic quite simply wore them down.

"She can soften you up because she's so intellectually and emotionally sure of the rightness of her cause," Hechinger said. "When she's through with you, you have this guilt feeling. Plus you're shocked at the statistics which prove she's right."

While she was working on Hechinger, Lubic also was banging on doors all over town.

"The women we'll reach have been put down and let down their whole lives," she would say. "The doors of this building are going to be an escape hatch from despair."

She haunted the hallways of the Department of Health and Human Services hoping for a chance encounter with Secretary Donna E. Shalala—a tactic that actually worked.

Through a friend of a friend, she wrangled a meeting with former HHS secretary Louis W. Sullivan. Over breakfast, she turned him into a major fund-raiser who helped her match a $785,000 grant within a three-month deadline.

She made city contacts from the bottom up. When a taxi driver protested that it was too dangerous to drive her to an evening community meeting in a tough neighborhood, she told him, "If I can go, then you can go, so let's go."

Over the course of the years, people mighty and small fell under the spell of her vision—or in some cases simply gave up trying to thwart her.

As Hechinger put it, ''I personally was a victim of her strongest characteristic: tenacity. She's a bulldog who envelops you in the rightness of her cause.''

Thick wire cables dangled in the dark, empty shell boarded up with plywood. Glass crackled underfoot as fellow visionary Delores Farr walked a few paces and paused.

''I want you to know I'm standing in my office,'' she said.

''Your office is closer to that window, isn't it?'' Lubic asked, pointing toward a blank concrete wall.

Down there on one end, where the store's dairy section once was located, will be the entrance for pregnant women coming for delivery or pre- or postnatal care. Women needing social services and day care will enter on the other side. High-risk patients will deliver at Howard University Hospital, where nurse-midwives will have admitting privileges.

It's not surprising that Lubic and Farr can visualize in the dark shell a bright center bustling with patients and clients. Both could see it in their minds before they'd even identified a site.

In 1994, a friend told Lubic that she should look up Farr, director of the Healthy Babies Project, a private nonprofit group. Farr and her workers walk the streets of tough neighborhoods. They visit crack houses, liquor stores, beauty shops—anywhere they might find a pregnant woman and persuade her to get prenatal care. They offer parenting classes, counseling, help with obtaining addiction treatment. Lubic's birthing center, Farr agreed, would be a perfect place to relocate.

''Meeting Ruth was like a dream come true,'' Farr said. ''We immediately saw eye to eye on the needs and issues. We've been joined at the hip ever since.''

There were so many obstacles—getting a place and raising millions of dollars was just the start. They needed all kinds of permits from D.C. health officials, building officials, zoning officials. They needed assurances of Medicaid reimbursement, legal help, partnership with a hospital.

People told them it would never happen. You can't even get potholes around here fixed, they said. You'll never get a big, complicated project like this rising out of nothing.

But they kept on pushing with the plan. They will get to pregnant women early through the Healthy Babies outreach. The birthing center, Lubic hopes, will give women more control over their pregnancies. And because birthing center deliveries cost 30 to 60 percent less than hospital deliveries, she said, the savings could help fund other services.

Lubic managed to persuade city officials to designate her still-imaginary center as a future welfare-to-work site. Still, they would need day care for the clients for whom they found jobs.

So in 1996, Lubic and Farr met with Travis Hardmon, of the National Child Day Care Association. At that point, the center lived only in their imaginations, but how would he feel, they asked, about organizing child care for infants and toddlers?

''His eyes lit up,'' Lubic said. ''Since then, he's been the answer to a maiden's prayer.''

And although Lubic had been told 100 times that she couldn't have the Hechinger property, that didn't stop anybody on the new team.

''Travis brought in Bill Davis, and things then really started coming together,'' Lubic said.

Davis, a project manager with nonprofit development experience, couldn't get inside the building, but from outside the chain-link fence, he studied the property and pictured the renovations. And Lubic turned up the heat on Hechinger and Garibaldi.

Initially, the property manager refused even to put her in touch with Hechinger. But she kept coming back, and coming back. ''One day, somehow, she got me to see her vision,'' Geribaldi said. He began to lobby members of Hechinger Enterprises, the family partnership, as did Lubic's new friends.

''Things were constantly cropping up where I'd say, 'Oh no, Ruth Lubic again, ' '' Hechinger said. ''Donna Shalala called and said, 'I'm really not in a position to tell you what to do with your property, but this is a tremendous thing Ruth Lubic is up to.' ''

While the Hechinger family considered various proposals at quarterly meetings, Lubic handed planning grants from two national foundations and an anonymous donor.

The first big breakthrough came about a year ago when city officials discovered that millions in unspent grants were about to revert to the federal government unless quickly allocated.

''We ran like crazy'' to put together a proposal, Lubic said. The city awarded $785,000 on the condition that the money be matched within a few months—a seemingly impossible goal. But Sullivan, the former HHS secretary, soon became the second answer to a maiden's prayer.

Sullivan now president of the Morehouse School of Medicine, had agreed to a friend's request to meet with Lubic. ''I was immediately impressed and began introducing her to people I know,'' he said.

He contacted a friend at Bristol-Myers Squibb Co., Dick Thompson, who secured a donation from his company. Thompson then got his friends at other drug companies to arrange corporate donations.

Sullivan said a lawyer friend set up a meeting for him with Katharine Graham, chairman of the executive committee of The Washington Post Co. Two foundations set up in honor of her parents and husband donated a total of $100,000. Lubic's former employer in New York kicked in another $100,000, law firms helped and the match was made.

Sullivan is still working on the case. ''A few days ago on Martha's Vineyard, I ran into a few people and asked for their help. [Del.] Eleanor Holmes Norton, for one, indicated she'd follow up.''

A $1.2 million grant awarded last month by the Robert Wood Johnson Foundation will help with operating costs. The building donated by the Hechinger family came with a contingency clause—that Lubic would run the center for at least three years.

''I laughed when I heard the condition and answered, 'God willing, Lubic said.

Her son, Douglas, a New York lawyer said Hechinger can count on Lubic to presevere.

''The day she stops working for what she believes is right,'' he said. ''will be the day she dies.''

U.S. PARK POLICE AVIATION UNIT CELEBRATES 25 YEARS OF SERVICE TO OUR NATION'S CAPITAL

HON. CHARLES H. TAYLOR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. TAYLOR of North Carolina. Mr. Speaker, last month, the United States Park Police Aviation Unit celebrated its 25th anniversary of service to the nation's capital. We all remember the vivid heroics of the unit in the Air Florida crash rescue on the Potomac River in 1982, and the valiant effort here at the Capitol earlier this summer. I know all Members will want to join me in congratulating Park Police Chief Robert Langston and the Unit on this important anniversary of service. As the Washington Times puts it ''Park Police take to the air in any and all emergencies.''

PARK POLICE TAKE TO THE AIR IN ANY AND ALL EMERGENCIES

[By Kristan Trugman]

A 36-year-old man on a motorcycle collides with another motorcycle as the two men swerve to avoid a piece of wood in the road near Crofton. The man slides across Route 450 and is in need of medical help.

Within minutes, the phone rings about 5:20 p.m. Saturday at the U.S. Park Police Aviation Section—called the Eagles Nest—at Anacostia Park.

Sgt. Kevin Duckworth, 36, a pilot, and Officer Doug Bullock, 32, a rescue technician, look at a map, grab their helmets and climb into Eagle 1, a twin-engine helicopter. They head to Crofton to fly the victim to Prince George's Hospital Center in Cheverly.

The helicopter lands in a grassy field at Crofton Middle School and waits about 10 minutes for an ambulance to arrive from the accident scene about 6 miles away. At 5:55 p.m., Sgt. Duckworth lifts the helicopter off the ground; five minutes later, doctors at the hospital are examining the man, who will recover.

The Saturday mission is one of more than 6,000 medical evacuations performed by the helicopter section since 1973.

The section is best known for its rescue of passengers in the January 1982 crash of an Air Florida jet into the 14th Street Bridge and Potomac River.

Most recently, it flew a mortally wounded Special Agent Officer John M. Gibson, 42, to the Washington Hospital Center on July 24 after the shooting at the U.S. Capitol that also killed Officer Jacob J. Chestnut, 58.

While those missions highlighted the aviation unit in the news, its primary role and about half of its work is law-enforcement operations. The officers in the sky patrol assist officers on the ground almost daily.

Since the demise of the Metropolitan Police Department's helicopter branch in 1996, the Park Police has the only law-enforcement aviation unit in Washington. Its main function is to assist the U.S. Park Police, but it also helps medical and law enforcement agencies across the metro area.

At the crew's discretion and depending on the number of hours the helicopters have flown in a month, officers can patrol in the air, usually for about an hour.

''You fly for an hour and you feel you've been through the wringer. It can be fatiguing,'' says Officer Ronald Galey, 49, who has been a member of the unit since 1977 and a pilot since 1987. A few minutes later, he and Officer Bullock take Eagle 1 up for patrol about 9 p.m. Saturday night.

The helicopter whirls past the U.S. Capitol, the Washington Monument and the Lincoln Memorial, all glowing in the night.

The officers let dispatchers know they are in the air and available for assistance.

''Let's see if we can find an aggressive driver or two,'' Officer Bullock says.

In the next few minutes, the officers spot aggressive drivers along the Baltimore-Washington Parkway and again on the Capitol Beltway near the American Legion Bridge. The officers shine a spotlight on the drivers, who quickly slow down.

''It lets them know someone is watching them,'' Officer Bullock says.

The rain and chill in the air Saturday night apparently kept criminals indoors.

''It's pretty quiet out there,'' Officer Bullock says as his eyes scan the ground and he listens to the police radio. ''I'm not at all surprised, given the weather,'' Officer Galey says.

After an hour, the officers land the helicopter, refuel, fill out paperwork and wait for the next call.

In its 25 years—an anniversary the unit celebrated in a recent ceremony—the section has flown more than 25,000 hours without an accident. Since January 1994, the unit of 15 officers—six pilots, seven rescue technicians who are certified paramedics, and two administrators—operates 24 hours a day.

Park Police formed the aviation section in April 1973. It provides support for law enforcement, emergency medical evacuation for trauma patients, search-and-rescue missions, presidential and dignitary security, and transportation of high-risk prisoners.

Congress funds the unit—part of the U.S. Department of the Interior—that flies about 1,000 hours each year. The unit has two helicopters—Eagle 1, a Bell 412 SP, and Eagle 2, a Bell 206 Long-Ranger. Funding for a third helicopter is included in the $8.5 million budget for the aviation unit in the D.C. appropriations bill.

The two helicopters have thermal imagers that indicate heat and help officers find criminals hiding in woods or trespassers in federal parks after dark. They also have high-intensity searchlights, which is what the officers focused on the aggressive drivers.

The twin-engine helicopter has a rescue hoist system that has 245 feet of cable and can lift 600 pounds. The officers also have radios on board that allow them direct contact with officers on the ground.

From 1991 to 1997, the unit responded to more than 9,500 calls for assistance, performed more than 2,376 medical evacuations and responded to more than 730 search-and-rescue operations. It assisted on more than 3,360 criminal calls and 979 arrests and provided more than 812 flights for the president and other dignitaries.

''That's why I like it here. There's a variety,'' Sgt. Duckworth says.

