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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. SESSIONS).

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
October 7, 1998.

I hereby designate the Honorable PETE SESSIONS to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

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

May Your blessing, gracious God, dwell in the sacred places of life so that the words of our lips and the deeds of our hands are hallowed by Your good word and Your bountiful favor. As the psalmist has asked: ''Where shall we go from thy spirit and whether shall we flee from thy presence?'' We acknowledge, O God, that Your spirit leads us and guides us from the mountains to the valleys, from the heavens to the deepest oceans. We are thankful that Your presence in our lives, O God, sanctifies the good work that we seek to do, and we are grateful that Your spirit never departs from us. 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. Will the gentleman from New Jersey (Mr. PALLONE) come forward and lead the House in the Pledge of Allegiance.

Mr. PALLONE 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.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 3790. An act to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the Library of Congress.

H.R. 4248. An act to authorize the use of receipts from the sale of the Migratory Bird Hunting and Conservation Stamps to promote additional stamp purchases.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2614. An act 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 message also announced that the Senate had passed a bill of the following title in which the concurrence of the House is requested:

S. 2095. An act to reauthorize and amend the National Fish and Wildlife Foundation Establishment Act.

ANNOUNCEMENT OF BILLS TO BE CONSIDERED UNDER SUSPENSION OF THE RULES TODAY

Mr. BLUNT. Mr. Speaker, pursuant to House Resolution 575, I announce the following suspensions to be considered today:

S. 2094, Fish and Wildlife Revenue Enhancement Act of 1998;

H.R. 2886, Granite Watershed Enhancement and Protection Act;

H.R. 3796, To Authorize the Secretary of Agriculture to Convey the Administrative Site for the Rogue River National Forest and Use the Proceeds for the Construction or Improvement of Offices and Support Buildings for the Rogue River National Forest and the Bureau of Land Management;

H.R. 4151, Identity Theft and Assumption Deterrence Act;

S. 53, Curt Flood Act;

S.J. Res. 51, Granting the Consent of Congress to the Potomac Highlands Airport Authority; and

S. 1021, Veterans Employment Opportunities Act.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 15 1-minutes on each side.

PRESENTATION OF THE FREEDOM WORKS AWARD TO JOE WHITE, FOUNDER OF KIDS ACROSS AMERICA

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

Mr. ARMEY. Mr. Speaker, I am honored today to have my good friends the gentleman from Kansas (Mr. RYUN) and the gentleman from Missouri (Mr. BLUNT) join me in presenting the Freedom Works Award to Joe White, founder of Kids Across America. I would like

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to bring to the Houses's attention an exceptional individual who has changed the lives of thousands of kids across this Nation.

Mr. Speaker, Joe White has taken upon himself the responsibility to minister today's generation of young people. He founded Kids Across America as part of his larger family of Christian athletic camps in an effort to reach out to inner city kids and to give all of them a chance to go to summer camp. Today, Kids Across America is able to reach approximately 4000 urban youth each summer.

Here kids can escape the troubles of the inner city and find refuge in the Ozark Mountains of Missouri for eight days. Kids get a chance to play over 25 sports, meet new friends, build relationships with a staff of 400 counselors and hear a message of hope.

Look at these young men here. You can see the smiles on their faces, that their lives will be forever changed.

Imagine a place where it is the in thing to read your bible daily, to pray for your friends, to encourage your opponents, to serve others before yourself. Imagine a place where role models and heroes are everywhere one looks. Imagine a place where peer pressure is a good thing, and violence and profanity and everything dark is left at the gate. There is no need to imagine. It can all be found at Kids Across America.

America is a great Nation, and if we are going to be able to continue to be a great Nation in the future, it will be because of dedicated men like Joe White who has voluntarily taken upon himself the responsibility to make this world a better place.

Mr. Speaker, I yield to the gentleman from Missouri (Mr. BLUNT).

Mr. BLUNT. Mr. Speaker, I am pleased to be here today as the Majority Leader recognizes Joe White, Joe White from my district in southwest Missouri, Joe White with a doctors degree from Southwest Baptist University, Joe White who has devoted his life to kids.

Mr. Speaker, Joe founded a foundation, the I Am Third Foundation, and I think the three principles of that foundation talk about what Joe's life is about and what these camps that the Majority Leader has talked about focus on. The I Am Third Foundation is God first, family second, and I am third. The individual is third. A life based on faith is part of these camps.

Mr. Speaker, I have heard Joe White from memory quote entire books of the bible, quote the Book of First Timothy and in Paul's letter to Timothy in First Timothy Paul says:

''You are my true child in the faith.''

Joe White becomes a father to children who need a male role model. Joe White becomes an example to kids who often do not have an example. Joe White has scholarshipped thousands of urban youth into a life and a life style for that eight days in southwest Missouri that changes their life from the time they come one year until the time so many of these want to come back and get to come back the second year.

The picture that the Majority Leader has, the smile on his face, I think says it all. Joe White makes a difference in the lives of kids.

Mr. ARMEY. Mr. Speaker, again with your continued indulgence and the graceful generosity of my colleagues on both sides of the aisle, I yield to the gentleman from Kansas (Mr. RYUN).

Mr. RYUN. Mr. Speaker, let me first of all add my congratulations to what Joe White has been able to do with the program in Missouri.

As my colleagues know, I have had the opportunity to see hands on exactly what he does with the urban teenagers, and for them to be in an environment, a Christian environment in which they can have not only their character encouraged, but also feel safe and to be with people that love them, gives them a great opportunity to experience part of what life is all about, and Joe White certainly done a great job and is worthy of this award.

Mr. ARMEY. Mr. Speaker, let me finish with this point. So many times we have said around here that the idea is bigger than the man. Joe White once again has shown us the idea is never bigger than the child.

POINT OF ORDER

Mr. PALLONE. Mr. Speaker, point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. PALLONE. No offense to the Majority Leader, Mr. Speaker, but the procedure the way I understand it is that these are 1 minute speeches that alternate with each side, and I would ask that the Speaker follow that procedure.

The SPEAKER pro tempore. The gentleman is correct. The Chair will follow that procedure.

IT IS TIME FOR A NEW DIRECTION

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

Mr. PALLONE. Mr. Speaker, as the time runs out on the Congress, it is important to keep in mind that the Republican Congress has been a failed Congress.

The Democrats are putting out a report today called A Failed Republican Congress, Partisanship Instead of Progress, and it details how Republicans have spent a lot of time driving their partisan agenda, but very little to help the American people.

Mr. Speaker, Republicans have failed to act on the critical kitchen table issues that Americans really care about. We have had no managed care reform, no bill to reduce class size and modernize schools, no action to safeguard the surplus for Social Security, no bill to reduce teen smoking, no bill to reform our campaign finance system and no bill to increase the minimum wage for working families.

Republicans have let down the American people. It is time for a new direction. Congress needs to put the public interest ahead of partisan politics. There is still a few days left here. I think we should see some action on HMO reform, on education initiatives and on safeguarding Social Security. So far we are seeing nothing.

IS THE PRESIDENT REALLY LIKE A CEO OF A CORPORATION?

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

Mr. PAPPAS. Mr. Speaker, I rise today to ask a question that has been bothering me for a few weeks now.

In response to the ongoing situation over at the White House, many of his apologists say we should treat the President of the United States as the CEO of the world's largest business. My question is, if he is the CEO, when is our next dividend? When will the CEO allow the shareholders to reap the benefits of excess revenues?