When the helicopters are in the air, the rescue technicians handle the operation while the pilot concentrates on flying.

Officer Galey particularly enjoys the flights chasing fleeing criminals in cars. They are challenging, he says, because while watching sky, the pilot also is forced to divert his attention to the car on the road.

''And you're a little lower than you normally would be. There are a lot of towers to be cognizant of,'' he said.

Most pilots and rescue technicans agree that the most difficult operations are those involving injured children.''Nine times out of 10, it's because an adult messed up. They are victims of circumstance,'' Sgt. Duckworth said, sitting at aviation headquarters, where a gray cat has taken up residence and keeps the mice away.

Officer Galey said fewer patients are dying while en route to hospitals because, through the years, medics on the ground have been better trained and are more equipped to stabilize patients before they are put into the helicopter.

A TRIBUTE TO OUR NATION'S VETERANS

HON. LINCOLN DIAZ-BALART

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. DIAZ-BALART. Mr. Speaker, last Memorial Day I gave an address before a distinguished group of veterans and their families at Triangle Park in the great city of Hialeah, Florida.

Before I spoke, a young man also addressed the audience. I could hardly believe that the young orator was a senior in high school.

Erich Almonte has recently graduated from Chaminade-Madonna College Preparatory and he is currently attending Georgetown University. I am certain that you will agree that his brilliant speech, which I will now recite as he did that morning, captures the essence of what being American is truly about.

Thank you. Good morning members of the American Legion, Veterans of Foreign Wars, their auxiliaries, Congressman Lincoln Diaz-Balart, councilmen, and all others here today. Memorial Day is an opportunity for us as Americans to thank and honor those men and women who have served our country in the armed forces, including both of my grandfathers and my father, and especially to honor those who have died in that service. It is a solemn occasion, yet one of celebration, for we know that these individuals did not die in vain. You see, we find one day a year to explicitly thank these men and women, but each time someone exercises his or her right to vote, each day we live without fear, each time we enjoy the freedoms of democracy is a testament to their service and sacrifice. And today I would like to thank these men and women, and their fellows in the American Legion and VFW, for all that they have done. Not only are they Americans to the fullest extent of the word, but they are America personified. And if we really want to see what Americanism is, we need to look beyond mere words to these individuals here today.

I mention Americanism for a reason. I attended Boys State last year, and was privileged to have been selected to give a speech on Americanism for my Boys State city. Today, I would like to share that speech with you, in memory of America's fallen servicemen and women.

Americanism is what it sounds like: the embodiment of all things American, and of America itself. The freedom to choose who we want to run our government, and then freedom to call these people to account for anything they do. Freedom to think, or say, or write what we want, even if it goes against what others think. Freedom to talk to God, whether we call God Abba, or Allah, or Father. Freedom to decide what we want to do with our lives, and then freedom to do it. You cannot have Americanism, or America, without freedom.

This freedom stems from our courage. Courage in defense of our country, whether with weapons, with intelligence, or with heart, the same courage we gather together to honor today. Courage to leave home and friends to make a better life for your family. The courage to follow our ingenuity to the end, like actually injecting someone with small pox to prevent it in the future. Courage in sitting in a tin can on top of a mountain of rocket fuel and saying, ''Point me to the moon and light the match.'' That courage explains why an American flag, and only a American flag, flies on the moon today, as a testament to our courage and spirit, the same spirit that pioneers showed when they crossed an unmapped desert, leaving farmland in their wake.

Americanism is in the diversity that makes us whole, in the integrity of our promises, in the justice of our courts, and in the honor of our souls.

But it does not come for free. No, just ask the colonists; ask the soldiers and their families what its price is. It is not automatic. Americanism is not in the air we breath or the water we drink, but in each and every American. In the parent and the artist, in the teacher and the plumber, in the police officers, lawyers, politicians . . . everyone.

And you do not find it in a dictionary, nor in a speech, but in each of us. Not only on the battlefield, but the operating room and the classroom. Americanism is that which makes us Americans . . . and that which Americans make it. It implores us to act an not just sit idly by as children starve and marijuana clouds rise. No, Americanism is not in History books, but alive in us, calling out to keep her great, to keep America great! Thank you.

ERICH ALMONTE

May 30, 1998—Memorial Day.

INDIAN FEDERAL RECOGNITION ADMINISTRATIVE PROCEDURES ACT OF 1998

SPEECH OF

HON. JOHN B. SHADEGG

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 5, 1998

Mr. SHADEGG. Mr. Speaker, I rise today in opposition to H.R. 1154, the Indian Federal Recognition Administrative Procedures Act of 1998. The bill would overturn the fair and thorough process which is currently used to determine whether a Native American group should be formally recognized as a tribe by the federal government. It would replace this process with one which is politicized and would lower the criteria for recognition to the point where tribal recognition would have minimal bearing on whether the group is a legitimate tribe.

H.R. 1154 takes the recognition process away from the non-partisan Bureau of Indian Affairs (BIA) and places it in the hands of a commission of individuals appointed by the Administration. This commission will be handpicked by the Secretary of the Interior without the advice and consent of the Senate. These are radical and troubling changes. The BIA will not longer be in charge of a process which requires professional expertise and clearly falls within the purview of the Bureau. Furthermore, the failure of the bill to require that the Senate provide its advice and consent to the appointment of commissioners circumvents the system of checks and balances imposed on the Executive Branch by Article II, Section 2 of the Constitution.

Furthermore, this bill lowers the criteria for recognizing a tribe. Currently, a candidate group must be able to trace its lineage back to the point that it was first contacted by settler. The group must further prove that they have been identified as an American Indian entity on a substantially continuous basis since 1900. These are important criteria: recognition as a tribe, and the significant benefits which come from such recognition, must be given only to groups which truly qualify as tribes.

The effects of bestowing federal recognition on a tribe are substantial. A federally recognized tribe is granted special rights including the status of a legally sovereign entity. This means that the tribe may no longer be sued by individuals without the tribe's consent and thus takes away the individual's right to obtain legal redress from the tribe. Sovereign status

also allows tribes to avoid collecting state sales taxes on gasoline and other goods: a problem faced by my state of Arizona and many other states. Furthermore, federally recognized tribes are entitled to benefits which are not available to non-Indians including increased funding for medical care and education.

The most troubling effect of federal recognition is that it allows the tribe to apply to conduct gambling on tribal lands under the Indian Gaming Regulatory Act (IGRA). Congress has chosen, through IGRA and other laws, to tightly control gambling because we recognize that it often leads to problems with gambling addiction, increased crime, and disfunction within families. Few of us want to see a proliferation of new casinos, yet this is a likely result of recognizing new tribes since few tribes can resist the lure of the quick and easy profits to be made from casino ownership. While IGRA does act as a safeguard, the most effective way of limiting the number is to limit the number of new, unqualified tribes.

TRIBUTE TO THE HONORABLE JOSEPH M. MCDADE, MEMBER OF CONGRESS

SPEECH OF

HON. RALPH REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 1, 1998

Mr. REGULA. Mr. Speaker, it is with much regret that I bid farewell to my good colleague JOE MCDADE. Having served with JOE during my entire tenure in Congress, I will miss his friendship, his advice, and his experience counsel on many challenging issues.

Joe unfailingly served the 10th district of Pennsylvania with sincerity and dedication. His constituents always knew this and kept returning him to office by ever greater margins. Even when critics were vocal, the people of the 10th district understood JOE's basic goodness and refused to withdraw their support. He has always understood the importance of maintaining and promoting job growth in the hard pressed coal-producing areas of his state.

And if JOE taught us anything, it would be the principle of perseverance. Winston Churchill said in 1941, ''Never give in, never give in, never, never, never, never—in nothing, great or small, large or petty—never give in except to convictions of honour and good sense.'' JOE never gave in and in the end success was the outcome.

I have valued JOE's role on the Appropriations Committee and his ability to guide complicated and controversial legislation through the House. He understands the need to exercise good oversight of government programs.

JOE brought a thoughtfulness to government which is not always plentiful here, nor even in high demand at times. But it was this thoughtfulness which endeared him to many of us. I wish him well in his future outside of Congress. may he enjoy all that life has to offer—good health, firm friends, a loving family, and the joy of watching grandchildren grow.

I will always cherish the friendship we have shared as colleagues in one of life's greatest opportunities to leave a legacy of value for future generations.

HONORING THE SHILOH MISSIONARY BAPTIST CHURCH

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. BENTSEN. Mr. Speaker, I rise to congratulate the Shiloh Missionary Baptist Church in Barrett Station, Texas, on the occasion of its 122nd anniversary. The church's long history of providing spiritual nourishment and community service will be remembered during a week-long celebration culminating in a special service on Sunday, October 18, 1998.

The Shiloh Missionary Baptist Church was founded in 1876, 12 years after the end of the Civil War, by the late Reverend L.J. Lankford. The first church services were held in a brush arbor. While the church's initial membership was small, Reverend Lankford was not discouraged and often reminded the church's members that ''God said, where there is two or three gathered in his name, he would be in the midst.'' Under the leadership of several dedicated pastors, the church has grown and developed into an invaluable community institution in Barrett Station.

The next leaders of Shiloh were Reverends Lewis Chillis Allen, S.J. Sanders, and then P.H. Brown. One of the church's longest-serving pastors was the Reverend Wyatt Gamble, who quickly became a role model to many in the community. He was loved for his meek and humble ways and for his devotion to the church and its members. Reverend Gamble traveled back and forth to Barrett Station from Houston by bus or was driven by his son to church. He was never deterred by even the worst types of weather or other hardships. After work, he would always find time to visit the sick. He was especially known for baptizing many church members of all ages in the river and later in the canal in Barrett Station. Marked by spirit-filled singing and shouting, these celebrations attracted many passers-by who would slow down and even stop to witness the baptizing.

Reverend Gambel pastored for more than 23 years until he, unfortunately, fell ill. During his illness, Reverend G.S. Matthews was given the opportunity to preach one Sunday. This temporary substitution turned into 41 years of service as pastor of Shiloh. During that time, more property was purchased and a new church was built. Pastor Mathews service also included becoming First Vice President of the American Baptist Convention of Texas and the Moderator of the Christian Benevolent District Association. On July 18, 1996, Reverend G.S. Mathews passed away.

The new pastor, Reverend Israel E. Holmes, has proved just as inspiring as his predecessors. In fact, 22 members joined Shiloh after listening to Pastor Holmes' powerful message ''One Church, One Body,'' taken from 1 Corinthians 12: 1–12. He emphasized that every person in the Church has a spiritual gift from God. Pastor Holmes has also encouraged church members to use their spiritual gifts in service to the community.

Mr. Speaker, I congratulate Pastor Holmes and all the members of Shiloh Missionary Baptist Church as they celebrate their 122nd anniversary. I wish them continued success as they build on the strong sense of community they have helped establish in Barrett Station, Texas.

BUILDING AWARENESS

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. BARCIA. Mr. Speaker, it is deplorable when a woman or child is abused, especially if it is by a person they know such as a relative or friend. One family in three will experience some form of domestic violence in the United States. Every minute a woman is sexually abused in our country, and every day three to four women are killed by their spouses. Twenty three years ago, twelve woman in an effort to help people in a crisis situation, established the Bay County Women's Center. These women have helped spread the message that people do not have to stay in abusive relationships and there is hope of a new start.