The gentleman from Texas (Mr. ARCHER) outlines the Republican agenda of lower taxes while saving Social Security. Republicans are proud to see the fruits of their insistence on sane fiscally conservative spending policies. The Republican tax relief plan addresses the marriage tax penalty, provides for tax simplification, increases access to health care for small businesses and provides tax relief for farmers. By opposing the Republican plan for tax relief, the President would prove he is still the leading proponent of big government.

Mr. Speaker, I urge this Congress to move tax reform now.

VOTE AGAINST THE LABOR-HHS-EDUCATION APPROPRIATIONS BILL

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

Ms. SANCHEZ. Mr. Speaker, I rise today in opposition to the Labor-HHS-Education appropriations bill. With a veto threat hovering over this measure, I cannot understand why a bipartisan compromise has still not been reached. There are too many provisions that are just unacceptable, not just for Democrats, but for our kids, for our schools and for our families. Rather than hiring more teachers, building more schools, reducing class size, this bill instead shortchanges our schools. It provides $2 billion less, less than the administration requested for education programs. It cuts Goals 2000 in half. It eliminates the Summer Jobs Program. It cuts school to work opportunities.

Mr. Speaker, I could go on and on. Eliminating the Summers Jobs Program will deny the world of work for half a million youth.

My colleagues talked earlier about a camp. Do not send them to camp. Teach them how to be a productive citizen. Does the majority party really want our youth out on the streets instead of learning good work habits?

This bill is just not fair. Until changes are made, I urge my colleagues to vote against the Labor-HHS-Education appropriations bill.

TRUST, TRUTH AND ACCOUNTABILITY

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

Mr. BALLENGER. Mr. Speaker, let me give a few quotes from our President.

October 1992, and I quote:

> I think trust and trustworthiness is an issue in this campaign, and I think I have demonstrated it in my life.

In December of 1992 concerning the Iran-Contra pardons the President-elect said:

> I am concerned about 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.

October 1995:

> The road to tyranny, we must never forget, begins with the destruction of truth.

And June of 1996:

> The other thing we have to do is to take seriously the role of this problem, older men who prey on under age women. There are consequences to decisions. One way or another people always wind up being held accountable.

SOMETHING IS WRONG WITH THIS POLICY

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

Mr. TRAFICANT. Mr. Speaker, in America we have record trade deficits, record bankruptcies, record debt, consolidations, downsizing, more American jobs keep going overseas, a schizophrenia stock market, all symptoms of a major economic problem in America.

□ 1015

After all this, the experts say American taxpayers must keep sending more money to the International Monetary Fund to prop up foreign countries to avert disaster. Beam me up, Mr. Speaker.

When American dollars end up in the pockets of foreign politicians who then vote against America at the United Nations, something is wrong with this policy, very wrong. I say these foreign countries do not need American taxpayer dollars. They need reform. Think about it.

Mr. Speaker, I yield back what economy we have left.

PRESIDENT THREATENS TO VETO SPENDING BILLS

(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, I am very and deeply disappointed by reports that the President intends to veto several spending bills over so-called environmental riders. Further reports indicate that this is part of the President's politically motivated effort to force a government shutdown.

This country cannot afford another government shutdown, particularly in these trying economic times.

A decision to simply veto spending bills without good-faith efforts to negotiate policy differences will jeopardize billions of dollars of increases for wildlife, recreation, parks, forests, endangered species, public health, and other important priorities.

Mr. Speaker, the President's rhetoric is unhelpful in resolving honest policy differences and unnecessarily erodes the public trust in the legislative process. Hard working men and women cannot afford another government shutdown, but it appears the President has played partisan politics above people, above the environment, and above the best interest of this Nation.

The President has an open invitation to negotiate, in good faith, areas of legitimate policy disagreement. For the sake of the American people, let us hope he accepts this invitation.

VOTE NO ON THE OMNIBUS PARKS PORK BILL

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

Ms. MCKINNEY. Mr. Speaker, today's Washington Post Editorial calls the Republican Omnibus Parks Bill ''pork.'' The Washington Post did not get it quite right. It is not just a pork bill, it is the pork bill straight from the environmental butchers. People in Georgia are very concerned about the bill's provision for Cumberland Island. This bill will carve up Cumberland Island, so that it can be served on a silver platter to one of America's wealthiest families.

The butchery of Cumberland Island is not just pork, it is old fashioned Republican service with a smile. What else can we expect from the Republican Party. They failed their polluting friends when they wanted to dirty our water and air. Now they are trying to let their other friends buy our national treasures. In contrast to the TV commercial, this work is not the other white meat. This pork bill is Republican green.

Republicans have always believed that America should reward the wealthiest and most privileged among us. And what better way to keep giving to the rich than by robbing the American people of a national treasurer of Cumberland Island.

If this bill makes it out of Congress, I will urge the President to veto it. I ask my colleagues to vote ''no'' on this pork bill.

MANAGED CARE REFORM

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

Mr. GREEN. Mr. Speaker, I am glad to hear my colleagues trying to define the Democrats, and sometimes they would not know one if they saw one.

But the problem we have this year is that this is a historic Congress. We are getting ready to vote tomorrow on an historic vote on opening an inquiry of impeachment of the President. But this, more than any Congress, has done nothing at all for the American people on the bread and butter issues.

But what I want to talk about this morning is the HMO reform that should have been passed, should have been passed by the Senate, and the quality bill should have been passed by the House.

It is clear that this do-nothing Congress has been by design this year, because they don't want to make the changes that the American people want. The polls show the American people want HMO reform. They want their doctors to be able to help them make medical decisions instead of a gag rule. They want to be able to appeal decisions made by a bureaucrat with an insurance company.

They want some choices in their medical care. They want access to specialty care, and they want emergency care when they need it, not based on somebody deciding, no, you cannot go to your closest emergency room.

That is why this is a do-nothing Congress, and that is why tomorrow, even with this historic vote, we are going to go home without providing any help to the American people for their health care.

PINOCCHIO

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

Mr. PITTS. Mr. Speaker, there is a children's story that is instructive in these critical days. It goes something like this: There was once a little boy who lived in a little white house. His name was Pinocchio. Pinocchio was a wooden puppet who came to life and had many unhappy adventures because he was very selfish. Pinocchio had trouble with telling the truth.

Whenever Pinocchio told a lie, his nose grew longer. Once, when he told several lies, his nose became so long he could not even get out of his little white house. I wonder, Mr. Speaker, how long his nose could get with 7 months of not telling the truth.

Like Pinocchio, some people today have a problem with telling the truth.

In the end, Pinocchio became a real boy, and he did the honorable thing; he told the truth. I wish certain people today would learn the same lesson, those in the big White House.

LEGACY OF REPUBLICAN CONTROLLED CONGRESS

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

Ms. DELAURO. Mr. Speaker, for the past 2 years, the Republican majority has failed to act on the basic issues that face hardworking Americans. This Congress has failed to pass meaningful HMO reform, killed efforts to reduce teen smoking, undermined attempts to reduce school class size, ignored the need to bolster the minimum wage, and suffocated serious campaign finance reform.

Because Republicans control this Congress, the American people are not guaranteed that they can choose their own doctor. They do not have guaranteed access to hospital emergency rooms. And American people cannot hold HMOs accountable for medical decisions.

Because Republicans control this Congress, our children will not have smaller class sizes next year. Because Republicans control this Congress, teenagers will not be safe from big tobacco's nefarious marketing and consistent lying. Because Republicans control this Congress, there will be no increase in the minimum wage for families who work hard and who play by the rules.

Tough luck, America. Republicans are in charge. For 2 years, America's needs have been ignored. That is the legacy of this Republican controlled Congress.

MORE GOOD NEWS: DOLLARS TO THE CLASSROOM REPEALS GOALS 2000

(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 rise today with more good news. Yes, it is true. Above the clamor of scandals and the President's threat to shut the government down, this Congress is doing good things. We are taking steps to shrink the power of the Federal Government into the lives and pocketbooks of American families.

We just passed the Dollars to the Classroom Act. This bill can reduce classrooms size all over the Nation if the Senate will just pass it and the President will not veto it.

You see, because President Clinton himself said, and I agree with him, I think we have clear direction and he should not veto this one, he said, ''We cannot ask the American people to spend more on education until we do a better job with the money we have got now.''

As I look around this town, Washington, D.C., and see all these big buildings filled with bureaucracies, I know those folks that many make $70,000 to $100,000 should go home, and we should send that money back to the classrooms.

Our Dollars to the Classroom Act also abolishes Goal 2000. This is an experiment that did not work. We will send that money back to the classrooms to achieve the goals of education excellence. Getting more money in the classroom is truly good news.

RUMORS OF GOVERNMENT SHUTDOWN

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

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, the Republicans want to move in one direction and the Democrats in another. This year, like every year, on almost every single spending bill, the division is quite clear. Republicans want to cut back on the size of government. Democrats want to expand it.

We have different visions, different ideas about what government should do, what it can do, and how much of the government spending is an outrageous waste of taxpayers' money.

But our differences are no excuse for a government shutdown, and I am very depressed to hear the persistent rumors that many in the White House are urging the President to provoke a confrontation, shut down the government, and divert attention away from the crisis in the White House.

They want to shut down the government and then try to blame it on Republicans. This is an interesting way, indeed, to combat public cynicism toward government.

I urge the President to reject the advice of his more liberal advisors and continue to work with the Republicans toward an honorable compromise on the remaining spending bills. Do not shut down the government, Mr. President.

SAVE SOCIAL SECURITY; ELIMINATE MARRIAGE TAX PENALTY

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

Mr. WELLER. Mr. Speaker, I have an important question to ask this morning. Why does the President want to squander the surplus on new government bureaucratic spending? Why does the President want to squander the surplus on State Department spending and defense spending and, of course, a computer fix for government bureaucracies?

This House just a few weeks ago made a commitment to save Social Security and to use the surplus to save Social Security. This House made a commitment to set aside $1.4 trillion, 90 percent of the projected tax revenue surplus, over the next 10 years and use that to save Social Security.

The remaining dime on the dollar we would then use to eliminate the marriage tax penalty, help expand, build new classrooms in schools back in Illinois, help family farmers, help family businesses, help those who want to send their kids off to college.

Mr. Speaker, it is interesting that the President says, if we use $7 billion of the tax revenue surplus next year to eliminate the marriage tax penalty, that is squandering. But then he turns right around and says let us use $14 billion, twice as much, for government spending, bureaucratic spending. Mr. Speaker, you cannot have it both ways. Let us save Social Security. Let us eliminate the marriage tax penalty.

MARCH FOR CUBAN FREEDOM AND DEMOCRACY

(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, this Saturday, the South Florida community will hold a march through the streets of Miami to reaffirm our commitment with the Cuban people in their struggle for freedom against the last totalitarian dictatorship of our hemisphere, that of Fidel Castro.

This march will join our diverse community as one, under one ideal; that the people of Cuba are not alone in their struggle for freedom. This march will ask the Clinton administration to stop appeasing the Cuban Communist regime and start enforcing the sanction laws that this Congress has imposed on the Castro tyranny that the White House has conveniently refused to apply.

We will also ask the international community to stop its immoral investments in Castro's slave-economy that only serve to strengthen the dictatorship.

It will be a solemn occasion to remember the hundreds of thousands of victims who have fallen prey to the Castro regime over its almost 40 years reign of terror and repression.

The thousands of people who will walk through the streets of Miami this Saturday will send a clear message to the tyrant in Havana: We will not rest until the Cuban people reclaim their freedom and democracy.

HOW THE U.N. AND THE CLINTON ADMINISTRATION IS CREATING A MORE DANGEROUS WORLD FOR ALL

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

Mr. PETERSON of Pennsylvania. Mr. Speaker, the United Nations, led by the United States, is getting pushed around by a rogue nation with an unfeeling dictator, Saddam Hussein.

There is no other way to say it, Mr. Speaker, the United States is sitting idly by while this tyrant, Saddam Hussein, is thumbing his nose at us. As former U.N. Inspector Scott Ritter said before the House Committee on National Security, the reality is that Iraq is winning its bid to retaining its prohibited weapons.

□ 1030

Continuation of sanctions as a sole means of enforcing Security Council resolutions is a self-defeating, weak policy.

The Clinton administration has intervened to prevent surprise inspections in Iraq because it wishes to avoid a new conflict with Baghdad. I cannot stress enough how dangerous this policy is.

The question is, are the United Nations and the Clinton administration gambling with all of our lives? Unfortunately, it appears they are.

TO SAVE THE PARTY, DEMOCRATS MUST VOTE TO IMPEACH

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

Mr. BARR of Georgia. Mr. Speaker, on the issue of impeachment, I submit to the House an article submitted to the Wall Street Journal by Jerome M. Zeifman, who is a lifelong Democrat and was chief counsel to the House Committee on the Judiciary at the time of the Nixon inquiry.

He writes, ''As a lifelong Democrat and chief counsel of the House Judiciary Committee at the time of the Nixon impeachment inquiry, I believe I have a personal responsibility to speak out about the current impeachment crisis. And I believe my fellow Democrats on today's Judiciary Committee have a moral, ethical and constitutional responsibility to vote to impeach President Clinton. The positions taken by the President and his die-hard Democratic defenders in Congress and the media are indefensible.

''We are living in dangerous times. I believe the President has personally brought his office into scandal and disrepute.

''Having long championed traditional Democratic causes, I simply cannot accept Mr. Clinton's own shameless defense and his supporters' offensive attacks on Congress and its traditional rules. Like most traditional Democrats, like most Americans, I have grave reservations about Mr. Clinton's morality and ethics. In my view there is now more than substantial evidence to consider our President a felon who has committed impeachable offenses.''

NO GOVERNMENT SHUTDOWN

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

Mr. THUNE. Mr. Speaker, Republicans in Congress have a message to the President: do not shut the government down.

Republicans have been working with this administration since last spring, last spring, Mr. Speaker, to avoid a government shutdown this year. I think we would agree that it is not in the national interests to shut down the government. How tragic it would be if the President were to force a shutdown for political reasons.

Republicans are willing to reach a compromise with the White House on our remaining differences, just as we did last summer when we balanced the budget and cut taxes at the same time. Although there are still significant differences between the White House and Republicans in Congress on the remaining spending bills, these differences can be resolved without a government shutdown. In almost every case, the administration wants to spend more, Republicans want to spend less.

Let us find common ground and avoid a government shutdown.

CONFERENCE REPORT ON H.R. 3694, INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1999

Mr. GOSS. Mr. Speaker, pursuant to the unanimous consent agreement of October 6, 1998, I call up the conference report on 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.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. SESSIONS). Pursuant to the order of the House of Tuesday, October 6, 1998, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of October 5, 1998, at page H9522.)

The SPEAKER pro tempore. The gentleman from Florida (Mr. GOSS) and the gentleman from Washington (Mr. DICKS) each will control 30 minutes.

The Chair recognizes the gentleman from Florida (Mr. GOSS).

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

I know that the gentleman from Washington (Mr. DICKS) is on his way to the Chamber at this time, and I am going to read from a prepared opening statement, which I know the gentleman will have access to, so I am going to proceed with my remarks.