October is National Domestic Violence Awareness Month. The Bay County Women's Center is remembering individuals whose lives have been taken by domestic violence. More importantly, they are also remembering the survivors of these crimes and the strength they show to achieve a healthy non-violent lifestyle.

The Bay County Women's Center believes that everyone has the right to live without fear and violence. Their goal is to provide support to people in a life threatening, or unstable situation in their home or family. The Center provides an encouraging environment in the hope that people can assess their needs and examine other alternatives, while supporting any decision made by a person about their future.

While domestic violence and sexual assault is the main emphasis, the Center also provides support to anyone in need. For example, the Center holds a children's support group, parenting classes, and community education. It is very important to educate the younger generation so that they will know that violence does not solve problems. Instead it only adds to them.

Mr. Speaker, the Bay County Women's Center has been a strong foundation for individuals and families in the community. I urge you and our colleagues to join me in recognizing Director Barbara Rajewski and her staff for their outstanding contributions to the community, and support their continued efforts to build awareness of acts of violence and a brighter future for families of Bay City.

A TRIBUTE TO HOWARD S. ANDERSON

HON. BOB FRANKS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. FRANKS of New Jersey. Mr. Speaker, I rise today to pay tribute to a great man and a pillar of the community—my good friend and former high school athletics coach, Mr. Howard S. Anderson.

For forty-two years, Howie Anderson served as a role model and mentor for generations of students at Summit High School in Summit, New Jersey. As coach of three varsity level sports and Director of Athletics, his efforts earned Summit High School the distinction of

having one of the finest athletic programs in the state of New Jersey.

During Coach Anderson's extraordinary career, he led the Summit High School football team to nine Suburban Conference Championships, four State Championships and two State Sectional Championships. He was twice named New Jersey Football Coach of the Year. In 1972, the Newark Star Ledger named him Baseball Coach of the Year for leading the baseball team to three conference championships and one state championship.

But to those who know Howie Anderson best, he is extraordinary not because of his numerous awards and honors, but because he is a hardworking individual and a devoted friend. I know I speak for everyone in the Summit community when I say thank you for your dedicated service. Best wishes for a prosperous and healthy retirement.

PERSONAL EXPLANATION

HON. RUBÉN HINOJOSA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. HINOJOSA. Mr. Speaker, yesterday in my Congressional District I was hosting a jobs fair. Due to returning to Washington later than I had anticipated I missed three Suspension votes on the following bills: H.R. 4614, Conveyance of Federal Land in New Hampshire; H.R. 1154, Indian Federal Recognition Administrative Procedures Act of 1997; and H.R. 4655, Establishing a Program to Support a Transition to Democracy in Iraq.

Had I been present I would have voted ''nay'' on H.R. 4614, ''yea'' on H.R. 1154, and ''yea'' on H.R. 4655.

MEDICARE ANTI-DUPLICATION AMENDMENT

HON. RICK LAZIO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. LAZIO of New York. Mr. Speaker, I rise today to introduce legislation that would correct an unintended result of the Medicare anti-duplication statute. This very narrow legislative change would allow chronically ill New York residents to take control of their own lives by guaranteeing them access to a variety of health care options in New York State at lower prices.

A combination of Federal and state laws have unintentionally ''locked in'' about 400 Medicare-eligible, disabled New Yorkers into an expensive, fee-for-service health plan. They cannot leave the plan because they require needed medical coverage and, because of Federal laws, they actually are prohibited from changing plans. They literally are trapped in a health plan and my legislation allows them to leave the expensive policy and give them the quality health care they want at the prices they can afford.

This legislation is predicted not to cost anything and actually could save Federal dollars. By allowing disabled citizens to purchase private insurance with their own money, this legislation ensures that these citizens will have access to the benefits that will keep them healthier longer. The longer these individuals stay healthy, the longer they will be able to avoid using hospitalization covered by Medicare. This will save the taxpayer money. Also, by allowing them to purchase less expensive insurance, they will not be forced to ''spend down'' their resources in order to qualify for Medicaid.

If this proposal becomes law, these New Yorkers will be free to choose from more than 30 state-mandated managed care or point of service plans. Wherever they choose to go, they will be guaranteed identical benefits to the ones they currently have at much cheaper costs.

This initiative is strongly supported in New York by the New York State Department of Insurance, the Long Island Breast Cancer Action Coalition (1 in 9), the National Alliance of Breast Cancer Organizations, Gay Men's Health Crisis, Medicare Rights Center, and New Yorkers for Accessible Health Coverage, among many others. These are the consumer groups that represent the individuals locked into the fee-for-service plan and each fully supports giving consumers options and lowering their health care costs.

Americans should be able to choose their health care. We should give them the tools they need to stay independent for as long as possible and give them access to affordable, quality health care. This will allow them to have more money to buy other important things and keep them in control of their lives and their future. They will worry less about whether they can afford their health insurance premiums and give them the financial security to take care of their families. I urge all my colleagues to support this legislation because it will provide health care security to these individuals who need it the most.

IN RECOGNITION OF JAMES F. McCONNELL UPON HIS RETIREMENT AS PRESIDENT AND CEO OF THE FLUSHING SAVINGS BANK

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. ACKERMAN. Mr. Speaker, I rise today to join with my constituents of the Fifth Congressional District of the State of New York and the staff of the Flushing Savings Bank as they honor James F. McConnell upon his retirement as the bank's president and CEO.

Mr. McConnell's background is both diverse and effective. Prior to his election as president of the Flushing Savings Bank he held prominent management positions with AMBAC Industries of Garden City, New York and the EDO Corporation of College Point. He joined the Flushing Savings Bank in 1974 as Vice-president and Treasurer. Realizing his keen sense of leadership and a most effective approach to getting things done, the bank appointed him president in 1981, appointed him to its board of directors in 1983 and elected him Chief Executive Officer in 1990.

Mr. McConnell's multiple leadership talents reach far beyond the Flushing Savings Bank. He has served on the Board of Directors of the Community Bankers Association of New York State from 1987 to 1997 and served as the Association's Chairman from 1990–1991. He was highly instrumental in negotiations which led to the successful merger of the Savings Bank Association of New York State with the New York League of Savings Institutions, thereby creating the Community Bankers Association.

Mr. Speaker, I ask my colleagues in the House of Representatives to join with me and rise in honor of James F. McConnell, who has imparted a sense of professionalism, leadership and community responsibility. His record is one of dynamism and productivity which readily emerges as a yardstick by which all such future efforts are measured.

HONORING GENIE EIDE

HON. J.D. HAYWORTH

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. HAYWORTH. Mr. Speaker, I want to take this opportunity to say a few words about Ms. Genie Eide, a fellow Arizonan, who is receiving national recognition for her contribution to home health and hospice nursing. Today, in Atlanta, Georgia, Genie is being inducted as a Fellow in Home Care and Hospice at Home Care University. Only five leaders, nationwide, in home care and hospice are being so honored.

Genie always says that she has been in nursing for ''about a hundred years,'' which is a remarkable achievement for someone who also claims to be thirty-nine years old. How she accomplished so much in so little time is truly a mystery. Genie has been a nurse for over 50 years. She is a graduate of Arizona State University and has served on the faculty of ASU. She has held management positions in a number of Arizona hospitals, home care agencies, and hospices. She has published numerous works, presented workshops and seminars in Arizona and other states and has received many awards. She has been listed in Who's Who in Nursing.

The reason, however, that I am rising to speak about Genie Eide is that, in my mind, Genie is a great example of what's right about America. Genie has made a life and a career out of her commitment to public health and public service. She has worked with the American Red Cross and spent two years in India with The World Health Organization as a nursing consultant. When Maricopa County Health Services made its initial commitment to provide home health services to the county's disadvantaged elderly population, Genie was called on to develop the program. When a number of hospitals in the Phoenix area recognized the need for the development of a hospice program to provide care and comfort for dying patients, Genie was involved. Throughout her entire career, Genie has been there to help.

Genie Eide represents one sterling example of hundreds of thousands of dedicated care providers who live each day to provide health care when and where it is needed. Genie is unusual in the energy that she devotes to her calling and the broad scope of her vision. But she is a leader and a representative of a large group of Americans who still believe that individuals can make a difference.

TRIBUTE TO MR. NAPOLEON FERNÁNDEZ GREGORY

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. SERRANO. Mr. Speaker, I rise today to pay tribute to Mr. Napoleon Fernández, an outstanding individual who has devoted his life to his family and to serving the community. Mr. Fernández celebrated his 80th birthday in the company of his family and friends on Saturday, August 22, 1998 at the Holy Cross Church Hall in the Bronx.

Mr. Fernández was born in the Dominican Republic. When he was in the 6th grade, he had to quit school to get a job in order to support is mother and two sisters. With the desire and absolute resolution to provide for his family, he became a barber at the age of 14 and 1 year later owned his own barbershop. Known as ''Salon Figaro,'' the barbershop soon became the most famous in the Dominican Republic. He later entered show business and became an artistic entrepreneur who brought to the Dominican Republic famous musicians, such as Bobby Capo and Daniel Santos from Puerto Rico and Libertad Lamarque from Mexico. With his success blooming, he published a magazine called ''Revistas Figaro.''

In 1952, Mr. Fernández immigrated to the United States and obtained a barber's license within a year. He opened a shop on 112th Street and Broadway in Manhattan while still pursuing his musical career. He brought Armando Manzanero to the U.S. for the first time. He also went into the real state business and owned many buildings before losing them.

After his real state business failed because of the discrimination and the difficulties immigrants and minorities faced those days, he became a music teacher and gave music lessons in public schools in New York and in New Jersey. He was the first Hispanic PTA President from Brandeis High School and PS 145. He also played music with various artists such as the legendary Maestro Marco Rizzo and various bands such as Orchestas de Dominica, Chaparro and Alfredo Munar. Today, Mr. Fernández sings gospel music with the choir at Holy Cross Church and owns a baseball team, ''The Boys of Figaro''.

Mr. Speaker, Mr. Fernández was very involved in politics and clearly believes that electoral politics is honorable public service. He was very active in campaigns for former Representative Herman Badillo, the first Puerto Rican to be elected to the U.S. House of Representatives. Mr. Fernández could have been the first Dominican elected to the New York State Assembly but he chose not to run.

Mr. Fernández has been married to Carmen for 36 years. They have 8 children and 19 grandchildren who are all doing very well.

His life of courage and his contributions to our country make all of us, the immigrant community and his family, truly proud.

Mr. Speaker, I ask my colleagues to join me and the family of Mr. Napoleon Fernández Gregory in wishing him a happy 80th birthday.

TRIBUTE TO LARRY ELDER

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. DREIER. Mr. Speaker, Larry Elder is the top radio personality in Los Angeles. His drive-time radio show is heard by about 400,000 people per day, and an average of 72,000 people tune in at any given time. In overall audience, he trails only a few of the nation's best-known, nationally-syndicated hosts. Why is Larry Elder so popular? Because he thoughtfully espouses a message which stresses the importance of accountability, individual responsibility, and hard-work as keys to success.