Mr. Speaker, I rise in support of the conference report to accompany H.R. 3694, the Intelligence Reauthorization Act for Fiscal Year 1999.

This has been a busy summer from an intelligence and national security vantage point. Since House passage of H.R. 3694 in early May, we have witnessed nuclear tests in Pakistan and India; terrorist attacks on 2 of our embassies in Africa, and U.S. counterstrikes against terrorist-linked targets; a worsening world financial crisis that has spread from Asia to Russia and threatens now parts of Latin America; the eviction of United Nations weapons inspectors from Iraq; a deepening crisis in Kosovo that could embroil NATO troops before the end of the year, if not the end of this speech; and numerous ballistic missile tests by hostile and potentially hostile countries.

In addition, 2 major studies of our intelligence capabilities and processes were conducted this summer. The Rumsfeld Commission study brought to light the increasing pace of ballistic missile proliferation and the shrinking warning times that we can expect given our current intelligence collection posture. The Jeremiah Report, conducted in the wake of India's nuclear tests, highlighted several gaps in our analytical and reporting processes. Both reports expressed concern that foreign governments are increasingly able to hide their activities from us due, apparently, to their familiarity with our intelligence methods and our capabilities.

The point of recapitulating these developments and reports is to highlight the continuing critical need for good intelligence in the post-Cold War world, in this era that we find ourselves today. This after-Cold War era is an era that has seen a significant downsizing of our armed forces.

What I have not spelled out is the successes the community has had as well. All those bad things that did not happen and do not happen because we do have good intelligence capability, even though we have downsized that as well, and we need to reverse that trend.

Good intelligence enables policymakers in the government to head off crises before they occur. It provides an advantage to our military planners in everything from procurement to deployment and saves the lives of citizens and soldiers, and saving the lives of citizens and soldiers is certainly something we are about.

Mr. Speaker, I am pleased that this conference report incorporates the lessons learned from this busy summer. It provides needed investments in modernization of signals intelligence; revitalization of human intelligence, or espionage, capabilities; strengthening all-source analysis; and enhancement of covert action capabilities. It also includes a significant increase in research and development funding to ensure that we can stay one step ahead of the pack and compensate for foreign denial and deception practices, which, as I said, have gotten ever better.

This conference report provides new protections for ''whistle-blowers,'' intelligence community employees who report on potential problems within their agencies, even though it may involve classified information. I believe we have struck an appropriate balance between the need to preserve employees' rights and the unique retirement within the intelligence arena to safeguard classified information and, of

course, national security. We have created a front door for rank and file information-sharing with Congress. This is a good thing.

I know that this legislation is the product of a bipartisan, bicameral effort. I am grateful for the hard work of all of our Members and the entire committee staff. I know that it took many long hours and a few sleepless nights to get this conference report completed.

I will call particular attention to the effort of my friend, the gentleman from Washington (Mr. DICKS), the ranking member of this committee, for his dedication to intelligence and national security matters. I am disappointed to say that this will be his last appearance on the House floor managing an intelligence authorization bill, I am told. The Rules of the House require the rotation of all members of our committee. The gentleman from Washington (Mr. DICKS) has been a hard-charging, ardent supporter of improving U.S. intelligence capabilities, especially those in the advanced technical area. Indeed, his expertise in that area is unrivaled, in my view, on Capitol Hill.

While I cannot say that we have always agreed on the substance of all issues during my 2 years as chairman of the committee, I think it is very fair to say that we have always agreed to sit down and do the extra work necessary to resolve issues in a reasonable manner, and I would add in a very pleasant way.

Mr. Speaker, I say to the gentleman that both the community and the Committee on Intelligence have benefited from his 8 years of service here and I know that we can continue to count on his input, wisdom and judgment on crucial matters in the years to come on which he has so much expertise.

I will also pay tribute to the others members who are rotating off the committee or retiring next year. We have been extremely fortunate to have the distinguished chairman of the Subcommittee on National Security, the gentleman from Florida (Mr. YOUNG) as a senior member of the Committee on Intelligence. Indeed, this has been his second tenure on the committee for a total of 14 years. We have benefited from the gentleman's wisdom and his willingness to find the resources necessary for intelligence in some very lean years for overall defense spending, and I thank him, particularly for his help in the committee this past week when I could not be here and he substituted for me very ably. I know I can count on him too for his advise and assistance.

The committee is further losing 2 valued democratic members to retirement: the gentlewoman from California (Ms. HARMAN), and the gentleman from Colorado (Mr. SKAGGS). We thank them for their service and dedication and wish them luck in their new endeavors, and I personally thank them for the commitment and time that they have given on so many issues on the committee.

Finally I would be remiss if I did not mention the recent departures of professional staff members Mary Engebreth and Susan Ouellette, 2 women who have worked on the committee since 1995. Susan was our expert in the areas of analysis and defense intelligence, and Mary was our resident rocket scientist. We are going to miss Mary, and we are going to miss Susan as well.

Mr. Speaker, I urge my colleagues to support this conference report.

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

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

First, I want to thank the distinguished chairman and we want to welcome him back, although this has been a difficult time for he and his family. We are certainly glad to hear the positive news about his wife, Mariel.

I want to say that I appreciate his kind remarks. It has been a great pleasure to serve on this committee for eight years, and we have had bipartisan cooperation. I do not think there has ever been a time when we have not come to this floor unified behind the intelligence bill, and I think that is good. This is one area where partisanship should not be a part. It should be only how do we get the best intelligence for the American people.

Mr. Speaker, the goal of any conference committee should be to produce an agreement that improves the bills submitted to it. I believe the conference on the intelligence authorization for fiscal year 1999 achieved that result, and I urge the adoption of the conference report.

I am especially pleased that the conferees were willing to reconsider earlier legislative recommendations which I believe would have negatively impacted the ability to collect reliable and timely intelligence through our national technical means. Make no mistake about it, had these recommendations gone forward, the consequences would have been felt for years, primarily by those whose responsibility it is to ensure that United States military forces operate with maximum efficiency and minimum casualties.

The conferees did not, however, fully resist the temptation to unduly encumber highly complex programs, particularly new ones, with directives which I believe were unwise in terms of constraining the flexibility of those who are supposed to manage these programs. Congressional oversight should be vigorous and constant, but it should be reasonable as well. I am concerned that we are prematurely forcing technical programs into a budgetary straitjacket that will force them to either satisfy fewer requirements, or to become operational much later than necessary. We must never lose sight of the fact that congressionally imposed restraints on the development of intelligence collection programs can have real effects on the Nation's security.

The conference report contains a resolution of a matter on which the House and Senate intelligence committees have worked for some time, the means by which intelligence community employees can bring significant information to the attention of the intelligence committees. In perhaps no other aspect of the relationship between the executive and legislative branches is the Congress as dependent on information from the object of its oversight as it is in the area of intelligence.

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We can simply not do our job if the intelligence agencies are not forthcoming with information, the bad as well as the good. We must know that impediments do not exist which would prevent intelligence community employees from bringing important information to the attention of the Intelligence committees.

I want to commend our chairman, the gentleman from Florida (Mr. GOSS) for crafting an alternative means by which to assist and encourage employees who have significant information in bringing it to Congress, and the leadership of the Senate Intelligence Committee for raising an important issue and insisting that it be addressed.

Mr. Speaker, we should be proud of the fact that even in the chairman's absence we had a spirited debate on this subject, but the chairman prevailed, so his deft hand and good work were felt, but were felt properly. The job that the chairman did in crafting this legislation and refining it was exemplary, and I commend him for it.

My service on the Permanent Select Committee on Intelligence saw the successful prosecution of the Persian Gulf War and the collapse of the Soviet Union. It also saw greater proliferation of technologies associated with weapons of mass destruction, protracted ethnic conflicts, the possibility of information warfare, and persistent terrorist threats.

I have been continually impressed in my eight years on the committee by the need of our policymakers and military commanders for reliable and timely intelligence. I wish at times they had made better use of the intelligence available to them. To stay ahead in the collection, analysis, processing, and dissemination of actionable intelligence is admitedly costly. The authorization levels in this conference report exceed the President's request by less than one percent. The amount authorized is substantial, but I am concerned it may not be enough. We must insist that intelligence activities be pursued with efficiency, that funds provided be used wisely and well. We would make a mistake, in my judgment, however, if we did not invest enough in intelligence, and thereby risked our Nation's preeminence in this area. I hope in the years to come we will be able to devote more resources to this critical underpinning of our security.

Mr. Speaker, I commend the conference agreement to the House, and recommend its approval. I, too, want to compliment the staff of the committee. I think the Permanent Select Committee on Intelligence has been well served by having an outstanding staff. Mike Sheehy has been the director on our side, and I want to thank him and all the members of the Democratic staff for the outstanding work they have done, especially for me over the last four years as the ranking member. I also want to thank the majority staff; they have done an outstanding job.

I think maybe our finest hour was on the question of encryption, an issue which still has not been resolved, but I must say that I felt very proud of the fact that we had a strong majority vote out of our committee. I think we sent a very powerful message about the importance of this technology, and of the challenge that law enforcement and our intelligence agencies have in dealing with it, and why it is so important for this Congress to be very, very careful how we proceed so we do not undermine law enforcement and national security.

Mr. Speaker, I thank the chairman again for his kind remarks.

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

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

Mr. Speaker, I think Members and those watching the proceedings can see the caliber of people in the ranking member, as exemplified by what he said and the service he has provided.

People need to know that the way our system works with oversight is that the most sensitive matters are shared with the ranking member, the chairman of this body and the other body, and I cannot imagine a more honorable man, a more efficient, capable professional than the gentleman from Washington (Mr. DICKS). I mean what I say. We are sorely going to miss him up there. I am sure the gentleman's shoes will be properly filled, but it is going to be a tough deal.

Mr. Speaker, I yield 3 minutes to my colleague, the distinguished gentleman from Florida (Mr. MCCOLLUM), who is chairman of our Subcommittee on Human Intelligence, Analysis, and Counterintelligence.

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

Mr. MCCOLLUM. I thank the gentleman for yielding time to me, Mr. Speaker. I wish to express my appreciation for this bill, for the conference report, for all the work that has been done, and for everybody who has put a lot of time in on it. It authorizes funding for the intelligence and intelligence-related activities for this coming year.

As the chairman of the Subcommittee on Human Intelligence, Analysis, and Counterintelligence, I am pleased to say the report continues the efforts of the gentleman from Florida (Chairman GOSS) and of my subcommittee to put more eyes and ears on the streets around the world to detect, penetrate, and disrupt the movement of drugs to our cities, the planning of terrorists against our citizens, the shipment of nuclear components to rogue states, and the actions of Nations against our interests abroad.

What this country faced during the Cold War was fundamentally a single military threat from the combined forces of the Warsaw Pact. Today, standing on the rubble of the Berlin Wall, we face new transnational threats that in many cases arise in smaller, poorer, and more often obscure capitals and cities in Latin America, the Near East, and Africa.

Drug cartels reach out from the coca fields of southern Colombia and the poppy fields of Burma to poison our cities. Terrorist networks run from rural Afghanistan to Nairobi, Dar es Salaam, the Balkans, and even New York to kill our citizens and threaten our peace.

Decisions taken in Tehran, Baku, T'Blisi, and Ashgabat may affect the exploitation of the vast oil fields of the Caspian Sea, and through that, the world's economy.

It is not enough to know how badly our cities are being poisoned by cocaine and heroin from Latin America and East Asia. It is not enough to know how large a crater was left behind by terrorists in Africa. It is not enough to document how adversely our interests might be affected by the route of a pipeline through central Eurasia.

Rather, we must know the plans and intentions of those behind the transnational threats and the concerns that touch our country, its citizens, and its interests. We must know all of this before it is too late for us to act. We need to know the who, the where, and the how of drug shipments coming to Miami, New York and San Diego; of a truck bomb to be left in the front of an embassy in Africa; of a plan for hostile control of oil from the Caspian sea.

For that we must have the eyes and ears of our case officers, and technology, on the streets where these threats originate. No amount of logic or divination by our analysts back here in Washington can pick up the launch of a drug boat in the Caribbean or the Eastern Pacific, or the fusing of a bomb intended for a U.S. embassy. That must be done by the brave men and women of the intelligence community, on the front lines of this national endeavor. That Mr. Speaker is where they must be if the U.S. is to move away from being reactive to the transnational threats to becoming proactive in our efforts to frustrate and hinder as best we can future catastrophes.

With that, I would like to speak to one particular portion of the bill which has given pause to some of our Members this morning. That concerns a very minor change but a very significant change in the law dealing with wiretaps.

As the terrorist threat has grown, it has become apparent that we have had a problem, as people decide to evade a wiretap that is ordered by a court, and they decide to go to other phones than the stationary phone in the single court order that is presented, where you have just a single phone you are allowed to tap.

We have had a lot of debate about this issue. In this bill there is a provision that I think is very refined that goes to the issue. We have a provision in this bill that simply changes the law to say that a court, when it goes about considering whether to order a wiretap that allows, as it can now do, somebody to be followed and every phone they use to be tapped, rather than simply a stationary phone in the order, and the current law allows that, but instead of requiring the court to find an intent, a specific criminal intent to evade the tap, that instead we may reach the conclusion, the judge may reach the conclusion that the person is evading the tap by the circumstances that are presented, because the intent is very hard to prove a lot of times.

There is no expansion of more phones that can be tapped. In fact, there is a narrowing of that. In fact, in our provision we narrow it so now, if this becomes law, once somebody leaves an area where a phone is, let's say he is on a street corner and walks away from a phone booth and somebody is following him along, figuring out what he is doing, that phone cannot be tapped anymore. We cannot tap a phone to listen in on anybody's conversation except the person who is indeed the person being suspected of whatever it is that we are tapping their phone on.

This is a very minor change. No Member should mistake this as some major addition to the wiretap laws. It is not. I would encourage everybody to vote for this bill. It is a very important bill.

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

Mr. DICKS. Mr. Speaker, I yield 7 minutes to the distinguished gentleman from California (Mr. DIXON).

Mr. DIXON. Mr. Speaker, I thank the ranking member for yielding time to me.

Mr. Speaker, I rise today in support of the conference report, H.R. 3694, the Intelligence Authorization Act for Fiscal Year 1999. I also want to recognize the hard and long hours of leadership that the gentleman from Florida (Chairman GOSS) has dedicated to producing a bipartisan bill that provides the necessary resources to our Nation's intelligence community.

The gentleman from Florida (Mr. GOSS) was joined in his efforts by the ranking Democratic member, the gentleman from Washington (Mr. NORM DICKS), who is serving his final year on the Permanent Select Committee on Intelligence. The committee will certainly miss the gentleman from Washington (Mr. DICKS), his insights, and continued input that he has had into

the areas of reconnaissance and other advanced technology problems we have addressed.

I suspect that it will be difficult if not impossible to replace him on the committee. I will miss his presence in the committee's hearing room but I look forward to his continuing leadership on the Subcommittee on National Security of the Committee on Appropriations.