Larry grew up in South Central Los Angeles, and he is now the self-proclaimed ''Sage of South Central.'' He attended law school at the University of Michigan, and later worked as an executive headhunter in Cleveland before his radio talents were discovered. Cleveland's loss has become Los Angeles's gain. Larry has appeared on KABC radio for nearly 5 years, and his popularity has consistently grown.

One of the reasons for Larry's devoted following is that his views are often contrary to those espoused by other nationally-recognized African-American leaders. He argues that big government and excessive regulation inhibit economic growth. He supports school choice as a way to ensure that the children of lower-income families have access to good schools. Larry argues that the biggest problem for minorities in America is not white racism, but illegitimacy, which is fostered by a welfare state that liberal leaders have fought to preserve and expand.

Larry has survived and thrived in America's second-largest radio market despite a lengthy boycott aimed at depriving his show of important advertisers and forcing him off the air. This experience prompted Forbes magazine recently to note that ''Larry Elder is one of a group of black dissenters who are winning public attention. Nevertheless, the business community is nervous of them: They fear arousing the wrath of pressure groups that can muster street boycotts.'' Despite concerns among sponsors about the shopping habits of those who want Larry off the air, the boycott seems only to have increased his popularity, and he is now looking toward a syndicated radio show, and possibly a book and television contract. Soon, the rest of the United States will benefit from the insight and humor of my friend, Larry Elder.

Mr. Speaker, Larry Elder is thoughtful and entertaining, and even his staunchest critics concede that his ideas merit serious debate. I believe that if more Americans took to heart his message of self-reliance, accountability and equal treatment, we would make great strides toward empowering the weakest in our society to improve their own lives through better education, safer neighborhoods, and enhanced economic opportunity. In turn, it would allow us to focus public resources on those who truly need assistance.

IN HONOR OF THE CITIZENS OF TERRELL COUNTY ON THE OCCASION OF THE PRICKLY PEAR PACHANGA IN SANDERSON, TEXAS

HON. HENRY BONILLA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. BONILLA. Mr. Speaker, I proudly represent the ''Cactus Capital of Texas.'' The Cactus Capital is located in Sanderson. The residents of Sanderson and Terrell County are equally proud of this designation as they come together on October 10, 1998 to celebrate the first Prickly Pear Pachanga.

Just ask any Texan and they will tell you that Texas is a unique state with a rich culture and heritage. Each region has special characteristics and for Terrell County this would be the cacti.

More than 100 species of cacti grow in Texas, more than any other state. The cacti is known for growing in extreme drought and heat conditions. It is a tough plant that grows in a tough region and I believe it is only fitting that this plant is honored by West Texans.

The citizens of Terrell County should be commended for hosting the Prickly Pear Pachanga. There is nothing that represents Texas better than friends, neighbors and a community coming together to celebrate. I encourage all Americans to come to Sanderson to attend the festival so they will be able to partake of good fellowship, food and family fun.

A TRIBUTE TO THE TOWN OF EAST HAMPTON, LONG ISLAND ON ITS 350TH ANNIVERSARY

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. FORBES. Mr. Speaker, I rise today in this hallowed chamber to ask my colleagues in the U.S. House of Representatives to join me and my family, friends and neighbors in East Hampton, New York, as we celebrate the 350th anniversary celebration of this historic, seaside Long Island town.

Located at the eastern tip of Long Island's South Fork, East Hampton possesses a rich and storied history as one of this nation's earliest settlements, its 350-year legacy intertwined with the history of this great nation and the rest of Long Island as well.

East Hampton boasts the United States' first public works project, the Montauk Lighthouse commissioned by George Washington. Sag Harbor, on the town's western border with Southampton, served as home port for many great whaling ships during the heyday of that long since faded industry. Because it still possesses much of the natural beauty and idyllic scenery as it did in the 17th century, the Village of East Hampton has served as America's preeminent resort community for the wealthy for the past 120 years, a summertime magnet for the world's artistic, business and social elite.

The story begins in 1648, when a small band of Puritan settlers from Lynn, Massachusetts pushed through the woods of the South

Fork to settle East Hampton. The town was founded on April 29 with the purchase of 31,000 acres from the Montaukett Indians. The settlers built their huts and cottages along what is now Main Street, and named their new home Maidstone after the English village they left behind. Within a few years, 37 families called Maidstone home.

Like other pioneer towns of the Colonial era, East Hampton grew quickly, attracting many artisans, fishermen, craftsmen and farmers who were overwhelmed by the area's bountiful waters and rich farmland. Soon, the town branched out to the grazing lands of Wainscott, the meadows of Acobonac, the fishing port of Montauk and the harbor at Northwest.

My colleagues, the spirit and handiwork of the original East Hampton residents still lives in the many venerable homes and schools that today stand in the village. Built in 1650, Home Sweet Home is the childhood residence of actor-playwright John Howard Payne, who wrote the famous song the house is named after. Next door is the Mulford House, built in 1680 and also one of Long Island's oldest structures. The Huntting Inn encloses the home built in 1699 for the town's second minister, and the Clinton Academy became New York State's first college prep school when it was established in 1784.

The Main Street home of artist Thomas Moran, whose large canvasses of Yellowstone and Yosemite that helped create the National Park System, is on the National Register of Historic Places. Adjacent to the Moran home is the ''Summer White House'' used by President John Tyler and his wife, the former Julia Gardiner of East Hampton.

While America's westward expansion continued unabated for the first century, East Hampton grew slowly over its first 200 years. That changed dramatically in the 1870's, when well-to-do New Yorkers looking to escape the city in summer, and artists and writers who were just looking to escape the city, simultaneously discovered East Hampton's bucolic ambience. By the 1880's, East Hampton was a flourishing resort for the financially and artistically gifted. When the Long Island Railroad was extended to East Hampton in 1895, the village's population was fully into its annual summer explosion.

Comprised of the incorporated Village of East Hampton and several smaller hamlets, each of East Hampton's communities has its own district history. The fishing village of Amagansett was home to many great whaling captains of centuries past, including the legendary Captain Josh Edwards. In 1942, an alert U.S. Coast Guardsman spotted four German spies, launched in a rubber boat by a Nazi sub, landing at Amagansett. After a 15-day manhunt, all four would-be saboteurs were captured, and two more subsequently executed for their crimes.

Springs is considered by many the artistic heart of the Hamptons. It most famour resident was the sublime American artist Jackson Pollock. Located on Acobonac Harbor, the denizens of Springs were the original ''Bonackers,'' formerly a derisive term, like calling some one a hick. Today, all East Hamptonites proudly call themselves Bonackers. Few of Long Island's many hamlets have retained their historical charm as well as Wainscott, in the southwest corner of East Hampton. Where else do students still go to school in a one-room schoolhouse.

There is no area of Long Island that has changed less since English settlers first landed here nearly 400 years ago than Gardiners Island. Located in Gardiner's Bay between the North and South Fork of Long Island, the Island was purchased by Lion Gardiner from Wyandanch, the sachem or chief of the Montaukett Indians, in 1639. Today, the crescent shaped isle remains in the Gardiner family's possession, in the same pristine condition as when Lion acquired it.

Mr. Speaker, it is with great pride and emotion that I stand here today and share East Hampton's 350-year annivesarty with my Congressional colleagues. Though still just a small, seaside town on the East End of Long Island, Eash Hamption boasts a proud legacy of achievement and fame that places it among the world well-known communities. I congratulate everyone of my friends and neighbors as they celebrate this historic anniversary.

PRESIDENTIAL LEADERSHIP: CHARACTER, THE ESSENTIAL ELEMENT

HON. PAUL McHALE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 6, 1998

Mr. McHALE. Mr. Speaker, I rise to insert the following speech, which I gave before the Bethlehem Rotary Club on September 2, into the CONGRESSIONAL RECORD.

PRESIDENTIAL LEADERSHIP: CHARACTER, THE ESSENTIAL ELEMENT

My friends, neighbors and today considering the message I'm going to deliver in just a couple of moments, most especially, my fellow citizens—

I began preparing this speech focusing on character and politics about a month ago. I was watching TV one day when a respected journalist began to discuss the challenges and allegations confronting the President. She said with a note of frustration in her voice, I'm paraphasing slightly, ''We hire public officials like plumbers—to get the job done. We don't expect them to be role models or moral icons.'' ''Character,'' she finally said, ''is largely irrelevant.''

I listened to that statement and realized that I disagreed with it so profoundly, so deeply, that it was so contrary to everything that had brought me to public service two decades ago, I know that at some point in some forum, I wanted to respond—not merely to rebut her statement, certainly not to challenge here personally, but to present a very different point of view. Her opinion, in my judgement, is directly at odds with the most important lessions of American history. We *do* expect our public officials to be role models and moral leaders. That expectation is neither naive nor unrealistic.

Theodore Roosevelt was one of the truly great presidents of the United States, a man whom I admire tremendously, a man normally considered one of the five greatest presidents in American history. In some ways it's unfortunate that President Theodore Roosevelt has become almost a caricature because he was a man of extraordinary substance. That caricature often misleads us in terms of the lessions that he had to teach. Let me read to you, if I may, a quote from Theodore Roosevelt on the subject of character and politics: ''Sometimes, I hear our countrymen abroad saying, 'Oh you mustn't judge us by our politicians.' I always wanted to interrupt and answer, ''But you *must* judge us by our politicians, not merely by their ability, but by their ideals and the measure in which they realize these ideals, by their attitude in private life and much more by their attitude in public life both as regards their conception of their duties toward their country and their conception of the duty of that country embodied in its government towards its own people and toward foreign nations.'''

He continued: ''Each community has the kind of politicians it deserves. . . . The most important thing for you to know is how the man you choose will conduct himself in the office to which he is elected. Now to know this, you must not only know his views and his principles, but you must also know how well he practices and corresponds to those principles. This is the all important fact. Far more important than the candidate's words is the estimate you are able to put upon the closeness with which his deeds will correspond to his words.''

Roosevelt spoke in the language of his time. He is gender specific to ''men'' and I would, if I could, edit his transcript and insert ''men and women'' but the basic lesson remains true. He continued: ''What you need in a man who represents you is that he shall show the same qualities of honesty, courage and common sense that in private life make the type of man you are willing to have as a neighbor, that you are willing to work for, or to have work for you. While the private life of a public man is of secondary importance, it is certainly a mistake to assume that it is of no importance. Of course excellence in private conduct, that is domestic morality, punctuality in the payment of debts, being a good husband and father, being a good neighbor, do not, taken together, furnish adequate reason for reposing confidence in a man as a public servant. But lack of these qualities certainly does establish a presumption against any public man. One function of a great public leader should be to exert an influence upon the community at large, especially upon the young men of a community. And therefore, it is idle to say that those interested in the perpetuity of good government should not take into account the fact of a public man's example being something to follow or to avoid, even in matters not connected with his direct public services. No man can be of any service to his state, no man can amount to anything from the standpoint of usefulness to the community at large unless first and foremost, he is a decent man in the close relations of life. . . . Jefferson said that the whole art of government consists in being honest. . . . You cannot be unilaterally honest. The minute that a man is dishonest along certain lines, even though he pretends to be honest along other lines, you can be sure that it is only a pretense, it is only expediency. And you cannot trust to the mere sense of expediency to hold a man straight under heavy pressure.'' (emphasis added)

That was a lengthy quote. It consumed a significant amount of time, but it also reflected a significant lesson in history. We can't separate a president's character from his performance in office. Indeed, what he does in office finds its initial motivation in the wellspring of his character. There is no such thing as character ''compartmentalization.''