Mr. Speaker, the conference report authorizes appropriate levels of funding to support our country's cadre of human intelligence case officers. These individuals toil in anonymity and often times perform the most sensitive and dangerous operations in furtherance of our national security. The duties and responsibilities of human intelligence case officers are multiple, and the training needed to produce an effective case officer is rigorous and intense.

The measure we are presently considering provides badly needed resources to the Directorate of Operations of the Central Intelligence Agency. It is within this directorate that CIA's case officers reside. Additionally, resources are also provided for the Defense Human Intelligence Service, which houses the Department of Defense's case officers.

The resources authorized by this conference report provide for additional training to ensure that case officers possess the necessary skills to meet future intelligence challenges, such as terrorism, proliferation, and narcotics trafficking.

Human intelligence is the one form of information that provides policymakers a look at the plans and intentions of other countries, foreign organizations, and terrorist groups. This bill also provides for the necessary tools that case officers need to carry out operations while providing for their personal security and that of their assets. Technology and its uses can only take us so far, but it is the human intelligence that often provides the critical degree of corroboration.

To ensure that these resources are put to the best possible uses, I will continue to monitor these programs during the next Congress in an effort to be certain that the initiatives designed to enhance our human intelligence capabilities are implemented.

Mr. Speaker, I am pleased to report that this conference report authorizes resources for continuing undergraduate training programs at CIA, NSA, and DIA. This program will be one of the many legacies of the gentleman from Ohio (Mr. LOUIS STOKES), who is retiring after 30 years of service to this Nation.

When the gentleman from Ohio (Mr. STOKES) served as chairman of the Permanent Select Committee on Intelligence, he was struck by the lack of minorities in the intelligence community. Even today the fact is that the intelligence community lags behind the Federal labor sector in its representation of minorities and women.

The undergraduate training program identifies and recruits qualified minorities out of high school who have demonstrated abilities in disciplines essential to the effective performance of intelligence missions. These students are provided a scholarship to colleges or universities of their choosing, and in return agree to work for the sponsoring agency for a specified length of time.

Last summer I attended the graduation ceremonies of students in NSA's program. I was impressed by the quality and the caliber of the students, and left with confidence that the future of our intelligence community is in good hands. This report represents a continuing commitment to the undergraduate training program and to the ideals of equality of opportunity. I will continue to review the administration of these important programs in succeeding years to ensure that they are meeting their goals of providing equal employment opportunities to women and minorities.

Mr. Speaker, the threat to our Nation posed by international terrorism was made abundantly clear with the bombing of the embassies in Kenya and Tanzania. The threat to our national security posed by nuclear proliferation was underscored when India and Pakistan detonated nuclear devices.

Finally, the devastation inflicted on our fellow Americans by international narcotics traffickers is visible in every city, village, and township. This conference report authorizes resources to enable the intelligence community to mount operations against these transitional threats. It will not be an easy chore to combat these threats, but this conference report arms the men and women of the intelligence community with the weapons they need to meet these challenges.

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Finally, Mr. Speaker, I must pay tribute to the gentleman from Colorado (Mr. SKAGGS) and the gentlewoman from California (Ms. HARMAN) who are both leaving the committee. They have certainly served the Permanent Select Committee on Intelligence well.

I too would like to thank the staff on a bipartisan way for their total cooperation, but would like to single out one member who is leaving us and that is Mr. Humphrey, Democratic senior counsel, who is moving on to another Federal Agency. I have had an opportunity to work with him on an issue very, very closely. I appreciate his abilities and admire him for moving out at the appropriate time and look forward to our continued friendship.

Mr. GOSS. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Florida (Mr. YOUNG) my colleague and friend, the subcommittee Cardinal of extraordinary importance to the intelligence effort.

Mr. YOUNG of Florida. Mr. Speaker, I thank the gentleman from Florida for yielding me the time.

I want to say first that it has been a real honor to serve as a Member of the Permanent Select Committee on Intelligence, this term for 8 years and in the previous term for 6 years, and to be entrusted with some of the most critical secrets relative to our own national security during that period of time.

I am real honored to work with people like the gentleman from Florida (Chairman GOSS), my distinguished colleague who before coming to Congress even had his own outstanding record as a member of our intelligence community, and the gentleman from Washington (Mr. DICKS), our ranking member.

The gentleman from Washington and I have had a chance to work together for a long time as members of the Subcommittee on National Security of the Committee on Appropriations, which I have the privilege to chair.

Mr. Speaker, I want to say that these two Members, and the other members of our committee, have dedicated their lives to the security of the United States of America without any sign of partisanship, without any discussion or controversy, other than sometimes good honest opinions on what might be right or what might be wrong.

As has been pointed out, the staff has been unusual in their dedication to the members of the committee, and to the mission of the committee.

This is a good bill. I wanted to start off by saying that this bill meets the requirements of our intelligence community, but actually it does not. There are a lot more things that we need to be doing that we have not been able to do in this bill because of the financial limitations.

But it does a good job and it is important that the United States of America, as the leading Nation in the world, the leading military Nation in the world, that our Nation have the ability to hear or see what potential threat there might be to us, to our people, and to our national interest. And that is what intelligence is all about.

Whether we are dealing with a military situation such as we dealt with in Iraq with Saddam Hussein, or in Bosnia, or potentially in Kosovo, wherever it might be, Korea is one of the most realistic examples of where good intelligence is necessary, because military operations could happen overnight. And especially in places like the Mideast. We have to be aware of what a potential threat there is out there.

After the Iron Curtain melted and the Berlin Wall came down, many of us felt that we could breathe a sigh of relief. No more threats to our interests, no more threats to our own security. And all of the sudden up from the sands of the deserts of Iraq came Saddam Hussein.

We do not know who might be next to raise the ugly threat of a threat against the United States militarily or one of the growing threats is terrorism. The terrorists operate in the dark of the night with stealth, sneaky tactics. We have to not only be aware of the military, but also aware of the potential threat from terrorism.

Also another major subject is drug interdiction; to detect who the drug movers are that are bringing the devastating drugs into our country that are so devastating. This bill goes a long way towards meeting those requirements.

But I must say there is more that needs to be done, Mr. Speaker. And with the leadership of the gentleman from Florida (Chairman GOSS) and the gentleman from Washington (Mr. DICKS) and the members of the committee, I am satisfied that we will meet those obligations.

I am also proud to say that the Subcommittee on Appropriations that I have the privilege to chair works extremely closely with the Members and the staff of the Permanent Select Committee on Intelligence, because we have the funding responsibility. We are obligated to find the money that this legislation authorizes. We have had a tremendous working relationship. We are all working together for what is in the best interest of the United States of America.

Mr. Speaker, I rise in support of the conference report to accompany House bill, H.R. 3694, that authorizes funds for intelligence and intelligence-related activities for Fiscal Year 1999. This conference report, Mr. Speaker, reflects a constant theme: That, in order to protect our nation, we must provide for an Intelligence Community that can be strategic, as well as a tactical; flexible, as well as resolute; and worldwide, as well as specialized.

What do I mean?

Strategic as well as Tactical: Our conference report has paid close attention to the needs of the Department of Defense for tactical intelligence as reflected in the request for the Tactical Intelligence and Related Activities program, or TIARA, and for the Joint Military Intelligence Program, or JMIP. For both these programs, we have invested in needed improvements and capabilities aimed at providing our armed forces with the information that they need to operate effectively in the myriad of situations that they are now asked to address. This includes peacekeeping assignments, as well as direct military confrontation. And whether that action might be with Iraq or in Kosovo, we must work to make sure that the men and women that we are putting in harm's way have the tactical edge. That edge is comprised of raw information and analysis * * * in other words: Intelligence.