The Constitutional powers that were assigned to the Presidency were shaped, in part, by the expectation of what type of person would be elected Chief Executive. Let me quote from a book by William Peters, A More Perfect Union: the Story of the Constitutional Convention. Fifty-five delegates at various times over the summer of 1787 gathered in Philadelphia (not very far from

where we meet today) in order to define the Constitution, the structure of government under which we today remain privileged to live. When it came time to define the Presidency under Article II of the Constitution, political power was assigned to the executive office with a clear-cut expectation of the personal moral decency, the integrity, the kind of character that each president would bring to the decision-making process.

This is from A More Perfect Union: ''[At the Constitutional Convention,] Dr. Franklin rose to express his agreement, and in doing so made clear his belief that Washington would be the Country's first executive. 'The first man put at the helm will be a good one,' he said, 'nobody knows what sort may come afterwards.' This expectation that Washington would be the first at the helm was in fact shared by most if not all of the delegates and it influenced not only the way they envisioned the future presidency but the powers they were willing to assign to that office. As Pierce Butler, one of the delegates, would write to a relative in England a year later, the powers of the President 'are full, great and greater than I was disposed to make them, nor do I believe that they would have been so great had not many of the members cast their eyes toward George Washington, who was the presiding officer, as president and shape their ideas of the powers to be given a president by their opinions of his virtue.' '' (emphasis added)

When the Constitution was written, those who gathered to draft Article II realized full well what an extraordinary man George Washington was. And while I doubt that they expected every subsequent president of the United States to have the character of our first, they did, indeed, have an expectation—one that we must realize in succeeding generations—that presidents of the United States would certainly possess ''virtue'' perhaps not of the magnitude possessed by George Washington, but that, at a minimum, there would be decent men and women who would later occupy that office and bring to it at least a sense of integrity paralleling that of our first President. And clearly when they defined the powers of the office, powers that would exist long after the presidency of George Washington, they had the expectation of ''character'' as a permanent element of leadership resident within the office of the president of the United States.

Let me read to you briefly two other quotes from presidential scholars who speak far more eloquently than I can about these subjects. The first is James Barber, who has written extensively on presidential character: ''When a citizen votes for a presidential candidate, he makes in effect a prediction. He chooses from among the contenders the one he thinks, or feels, or guesses would be the best president. He operates in a situation of immense uncertainty. . . . He must choose in the midst of a cloud of confusion, a rain of phony advertising, a storm of sermons, a hail of complex issues, a fog of charisma and boredom and a thunder of accusation and defense . . . to understand what actual presidents do and what potential presidents might do, the first need is to see the man whole . . . as a human being like the rest of us a person trying to cope with a difficult environment. To that task he brings his own character, his own view of the world, his own political style. . . . If we can see the pattern he has set for his political life, we can, I contend, estimate much better his pattern as he confronts the stresses and the chances of the presidency.''

''The presidency,'' he went on to say, ''is a peculiar office.'' James Barber continued: ''The Founding Fathers left it extraordinarily loose in definition partly because they trusted George Washington to invest a tradition as he went along . . . The Presidency is the focus for the most intense and persistent emotions of the American polity. The president is a symbolic leader, the one figure who draws together the people's hopes and fears for the political future. On top of all of his routine duties, he has to carry that off or fail.'' (emphasis added)

Richard Neustadt is probably the most highly acclaimed, perhaps the best respected presidential scholar in the United States. He was writing of the president's professional reputation when he drafted the following words in his classic work, On Presidential Power: ''The professional reputation of a president in Washington is made or altered by the man himself. No one can guard it for him, no one saves him from himself. Everything he personally says and does (or fails to say, omits to do), becomes significant in everyone's appraisal regardless of the claims of his officialdom for his words. His own actions provide clues not only to his personal proclivities, but to forecast an asserted influence of those around him. . . . A president runs the risk by being personally responsible for his own reputation.'' (emphasis added)

Let me make it clear, in my judgment no candidate for president should be required to pass through a star-chamber of inquisition concerning matters of genuine privacy, most especially in areas of past sexual activity; but to respect privacy does not require that we abandon character, rationalize misconduct, or accept an imaginary compartmentalization of a president's moral judgement and his stated public policies.

We have, I think at most times, a healthy understanding of privacy even with regard to the presidency. Herbert Hoover, with some sense of frustration and certainly with a sense of humor, said in May 1947, ''there are only two occasions when Americans respect privacy, especially the president's—those are prayer and fishing.'' Now I suspect that the scope of privacy is a little bit broader than that. I like to believe that it is. Biographical profiles sufficient to evaluate a candidate's character need not contain salacious detail. A legitimate requirement that we evaluate the whole candidate—his temperament, honesty, demonstrated decency and public policy positions need not and ought not be used to rationalize the journalists' equivalent of a ''Peeping Tom.'' Responsible reporters and a tolerant citizenry usually know where to draw the line.

Unfortunately, by claiming the right of privacy to shield an immoral predatory relationship, a relationship between the president and a twenty-two-year-old intern conducted in the Oval Office and subsequently denied under oath, President Clinton has damaged the genuine right of privacy which many of us defend, the right to be let alone as defined one hundred years ago by Louis Brandeis.

The demand for character is not constant in a president or in any other office-holder. I have had the privilege to serve in public office for about a decade and a half. I have been involved in political activity for almost two decades. There are some days when there are not a lot of pressures upon you in public life. There are days when you simply go about the business of serving the people and you don't have to struggle on that particular day with your conscience, you don't have to reach for moral courage. Those are the routine days of political life for a Member of Congress—a public servant and ordinary citizen.

However, there are other days which prove to be much more challenging for a Member of Congress, and similarly, for the president of the United States. During periods of relative tranquility and prosperity, such as we have enjoyed during most of this decade in no small part thanks to the efforts of President Clinton, you need only administer and command. There are certain powers granted to a president under Article II of the Constitution. Those powers have been enhanced by subsequent legislation enacted by the Congress. Those are the levers of authority that are the president's by virtue of his elected position. But during a period of national crisis, a president can't merely administer and command, he must lead and inspire. The Civil War, World War I, World War II, The Great Depression and the 20th Century Civil Rights Movement all demanded a substantial level of applied, not merely rhetorical presidential character. None of these challenges could possibly have been met merely by a series of dry presidential position papers. That is why Franklin Roosevelt stated that ''(the presidency) is pre-eminently a place of moral leadership.''

We don't expect sainthood from our presidents. I know very few saints in public life. I suppose there are a few, but I have not met many of them. We expect ordinary people in times of crisis to rise to the challenge of superior leadership based on patriotism and moral decency, where the contribution they make may even be beyond their own expectations. Perfection is not the standard, but neither should we abandon the fundamental test of character in determining who shall lead us as a people and as a nation.

During the past few minutes, I have spoken on presidential character and the vital role it plays in the process of shaping and implementing our nation's public policies. In the closing minutes of my presentation, I want to apply the concept of presidential character to the troubling, genuinely disheartening presidential misconduct which will soon be brought before the Congress of the United States.

I want my strong criticism of President Clinton to be placed in context. I voted for President Clinton in 1992 and 1996. I believed him to be the ''Man from Hope'' as he was depicted in 1992. As a member of Congress, I voted for more than three-fourths of the President's legislative agenda and would do so again. I have strongly supported President Clinton's proposals in such areas as Social Security reform, child care, environmental protection, campaign finance and the continuing effort to curb the tobacco industry and discourage teenage smoking. My blunt criticism of the President has nothing to do with policy. The President has always treated me with courtesy and respect and he has been more than responsive to the concerns of my constituents. I do not feel a shred of animosity toward the president of the United States. Unfortunately, he is an exceptionally bright man who is now guilty of extraordinary misconduct.

I must tell you, in complete candor, that I am saddened and dismayed by his actions. I now have an obligation as a member of the United States Congress to evaluate that conduct not as a puritan, but as an elected representative with duties of my own under Article I of the Constitution, to hold this president accountable, as I would hope every Congress would hold any president accountable for misconduct of this nature. Finally, I also want to note that in my judgment Kenneth Starr was wrongly appointed as independent counsel, possessing a background far too partisan and demonstrating personal political ambition inconsistent with the neutral role of a special prosecutor. Nonetheless, only the President is ultimately responsible for his own reprehensible and tragic misbehavior.

Unfortunately, the President's proven misconduct has now made immaterial my past support or my agreement with him on issues. Last January 17th, the president of the United States attempted to cover-up a sordid

and irresponsible relationship by repeated deceit under oath. Contrary to his later public statement, his answers were not ''legally accurate,'' they were intentionally and blatantly false. President Clinton was untruthful at length and untruthful in detail. He allowed his lawyer to make arguments to the court based upon an affidavit that the President knew to be false. The President was present in the room at the time when his lawyer made those unethical arguments to a federal judge who was also physically present. The President later lied to the American people and belatedly admitted the truth only when confronted, some seven months later, by a mountain of irrefutable, conflicting evidence. I am convinced that the President would otherwise have allowed his false testimony to stand in perpetuity. Judge Susan Weber Wright may yet hold the President in contempt of court. If the President avoids a perjury conviction he will be lucky, not innocent.

What is at stake, my fellow citizens, is really the rule of law. When the President took an oath to tell the truth, he was no different at that point from any other citizen, both as a matter of morality and as a matter of legal obligation. We cannot excuse that kind of misconduct because we happen to belong to the same party as the president or agree with him on issues or feel tragically that the removal of the president from office would be enormously painful for the United States of America. The question is whether or not we will stand true to the rule of law. The question is whether or not we will say to all our citizens, including the president of the United States, when you take an oath you must keep it. It was four centuries ago that Sir Thomas More gave up his life rather than swear to a false oath. Now perhaps that's the saintly ideal, but we ought not abandon our nation's historic commitment to the sanctity of the judicial oath, based upon the dangerous rationale that we are all less than perfect.

As we gather here today, eight blocks from where I live, my wife is on jury duty in Philadelphia. Kathy was called to jury duty in federal court. She, right now, is sitting in a courtroom in Philadelphia hearing a sexual harassment case. She and her fellow jurors will have the legitimate expectation that every witness who comes before the court will, to the best of his or her ability, tell the truth. There may indeed be mistakes in recollection; nobody's memory is perfect. But Kathy and every other juror will necessarily conclude, in the absence of conflicting evidence, that the facts presented by witnesses in testimony under oath will be truthful. That is the linchpin of our legal system's search for justice.

I have had the privilege to serve in public life at the local, state and federal level. I started out on the Planning Commission of the Borough of Fountain Hill, served in the state legislature and have now represented you for three terms in the Congress of the United States. I have voted thousands and thousands of times over the last twenty years, but I tell you from personal experience that the venue where the law really takes on meaning is in the courtroom. We can vote for magnificent pieces of legislation in the Congress of the United States, but it is only when that law enters the courtroom that it takes on true meaning for the individual citizen. Whether it's a custody matter, a domestic relations conflict, a contract dispute, an accusation of criminal misconduct, it is in the courtroom that life enters the law. I see Tom Murphy seated in the audience, one of our District Justices. Tom is a former police officer and, I'm confident, fully understands what I am saying. You can pass a great bill in Washington, but if you are unable to equitably enforce it because individual witnesses are untruthful under oath, then the courtroom becomes a sham. Nothing is more important to our democratic system of government than the obligation of citizens to tell the truth when the law is applied to a given set of facts.

Having deliberately provided false testimony under oath the President, in my judgment, forfeited his right to office. It was with a deep sense of sadness that I called for his resignation. By his own misconduct, the President displayed his character and defined it badly. His actions were not ''inappropriate.'' They were predatory, reckless, breathtakingly arrogant for a man already a defendant in a sexual harassment suit, whether or not that suit was politically motivated. In light of his own misconduct, how can this President now speak with moral authority on issues such as teenage pregnancy, male responsibility for children born out of wedlock and the duty to treat women with dignity, equality and not merely as objects for male gratification? How can he lead, not merely command, our men and women in uniform, knowing that his actions would in a military environment result in a court martial? How could I defend the President knowing that I would fire an employee under similar circumstances?

And if in disgust or dismay, we were to sweep aside the President's immoral and illegal conduct, what dangerous precedent would we set for the abuse of power by some future president of the United States? And are we really prepared to substitute polling data for the rule of law? For our country's sake, I hope not. But if we sweep this aside, that is the precedent that we will inevitably establish. All of us, I think, have been repelled by the detail of reporting in terms of the President's specific activity. I have heard all that I need to hear.

But if we are so repelled by the facts as they have now become known that we push this presidential misconduct aside, I assure you that twenty-five, fifty, one hundred years from now there may well be some other temporarily popular president of the United States who will choose to violate his oath of office and perhaps provide false testimony to a court believing and relying on the precedent that if you are popular enough, somehow you are different from and superior to your fellow citizens, that somehow you too may be excused when you lie under oath. That is a dangerous precedent we can ill afford to set as a nation. It is a precedent that would ominously outlive every person in this room.

We cannot define the President's character—he correctly noted that reality a few weeks ago. He alone has that power and that responsibility. But we *must* define our nation's. That is the challenge that we face today.

I have had the opportunity on many occasions, particularly during this presidency, but also on a few occasions beforehand to visit the White House. I would encourage you to do that. If you can enter the White House and not be inspired, you have a tougher set of emotions that I do. Every time I enter that building and the one where I work, the Capitol, I am overwhelmed by the sense of history and the obligation that that history imposes on us, we who serve today.

On many occasions, I have spent time in the White House State Dining Room. I think it was on my first visit to that dining room, probably on the public tour, that I noticed that there is in that room a wonderful fireplace and carved into the mantle of that fireplace, a prayer. The prayer goes back to the days of John Adams who first voiced it on November 2, 1800, nearly two hundred years ago. His prayer remains centrally relevant to the issue of character and politics today. John Adams' prayer for those who would later occupy the White House may be read upon the mantle as follows: ''I pray Heaven bestow the best of blessings on this House and all that shall hereafter inhabit it. May none but honest and wise men ever rule under this roof.''

John Adams was wrong in his gender limitation, but he was unquestionably right in his eternal hope.

Tuesday, October 6, 1998

Daily Digest

HIGHLIGHTS

Senate agreed to Agriculture Appropriations, 1999 Conference Report.

The House agreed to the conference report on H.R. 4194, VA, HUD Appropriations.

Senate

Chamber Action

Routine Proceedings, pages S11529–S11642

Measures Introduced: Eleven bills and two resolutions were introduced, as follows: S. 2552–2562, S. Con. Res. 124, and S. Res. 288. **Page S11582**

Measures Reported: Reports were made as follows:

S. 1404, to establish a Federal Commission on Statistical Policy to study the reorganization of the Federal statistical system, to provide uniform safeguards for the confidentiality of information acquired for exclusively statistical purposes, and to improve the efficiency of Federal statistical programs and the quality of Federal statistics by permitting limited sharing of records among designated agencies for statistical purposes under strong safeguards, with an amendment in the nature of a substitute. (S. Rept. No. 105–367)

Report to accompany S. 2117, to authorize the construction of the Perkins County Rural Water System and authorize financial assistance to the Perkins County Rural Water System, Inc., a nonprofit corporation, in the planning and construction of the water supply system. (S. Rept. No. 105–368)

Report to accompany S. 744, to authorize the construction of the Fall River Water Users District Rural Water System and authorize financial assistance to the Fall River Water Users District, a nonprofit corporation, in the planning and construction of the water supply system. (S. Rept. No. 105–369)

Report to accompany S. 736, to convey certain real property within the Carlsbad Project in New Mexico to the Carlsbad Irrigation District. (S. Rept. No. 105–370)

S. 2238, to reform unfair and anticompetitive practices in the professional boxing industry, with an amendment in the nature of a substitute. (S. Rept. No. 105–371)

Report to accompany S. 2151, to clarify Federal law to prohibit the dispensing or distribution of a controlled substance for the purpose of causing, or assisting in causing, the suicide, euthanasia, or mercy killing of any individual. (S. Rept. No. 105–372)

S. 2402, to direct the Secretary of Agriculture to convey certain lands in San Juan County, New Mexico, to San Juan College, with an amendment in the nature of a substitute.

S. 2413, to provide for the development of a management plan for the Woodland Lake Park tract in Apache-Sitgreaves National Forest in the State of Arizona reflecting the current use of the tract as a public park, with amendments.

S. 2458, to amend the Act entitled ''An Act to provide for the creation of the Morristown National Historical Park in the State of New Jersey, and for other purposes'' to authorize the acquisition of property known as the ''Warren Property''.

S. 2513, to transfer administrative jurisdiction over certain Federal land located within or adjacent to Rogue River National Forest and to clarify the authority of the Bureau of Land Management to sell and exchange other Federal land in Oregon.

Pages S11581–82

Measures Passed:

Reading Excellence Act: Senate passed H.R. 2614, to improve the reading and literacy skills of children and families by improving in-service instructional practices for teachers who teach reading, to stimulate the development of more high-quality family literacy programs, to support extended learning-time opportunities for children, and to ensure that children can read well and independently not later than third grade, after agreeing to a committee amendment in the nature of a substitute, and the following amendment proposed thereto:

Pages S11533–39

Jeffords Amendment No. 3740, in the nature of a substitute. **Pages S11536–39**

Judicial Anti-Nepotism: Senate passed S. 1892, to provide that a person closely related to a judge of a court exercising judicial power under article III of the United States Constitution (other than the Supreme Court) may not be appointed as a judge of the same court. **Pages S11578–79**

Library of Congress Bicentennial Commemorative Coin Act: Committee on Banking, Housing, and Urban Affairs was discharged from further consideration of H.R. 3790, to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the Library of Congress, and the bill was then passed, clearing the measure for the President. **Page S11638**

Consumer Reporting Employment Clarification Act: Senate passed S. 2561, to amend the Fair Credit Reporting Act with respect to furnishing and using consumer reports for employment purposes. **Pages S11638–39**

Migratory Bird Hunting and Conservation Stamp Promotion Act: Senate passed H.R. 4248, to authorize the use of receipts from the sale of the Migratory Bird Hunting and Conservation Stamps to promote additional stamp purchases, clearing the measure for the President. **Page S11639**

National Fish and Wildlife Foundation Authorization: Senate passed S. 2095, to reauthorize and amend the National Fish and Wildlife Foundation Establishment Act, after withdrawing the committee amendments and agreeing to the following amendment proposed thereto: **Pages S11639–42**

Snowe (for Chafee) Amendment No. 3749, in the nature of a substitute. **Pages S11640–41**

Agriculture Appropriations, 1999—Conference Report: By 55 yeas to 43 nays (Vote No. 298), Senate agreed to the conference report on H.R. 4101, making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 1999, clearing the measure for the President. **Pages S11545–69**

Internet Tax Freedom Act: Senate resumed consideration of S. 442, to establish a national policy against State and local government interference with interstate commerce on the Internet or interactive computer services, and to exercise Congressional jurisdiction over interstate commerce by establishing a moratorium on the imposition of exactions that would interfere with the free flow of commerce via the Internet, taking action on amendments proposed thereto, as follows: **Pages S11572–77**

Adopted:

McCain (for Frist) Amendment No. 3743, authorizing funds for a grant to Portland State University in Portland, Oregon, to establish the Oregon Institute of Public Service and Constitutional Studies at the Mark O. Hatfield School of Government. **Page S11577**

Rejected:

Graham Amendment No. 3729, to require a supermajority of both Houses to extend the moratorium. (By 83 yeas to 15 nays (Vote No. 299), Senate tabled the amendment.) **Pages S11572–75**

Bumpers/Graham Amendment No. 3742, to require persons selling tangible personal property via the Internet to disclose to purchasers that they may be subject to State and local sales and use taxes on the purchases. (By 71 yeas to 27 nays (Vote No. 300), Senate tabled the amendment.) **Pages S11575–76**

Senate will vote on a motion to close further debate on the bill on Wednesday, October 7, 1998.

VA/HUD Appropriations, 1999 Conference Report—Agreement: A unanimous-consent time-agreement was reached providing for the consideration of the conference report on H.R. 4194, making appropriations for Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1999, with a vote to occur thereon. **Page S11642**

Nominations—Agreement: A unanimous-consent time-agreement was reached providing for the consideration of the nomination of William A. Fletcher, of California, to be United States Circuit Judge for the Ninth Circuit, with a vote to occur thereon, and to consider the nominations of H. Dean Buttram, Jr., and Inge Prytz Johnson, each to be a United States District Judge of the Northern District of Alabama, and Robert Bruce King, of West Virginia, to be United States Circuit Judge for the Fourth Circuit. **Page S11577**

Nominations Received: Senate received the following nominations:

Kay Kelley Arnold, of Arkansas, to be a Member of the Board of Directors of the Inter-American Foundation for a term expiring October 6, 2004.

Donnie R. Marshall, of Texas, to be Deputy Administrator of Drug Enforcement.

Jose Antonio Perez, of California, to be United States Marshal for the Southern District of California for the term of four years. **Page S11642**

Messages From the House: **Pages S11580–81**

Executive Reports of Committees: **Page S11582**

Statements on Introduced Bills: **Pages S11582–85**

Additional Cosponsors: Page S11586

Amendments Submitted: Pages S11588–S11629

Authority for Committees: Pages S11629–30

Additional Statements: Pages S11630–38

Record Votes: Three record votes were taken today. (Total—300) Pages S11569, S11575–76

Recess: Senate convened at 9:30 a.m., and recessed at 7:14 p.m., until 9:30 a.m., on Wednesday, October 7, 1998. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S11642.)

Committee Meetings

(Committees not listed did not meet)

NATIONAL SECURITY

Committee on Armed Services: Committee concluded hearings to examine worldwide threats facing the United States and potential United States operational and contingency requirements, after receiving testimony from William S. Cohen, Secretary of Defense; and Gen. Henry H. Shelton, USA, Chairman, Joint Chiefs of Staff.