But tactical intelligence alone will not win the day. Prior to deployment of our military forces, regardless of the mission, various types of strategic intelligence collection and analysis are required in order to ensure success. This strategic intelligence ranges from human intelligence that protects our forces by warning of upcoming plans and intentions of those who look for opportunities to hurt, sometimes fatally, our troops, to indications and warnings of key, significant activities that give us technical insight into the types of weaponry and forces that our military will confront in the years to come.

Put simply, the military must have both strategic and tactical intelligence to be successful in defending our interests and way of life in this ear of worldwide turmoil. Mr. Speaker, in my capacity as Chairman of the National Security Subcommittee for Appropriations, I have the luxury to look across the broad spectrum of our nation's defense. I can say, without reservation, that intelligence is the first line of defense. Without it, without the investments being made through this conference report, we do nothing less than risk our national security. It is that simple. Let me provide a few examples.

Flexible as well as resolute: This legislation recognizes that changes in technology will require changes that we cannot currently anticipate. These technological advances will determine how we will collect intelligence against the new translational threats and challenges that now confront us. Drug cartels and terrorist networks operate through fiber, on the net, and across continents. Our ''eyes and ears'' must keep up with these complexities if they are to give us warning on a shipment of heroin or a truckload of C4. For these reasons, the Conference Report provides the means for the investments in research and development that should enable our collectors to keep up with our adversaries.

Finally, worldwide as well as specialized: For the Intelligence Community, the Cold War was trench warfare. The enemy's command post—the Kremlin—was fixed and its deployments were static. In contrast, the war against narcotics traffickers, terrorists, and proliferators of weapons of mass destruction, including chemical and biological weapons, is guerrilla warfare. The command post of our current adversary could be in southern Columbia, rural Afghanistan, or in a ship headed south down the Bosphorus. They could be in Baghdad, in the Balkans, or in Port-au-Prince. To detect and counter these new adversaries, we must have the ''eyes and ears'' of our Intelligence Community in the fields, on the streets, in the air, and over the waters where they operate. For these reasons, our Conference Report provides the Community with the means to deploy more officers, and more technology, where they must be to meet these challenges: In the field.

Our conference report, Mr. Speaker, begins to provide the investment that the Intelligence Community needs during fiscal year 1999: to develop its capability to collect tactical, as well as strategic intelligence, to meet and to exploit changes in technology, and to put its ''eyes and ears'' where they are needed.

I am particularly proud of this report—and of the Committee that produced it—because it will be my last as a Member of the House Permanent Select Committee on Intelligence, or HPSCI. Over my 14 years on this Committee, I have been proud to have represented not only the people of this country, but also, in a very special way the Members of this House, in the oversight of the unique, exciting, and sometimes strange mix of espionage, technology, and plain old bureaucracy that is our Intelligence Community. What I would like to end with today is a reassurannce to my colleagues here, and our constituents everywhere, that the Members of this Committee have worked hard to begin to rebuild an Intelligence Community that will have the capability to collect against whatever enemies and adversaries we will face tomorrow, and in the next century.

Like most Americans, I doubted I would ever see a world in which Moscow would not be the focus of our concern and our collection efforts. Though, to be sure, it cannot be altogether ignored. Like most today, I cannot imagine a world now without drug traffickers and terrorists as our major adversaries and targets of collection.

But times change, and threats grow and recede. What we in HPSCI have worked so hard to do is to have an Intelligence Community with the capability to confront and to collect against any adversary that will threaten our country, its interest and most importantly, its citizens.

For that, and for their steadfastness to this cause, I thank those on the Committee staff, and my colleagues on HPSCI. In particular, I thank Chairman GOSS and NORM DICKS, the Ranking Democratic Member, for their vision, as well as for their hard work in achieving these critical goals. I would also extend a special thank you and congratulations to NORM DICKS, who is rotating off the Committee with me, and to Ms. HARMAN and Mr. SKAGGS, both of whom are retiring from Congress. It has been my pleasure to serve with all of you, and I believe that you leave the Committee having served our nation's defense needs very well.

Mr. DICKS. Mr. Speaker, I yield 5½ minutes to the gentleman from Georgia (Mr. BISHOP), my colleague and a distinguished member of the committee.

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

Mr. Speaker, I rise in strong support of the conference agreement on H.R. 3694, the Intelligence Authorization Act for Fiscal Year 1999.

First, let me take this opportunity to congratulate the gentleman from Florida (Chairman GOSS) for his efforts in producing a bipartisan bill that addresses the needs of the United States intelligence community.

Additionally, praise must also be extended to the ranking Democratic member, the gentleman from Washington (Mr. DICKS) for his work in helping to craft this important piece of legislation and for his service to the Permanent Select Committee on Intelligence. There is perhaps no Member in this great institution who has dedicated more time and energy to understanding the technology supporting our intelligence community than the gentleman from Washington.

Due to the service limitations placed on members of the Permanent Select Committee on Intelligence, he will be leaving the committee in the next Congress. I will personally miss his leadership on technical and tactical issues that confront the committee, and the committee as a whole will miss his innovative ideas and his commitment to maintaining the best intelligence community in the world.

Mr. Speaker, the gentleman from Colorado (Mr. SKAGGS) and the gentlewoman from California (Ms. HARMAN) will also be leaving the committee, and I want to take this opportunity to wish them well and to say that these two defenders of democracy, freedom and justice will also be sorely missed. Mr. Speaker, I say, ''Thank you, Mr. SKAGGS and Ms. HARMAN, for your friendship and for your commitment to

the men and the women of the national security and intelligence communities.''

Also leaving the committee is Mr. Calvin Humphrey, as was mentioned by the gentleman from California (Mr. DIXON), who was the first minority, African-American, in our nation's history to hold a professional staff position with the intelligence committee. He has provided professional support to the committee for the last 11 years. He served under six chairmen and has served in almost every official senior staff position with the committee.

Mr. Speaker, he has certainly enhanced our national security, and the efficiency of our country's intelligence community has been enhanced by his service. We will certainly miss him very much.

We congratulate him, however, as he assumes a senior level position with a Federal agency. I'm confident he will be successful and continue to contribute to the setterment of our nation.

Mr. Speaker, the conference report before us today authorizes resources to ensure that our intelligence capabilities are sufficient to meet the contingencies of the next millennium. With each passing day, our intelligence community is called upon to respond to more and more contingencies within a restrained budget.

We all recall with horror the cowardly and ruthless attacks on our embassies in Nairobi, Kenya, and Dar es Salaam, Tanzania. A number of representatives of the intelligence community were on the ground in both countries in a short period of time collecting and analyzing information. The efforts of the intelligence community to date have been indispensable to the leads that have been developed and the arrests that have been made in these bombings.

Additionally, it has been widely reported in a number of our Nation's periodicals that planned attacks on other embassies have been interrupted and avoided as a result of the dedication and hard work of intelligence community personnel.

This conference report provides resources for our intelligence community's counterterrorism efforts. Additionally, funding is provided to collect, process, analyze, and disseminate critical intelligence that helps shield our sons and daughters serving in our Nation's armed forces against the deadly force of terrorism.

In short, let me say that I am confident that this conference report will assist in maintaining the intelligence capabilities necessary to provide policymakers with the information they need to make key decisions affecting our national security.

Mr. Speaker, just last week I met with individuals concerned with the fate of Americans still unaccounted for as a result of wars that our Nation has been involved in. Last January, I traveled to Southeast Asia to review our intelligence activities and operations in that region of the world. Specifically, I focused my attention on efforts aimed at achieving a full accounting of Americans still unaccounted for as a result of the Vietnam war.