CHILDREN'S DEVELOPMENT COMMISSION ACT

Committee on Banking, Housing, and Urban Affairs: Committee concluded hearings on S. 2178, to amend the National Housing Act to authorize the Secretary of Housing and Urban Development to insure mortgages for the acquisition, construction, or substantial rehabilitation of child care and development facilities and to establish the Children's Development Commission to certify such facilities for such insurance, after receiving testimony from Senator Kohl; Representatives Maloney and Baker; Mildred Kiefer Wurf, on behalf of the Girls Incorporated and the National Collaboration for Youth, and Melinda Green, National Black Child Development Institute, both of Washington, D.C.; Faith Wohl, Child Care Action Campaign, New York, New York; and Cheryl Luce, Boothwyn, Pennsylvania.

BUSINESS MEETING

Committee on Energy and Natural Resources: Committee ordered favorably reported the following business items:

The nominations of David Micaela, of New York, to be Assistant Secretary for Environment, Safety and Health, and Rose Eileen Gottemoeller, of Virginia, to be Assistant Secretary for Non-Proliferation and National Security, both of the Department of Energy, and Eljay B. Bowron, of Michigan, to be Inspector General, Department of the Interior;

S. 2402, to direct the Secretary of Agriculture to convey certain lands in San Juan County, New Mexico, to San Juan College, with an amendment in the nature of a substitute;

S. 2413, to provide for the development of a management plan for the Woodland Lake Park tract in Apache-Sitgreaves National Forest in the State of Arizona reflecting the current use of the tract as a public park, with amendments;

S. 2513, to transfer administrative jurisdiction over certain Federal land located within or adjacent to Rogue River National Forest and to clarify the authority of the Bureau of Land Management to sell and exchange other Federal land in Oregon; and

S. 2458, to amend the Act entitled ''An Act to provide for the creation of the Morristown National Historical Park in the State of New Jersey, and for other purposes'' to authorize the acquisition of property known as the ''Warren Property''.

ACID DEPOSITION CONTROL

Committee on Environment and Public Works: Subcommittee on Clean Air, Wetlands, Private Property and Nuclear Safety concluded hearings on S. 1097, to reduce acid deposition under the Clean Air Act, after receiving testimony from Senator D'Amato; Representative Solomon; Brian J. McLean, Director, Acid Rain Division, Office of Air and Radiation, Environmental Protection Agency; Edward Kropp, West Virginia Department of Environmental Protection, Charleston; Bernard Melewski, Adirondack Council, Albany, New York; and William F. Tyndall, Cinergy Corporation, Cincinnati, Ohio.

BALLISTIC MISSILE THREAT

Committee on Foreign Relations: Committee concluded hearings to examine a report on the nature and extent of the existing and emerging ballistic missile threat to the United States, after receiving testimony from Donald H. Rumsfeld, former Secretary of Defense, Barry M. Blechman, former Assistant Director for Weapons Evaluation and Control, U.S. Arms Control and Disarmament Agency, and William Robert Graham, former Director, Office of Science and Technology Policy, and former Deputy Administrator, National Aeronautics and Space Administration, all on behalf of the Commission to Assess the Ballistic Missile Threat to the United States (Rumsfeld Commission).

NOMINATIONS

Committee on Governmental Affairs: Committee concluded hearings on the nomination of Sylvia M. Mathews, of West Virginia, to be Deputy Director of the Office of Management and Budget, after the nominee, who was introduced by Senators Byrd and

Rockefeller, testified and answered questions in her own behalf.

COAL ACT

Committee on Governmental Affairs: Subcommittee on Oversight of Government Management, Restructuring, and the District of Columbia concluded oversight hearings to examine the implementation of the Coal Industry Retiree Health Benefit Act of 1992 (Coal Act), focusing on the financial status of the funding of health benefits for retired coal miners and how the recent Supreme Court ruling in *Eastern Enterprises* v. *Apfel* will impact on the financial management of the United Mine Workers of America's Combined Benefit Fund, after receiving testimony from Senators Rockefeller and Conrad; Kathy Karpan, Director, Office of Surface Mining, Reclamation and Enforcement, Department of the Interior; and Marilyn O'Connell, Associate Commissioner for Program Benefits, Social Security Administration.

NOMINATIONS

Committee on the Judiciary: Committee concluded hearings on the nominations of William J. Hibbler and Matthew F. Kennelly, each to be a United States District Judge for the Northern District of Illinois, Yvette Kane and James M. Munley, each to be a United States District Judge for the Middle District of Pennsylvania, Alex R. Munson, to be a Judge for the District Court for the Northern Mariana Islands, and Francis M. Allegra, of Virginia, Lawrence Baskir, of Maryland, Lynn Jeanne Bush, of the District of Columbia, Edward J. Damich, of Virginia, and Nancy B. Firestone, of Virginia, each to be a Judge of the United States Court of Federal Claims, after the nominees testified and answered questions in their own behalf. Messrs. Hibbler and Kennelly were introduced by Senator Durbin, Ms. Kane was introduced by Senators Specter and Santorum, Mr. Munley was introduced by Senators Specter and Santorum and Representative McDade, Mr. Munson was introduced by Northern Mariana Islands Resident Representative Juan Babauta, Messrs. Allegra and Damich and Ms. Firestone were introduced by Senator Robb, Mr. Baskir was introduced by Senator Sarbanes, and Ms. Bush was introduced by District of Columbia Delegate Eleanor Holmes Norton.

BUSINESS MEETING

Committee on Veterans Affairs: Committee ordered favorably reported the nominations of Leigh A. Bradley, of Virginia, to be General Counsel, Eligah Dane Clark, of Alabama, to be Chairman of the Board of Veterans' Appeals, and Edward A. Powell, Jr., of Virginia, to be Assistant Secretary for Management, all of the Department of Veterans Affairs.

House of Representatives

Chamber Action

Bills Introduced: 7 public bills, H.R. 4705–4711, were introduced. **Page H9722**

Reports Filed: Reports were filed today as follows:

H.R. 1842, to terminate further development and implementation of the American Heritage Rivers Initiative (H. Rept. 105–781);

H.R. 3087, to require the Secretary of Agriculture to grant an easement to Chugach Alaska Corporation, amended (H. Rept. 105–782);

H.R. 2756, to authorize an exchange of property between the Kake Tribal Corporation and the Sealaska Corporation and the United States, amended (H. Rept. 105–783);

H.R. 3088, to amend the Alaska Native Claims Settlement Act, regarding Huna Totem Corporation public interest land exchange (H. Rept. 105–784);

H.R. 4389, to provide for the conveyance of various reclamation project facilities to local water authorities, amended (H. Rept. 105–785);

Conference report on H.R. 3874, to amend the Child Nutrition Act of 1966 to make improvements to the special supplemental nutrition program for women, infants, and children and to extend the authority of that program through fiscal year 2003 (H. Rept. 105–786);

H.R. 3610, to authorize and facilitate a program to enhance training, research and development, energy conservation and efficiency, and consumer education in the oilheat industry for the benefit of oilheat consumers and the public (H. Rept. 105–787 Part 1); and

Conference report on S. 2206, to amend the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, and the Community Services Block Grant Act to reauthorize and make improvements to those Acts, to establish demonstration projects that provide an opportunity for persons with limited means to accumulate assets (H. Rept. 105–788).

Pages H9680–H9719, H9722

Speaker Pro Tempore: Read a letter from the Speaker wherein he designated Representative Bass to act as Speaker pro tempore for today. **Page H9593**

Recess: The House recessed at 9:07 a.m. and reconvened at 10:00 a.m. **Page H9594**

Private Calendar: On the call of the Private Calendar, the House passed H.R. 1794, for the relief of Mai Hoa ''Jasmine'' Salehi; and H.R. 1834, for the relief of Mercedes Del Carmen Quiroz Martinez Cruz. The House passed over without prejudice S. 1304, for the relief of Belinda McGregor. **Pages H9594–95**

VA, HUD Appropriations: The House agreed to the conference report on H.R. 4194, making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1999, by a yea and nay vote of 409 yeas to 14 nays, Roll No. 483. **Pages H9611–25**

H. Res. 574, the rule waiving points of order against the conference report accompanying the bill, was agreed to by voice vote. **Pages H9597–H9611**

Commerce, Justice, State, Judiciary Appropriations: The House disagreed to the Senate amendment to H.R. 4276, making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1999, and agreed to a conference. Appointed as conferees: Representatives Rogers, Kolbe, Taylor of North Carolina, Regula, Latham, Livingston, Young of Florida, Mollohan, Skaggs, Dixon, and Obey. **Pages H9625–26**

Agreed to the Mollohan motion to instruct conferees to not concur in any Senate legislative provisions or any extraneous legislative provisions, which are outside the scope of Conference, which could have the effect of causing a government shutdown. **Pages H9625–26**

Consideration of Certain Resolutions from Rules Committee: The House agreed to H. Res. 575, waiving a requirement of clause 4(b) of rule XI with respect to consideration of certain resolutions reported from the Committee on Rules, was agreed to by a yea and nay vote of 218 yeas to 206 nays, Roll No. 484. **Pages H9626–28**

Haskell Indian Nations University and Southwestern Indian Polytechnic Institute Demonstration Project: The House passed H.R. 4259, to allow Haskell Indian Nations University and the Southwestern Indian Polytechnic Institute each to conduct a demonstration project to test the feasibility and desirability of new personnel management policies and procedures. **Pages H9629–46**

Rejected:

The Cummings amendment in the nature of a substitute to authorize Haskell Indian Nations University in Lawrence, Kansas, and Southwestern Indian Polytechnic Institute in Albuquerque, New Mexico to conduct personnel demonstration projects, stipulates oversight by the U.S. Office of Personnel Management, and requires that the projects will be subject to existing civil service procedures, including retirement and benefit programs (rejected by a recorded vote of 181 ayes to 244 noes, Roll No. 485). **Pages H9642–45**

H. Res. 576, the rule that provided for consideration of the bill, was agreed to by voice vote. **Pages H9628–29**

Late Reports: Conference committees received permission to have until midnight on October 6 to file conference reports on H.R. 3874, to amend the Child Nutrition Act of 1966 to make improvements to the special supplemental nutrition program for women, infants, and children and to extend the authority of that program through fiscal year 2003; and S. 2206, to amend the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, and the Community Services Block Grant Act to reauthorize and make improvements to those Acts, to establish demonstration projects that provide an opportunity for persons with limited means to accumulate assets. **Page H9647**

Consideration of Intelligence Authorization Conference Report: Agreed that on October 7, or any day thereafter, it may be in order to consider the conference report on H.R. 3694, to authorize appropriations for fiscal year 1999 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System; that all points of order against the conference report and against its consideration be waived; and that the conference report be considered as read when called up. **Page H9647**

Consideration of Suspensions: Pursuant to H. Res. 575, agreed to consider the following measures under suspension of the rules on Wednesday, Oct. 7: H.R. 4679, H.R. 3783, H.R. 8, H.R. 4657, H.R. 4656, S. 2505, H.R. 2921, H.R. 4616, H.R. 2348, H. Con. Res. 331, S. 2022, S. 512, S. 1976, H.R. 804, and H.R. 4293. **Page H9647**

Permitting Official Photographs: The House agreed to H. Res. 577, permitting official photographs of the House of Representatives to be taken while the House is in actual session. **Page H9647**

Senate Messages: Messages received from the Senate today appear on pages H9593, H9647, and H9964.

Referrals: S. 2505, to direct the Secretary of the Interior to convey title to the Tunnison Lab Hagerman Field Station in Gooding County, Idaho, to the University of Idaho, was referred to the Committee on Resources. Page H9719

Quorum Calls—Votes: Two yea and nay votes and one recorded vote developed during the proceedings of the House today and appear on pages H9625, H9628, and H9644–45. There were no quorum calls.

Adjournment: The House met at 9 a.m. and adjourned at 9:25 p.m.

Committee Meetings

KYOTO PROTOCOL

Committee on Commerce: Subcommittee on Energy and Power held a hearing on The Kyoto Protocol: The Outlook for Buenos Aires and Beyond. Testimony was heard from Janet Yellen, Chair, Council of Economic Advisors; Melinda Kimble, Acting Assistant Secretary, Oceans and International Environmental and Scientific Affairs, Department of State; and public witnesses.

SUBPOENA—PORTALS INVESTIGATION

Committee on Commerce: Subcommittee on Oversight and Investigations authorized the issuance of a subpoena duces tecum to Reed E. Hundt in connection with the Subcommittee's ongoing Portals investigation.

PORTALS INVESTIGATION

Committee on Commerce: Subcommittee on Oversight and Investigations continued hearings on the circumstances surrounding the FCC's planned relocation to the Portals, including the efforts of Franklin L. Haney and his representatives with respect to this matter and the circumstances surrounding the payment of fees to those representatives. Testimony was heard from James R. Sasser, Ambassador to China; Franklin L. Haney, Franklin L. Haney Company; Peter Knight and Jody Trapasso, both with Wunder, Knight, Levine, Thelen and Forscey.

Hearings continue October 9.

TEAMSTERS' STRIKE AT DIAMOND WALNUT GROWERS—EFFORTS TO SETTLE

Committee on Education and the Workforce: Subcommittee on Oversight and Investigations held a hearing on Efforts to Settle the Teamsters' strike at Diamond Walnut Growers, Inc. Testimony was heard from Michael Kantor, former U.S. Trade Representative; Jennifer O'Connor, former White House Special Assistant to the President; and public witnesses.

DEPARTMENT OF ENERGY'S FOREIGN VISITOR PROGRAM

Committee on National Security: Subcommittee on Military Procurement held a hearing on the Department of Energy's Foreign Visitor Program. Testimony was heard from Keith O. Fultz, Assistant Comptroller General, Resources, Community and Economic Development, GAO; and the following officials of the Department of Energy: Elizabeth Moler, Deputy Secretary; John C. Browne, Director, Los Alamos National Laboratory; C. Paul Richardson, Director, Sandia National Laboratories; and C. Bruce Tarter, Director, Lawrence Livermore National Laboratory.

TOHONO O'ODHAM RELIGIOUS AREA RESTORATION ACT

Committee on Resources: Subcommittee on National Parks and Public Lands held a hearing on H.R. 4119, Tohono O'odham Religious Area Restoration Act. Testimony was heard from Representative Pastor; Pat Shea, Director, Bureau of Land Management, Department of the Interior; and public witnesses.

OVERSIGHT—HIGH PERFORMANCE COMPUTING

Committee on Science: Subcommittee on Basic Research held an oversight hearing on High Performance Computing. Testimony was heard from Neal Lane, Director, Office of Science and Technology Policy; Joseph Bordogna, Acting Deputy Director, NSF; and public witnesses.

TRANSPORTATION AND INFRASTRUCTURE ISSUES RELATED TO Y2K PROBLEM

Committee on Transportation and Infrastructure: Continued hearings to review Transportation and Infrastructure Issues related to the Year 2000 Computer Problem "Y2K: Will We Get There On Time?" with emphasis on Highways, Pipelines and Public Buildings Issues. Testimony was heard from David Barram, Administrator, GSA; from the following officials of the Department of Transportation: Steven Van Beck, Deputy Administrator, Research and Special Projects Administration; and Gloria Jeff, Deputy Administrator, Federal Highway Administration; Kathleen Hirning, Chief Information Officer, Federal Energy Regulatory Commission, Department of Energy; Michael Heyman, Secretary, Smithsonian Institution; Alan Hantman, Architect of the Capitol; Kathy Hoftstedt, Year 2000 Project Manager, Department of Transportation, State of Minnesota; and public witnesses.

Hearings continue tomorrow.

Joint Meetings

AMERICAN LEGION

Joint Hearing: Senate Committee on Veterans Affairs concluded joint hearings with the House Committee on Veterans Affairs to examine the legislative recommendations of the American Legion, after receiving testimony from Harold L. Miller, American Legion, Washington, D.C.

APPROPRIATIONS—TREASURY/POSTAL SERVICE

Conferees met to further resolve the differences between the Senate- and House-passed versions of H.R. 4104, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, but did not complete action thereon, and recessed subject to the call.

AUTHORIZATION—CHILD NUTRITION/WIC

Conferees agreed to file a conference report on the differences between the Senate- and House-passed versions of H.R. 3874, to amend the Child Nutrition Act of 1966 to make improvements to the special supplemental nutrition program for women, infants, and children and to extend the authority of that program through fiscal year 2003.

AUTHORIZATION—INTELLIGENCE

Conferees on Monday, October 5, agreed to file a conference report on the differences between the Senate- and House-passed versions of H.R. 3694, to authorize funds for fiscal year 1999 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System.

NEW PUBLIC LAWS

(For last listing of Public Laws, see DAILY DIGEST, *p. D1067)*

H.R. 1856, to amend the Fish and Wildlife Act of 1956 to promote volunteer programs and community partnerships for the benefit of national wildlife refuges. Signed October 5, 1998. (P.L. 105–242)

COMMITTEE MEETINGS FOR WEDNESDAY, OCTOBER 7, 1998

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Banking, Housing, and Urban Affairs, to hold hearings on the nomination of Ira G. Peppercorn, of Indiana, to be Director of the Office of Multifamily Housing Assistance Restructuring, Department of Housing and Urban Development, 9:30 a.m., SD–538.

Committee on Environment and Public Works, to hold hearings on the nominations of Isadore Rosenthal, of Pennsylvania, to be a Member of the Chemical Safety and Hazard Investigation Board, and William Clifford Smith, of Louisiana, to be a Member of the Mississippi River Commission, 9:30 a.m., SD–406.

Committee on Foreign Relations, to hold hearings on the nominations of William B. Bader, of New Jersey, to be Associate Director for Educational and Cultural Affairs of the United States Information Agency, Harold Hongju Koh, of Connecticut, to be Assistant Secretary of State for Democracy, Human Rights, and Labor, and C. David Welch, of Virginia, to be Assistant Secretary of State for International Organization Affairs, 10 a.m., SD–419.

Committee on Governmental Affairs, to hold hearings on the nominations of Dana Bruce Covington, Sr., of Mississippi, and Edward Jay Gleiman, of Maryland, each to be a Commissioner of the Postal Rate Commission, and David M. Walker, of Georgia, to be Comptroller General of the United States, General Accounting Office, 10 a.m., SD–342.

Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia, to hold hearings to examine the implications of military adultery standards, 2 p.m., SD–342.

Committee on the Judiciary, to hold hearings on the implementation of the Radiation Exposure Compensation Act, 2 p.m., SD–226.

Committee on Indian Affairs, to hold hearings on H.R. 1833, to amend the Indian Self-Determination and Education Assistance Act to provide for further Self-Governance by Indian tribes, 9:30 a.m., SR–485.

Special Committee on the Year 2000 Technology Problem, to hold hearings to examine information technology readiness of general business services for the Year 2000, 9:30 a.m., SD–192.

House

Committee on Commerce, hearing on the Implementation of the Food and Drug Administration Modernization Act of 1997, 2 p.m., 2123 Rayburn.

Committee on International Relations, Subcommittee on International Economic Policy and Trade, oversight hearing on Ex-Im Bank, 1:30 p.m., 2172 Rayburn.

Committee on National Security, hearing on the state of U.S. military forces and their ability to execute the National military strategy, 10 a.m., 2118 Rayburn.

Committee on Resources, to consider a report concerning the Grand Staircase Escalante National Monument; to be followed by a hearing on H.R. 2822, Swan Creek Black River Confederated Ojibwa Tribes of Michigan Act, 1 p.m., 1324 Longworth.

Committee on Science, oversight hearing on the International Space Station, The Administration's Proposed Bail-Out for Russia, 10 a.m., 2318 Rayburn.

Subcommittee on Basic Research and the Subcommittee on Technology, joint oversight hearing on Transferring the Domain Name System to the Private Sector: Private Sector Implementation of the Administration's Internet ''White Paper'', 2 p.m., 2318 Rayburn.

Committee on Transportation and Infrastructure, to continue hearings to review Transportation and Infrastructure Issues related to the Year 2000 Computer Problem ''Y2K: Will We Get There On Time?'' 10 a.m., 2167 Rayburn.

Joint Meetings

Joint Economic Committee, to hold hearings on proposals to stabilize the international economy, 10 a.m., 311 Cannon Building.

Conferees, on H.R. 1853, to amend the Carl D. Perkins Vocational and Applied Technology Education Act, 3 p.m., SD–430.

Next Meeting of the SENATE

9:30 a.m., Wednesday, October 7

Senate Chamber

Program for Wednesday: After the transaction of any morning business (not to extend beyond 10 a.m.), Senate will vote on the motion to proceed to the consideration of H.R. 10, Financial Services Act, following which Senate will vote on a motion to close further debate on S. 442, Internet Tax Freedom Act.

Senate may also consider any conference reports or legislative or executive items cleared for action.

Next Meeting of the HOUSE OF REPRESENTATIVES

10 a.m., Wednesday, October 7

House Chamber

Program for Wednesday: Consideration of H.R. 3694, Intelligence Authorization Act for FY99 Conference Report (unanimous consent agreement, waiving points or order);

Consideration of H.R. 4570, Omnibus National Parks and Public Lands Act of 1998 (modified closed rule, 1 hour of general debate);

Consideration of 18 Suspensions:

1. H.R. 4679, Antimicrobial Regulation Technical Corrections Act of 1998;
2. H.R. 3783, Child Online Protection Act;
3. H.R. 2921, Multichannel Video Competition and Consumer Protection Act;
4. H.R. 8, Border Smog Reduction Act;
5. S. 2505, To Convey Title to the Tunnison Lab Hagerman Field Station in Gooding County, Idaho;
6. S. 2094, Fish and Wildlife Revenue Enhancement Act of 1998;
7. H.R. 2886, Granite Watershed Enhancement and Protection Act;
8. H.R. 3796, Rogue River National Forest;
9. H.R. 4616, Designating the Corporal Harold Gomez Post Office;
10. H.R. 2348, Designating the Mervyn Dymally Post Office Building;
11. S. 2022, Crime Identification Technology Act of 1998;
12. H.R. 4151, Identity Theft and Assumption Deterrence Act;
13. S. 1976, Crime Victims With Disabilities Awareness Act;
14. H.R. 804, Regarding Federal Funds Made Available to Hire or Rehire Law Enforcement Officers;
15. H.R. 4293, Cultural and Training Program for Individuals from Northern Ireland and the Republic of Ireland;
16. S. 53, Curt Flood Act;
17. S.J. Res. 51, Granting the Consent of Congress to the Potomac Highlands Airport Authority Compact; and
18. S. 1021, Veterans Employment Opportunities Act.

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