Again, I want to ensure our Nation's veterans and the families of those soldiers, airmen, sailors and marines still unaccounted for that this conference report contains the necessary resources to permit the intelligence community to continue its efforts to determine the fate of those who have yet to come home.

Mr. Speaker, this conference report provides critical support to all facets of our intelligence community. Resources are authorized to sustain the intelligence community's efforts to assist in providing force protection intelligence to our troops and to assist in the collection and analysis of critical intelligence bearing on such challenging issues as counterterrorism, counternarcotics, and counterproliferation.

I am proud to support this conference agreement and I urge my colleagues to support it as well.

Mr. GOSS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Delaware (Mr. CASTLE) my friend, former Governor of Delaware, and a member of the committee.

Mr. CASTLE. Mr. Speaker, I also join in support of the conference report for H.R. 3694, the intelligence authorization bill, and give due credit to the gentleman from Washington (Mr. DICKS) and to the gentleman from Florida (Mr. GOSS) who worked so very hard on this to do such a wonderful job.

United States policymakers must have the most comprehensive, responsive and timely strategic perspective on major global changes. To help provide this perspective, we rely on our intelligence agencies to collect, sort, and analyze information from all over the world.

When this bill was originally before the House in May, I expressed concerns about the capability of the intelligence community to tackle specialized financial issues like economic analysis and tracking illicit money laundering. As global financial markets grow and intertwine, timely economic intelligence in tracking the flow of laundered money becomes increasingly important to the United States national security.

Support for economic intelligence was downgraded earlier this decade, but the need for stronger support in this area was driven home by the degree to which the Asian financial crisis caught our government flat-footed. If we are to rely on the United States intelligence community to provide this kind of support, it is essential that we provide them with the resources necessary to do the job.

Also essential to our efforts to fight increasingly sophisticated international organized crime operations and narcotics traffickers is our ability to track the flow of money. With the right tools and support, the intelligence community can provide key insights into these areas to support our law enforcement agencies. And I would add that an ability to follow the money is vital to our efforts to unravel the complex web of Usama Bin Ladin's international terrorist connections.

The members and staff of the Permanent Select Committee on Intelligence have followed these issues closely this year, and I am satisfied that this conference report makes some headway in addressing these critical needs.

Mr. Speaker, I urge my colleagues to support this conference report.

Mr. DICKS. Mr. Speaker, I yield 5 minutes to the distinguished gentlewoman from California (Ms. HARMAN), who is also leaving the committee. She has been one of the most outstanding Members I think of the House, both on the Committee on National Security and the Permanent Select Committee on Intelligence, and she will be sorely missed in the next Congress. She has done an outstanding job on the Permanent Select Committee on Intelligence, she is a quick learner, and I am going to miss her service.

Ms. HARMAN. Mr. Speaker, I thank the gentleman from Washington (Mr. DICKS) for yielding me this time, and for 26 years of friendship so far. I thank our other colleagues for their very kind remarks about me and my service on the committee.

Mr. Speaker, I rise in support of the conference report to accompany H.R. 3694, the bill authorizing intelligence spending for fiscal year 1999. As we have heard, this is my last intelligence authorization. Before commenting on the bill, I would like to commend the gentleman from Florida (Chairman GOSS) for generating an unusually collaborative and bipartisan environment in which talented colleagues and a superb staff can work productively. It was a special goal of mine to serve on this committee and I have loved it.

As I have often said, intelligence spending is intelligent spending, perhaps now more than ever. The U.S. no longer confronts a single, well-known adversary, but a fluid international environment where weapons of mass destruction can be had on the international market for a price; where crime syndicates organize across national borders; where terrorists, as we sadly experienced this summer, can strike with deadly force.

Mr. Speaker, it is crucial that we be able to anticipate and meet these new challenges.

□ 1115

Despite our efforts to strengthen the nonproliferation regime, the demand for weapons of mass destruction and their means of delivery has not waned, and neither has the supply.

This past year, after information indicated an increase in the in-flow of missile technology and know-how to Iran, Congress directed the administration to impose sanctions on entities involved in these transfers. Congress' action will help curb efforts by Iran to

accelerate its missile programs and impede its capability to field missiles that can strike Israel, our NATO ally Turkey, and targets in Central Europe; missiles which could be armed with chemical, biological and nuclear warheads.

We have also seen alarming developments elsewhere in Asia. Recently, North Korea tested its first Taepo Dong 1 missile. We anticipated the launch, monitored it, and now know more about this missile's performance than the North Koreans. This new missile does not yet allow North Korea to deliver a weapon to the United States, or reach significant military targets it could not strike already, but it puts it on that path. The launch also advertised North Korea's capabilities to would-be buyers, a very disturbing development.

Mr. Speaker, these are just two examples of proliferation in already unstable regions of the world. Intelligence resources will be crucial not only in monitoring these developing weapon capabilities but also in shaping policies to stem attempts to proliferate this technology.

Intelligence is also increasingly essential for success on the future battlefield. As a member of both the Permanent Select Committee on Intelligence and the Committee on National Security, I have witnessed the incredible advantages that information technology provides to our military forces. I have strongly supported improvements to our eyes and ears in the sky so that commanders will have a complete understanding of the battlefield, and the enemy's locations and intentions. Combined with advances in precision weapon systems, we have vastly improved the capabilities of our Nation's armed forces.

I am aware that some of our colleagues would prefer to reduce the priority of satellite reconnaissance and its support to military operations. My view, however, is that there is no more important mission for our intelligence community than supporting our combatant commanders. Our intelligence capabilities are the crux of our defense modernization efforts, and we cannot shortchange intelligence without significantly weakening our military.

Mr. Speaker, accurate and timely intelligence makes our Nation safer and armed forces more effective. It is an investment we must protect and nurture.

I urge my colleagues to join me in supporting this bill and, on a personal note, Mr. Speaker, to join me in sending bipartisan and heartfelt get well wishes to Mariel Goss, a very important asset to our committee.

Mr. GOSS. Mr. Speaker, I yield myself such time as I may consume to thank the gentlewoman for those very kind remarks, and for the other remarks she has made. And I know that the gentlewoman will do well in her next endeavor, and I certainly suspect that we will be talking in the future.

Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. BOEHLERT), a distinguished member of our committee who makes a very valuable contribution and we are pleased to have him.

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

Mr. BOEHLERT. Mr. Speaker, it is important that our colleagues and the American people understand that intelligence, as distasteful as it sometimes may seem, is critical to the very survival of our Nation and our way of life. This conference report focuses on those programs that provide the best possibility of success for our Nation's first line of defense: its intelligence community.

Specifically, this report puts a great deal of emphasis on the future. We made some very difficult choices to cut funding for some legacy programs so that we could add funding for critical technologies and research and development necessary to ensure future capabilities. The ability of our laboratories and scientists to develop new techniques and ''leap-ahead'' technologies is critical for our intelligence community to stay ahead of the threats that our country faces.

This report is about the wise and prudent funding and oversight of those intelligence collection, analysis and dissemination functions necessary to ensure the security of our Nation, its interests and its citizens around the world, now and into the future. So I urge my colleagues to stand with our chairman and ranking member and support the report.

Finally, Mr. Speaker, I would like to add to the remarks of my colleagues and say farewell to the two distinguished gentlemen, the gentleman from Florida (Mr. YOUNG) and the gentleman from Washington (Mr. DICKS), both of whom are leaving this committee this year. They have been great mentors for me, with respect to many intelligence issues, and they remain great friends.

Also, to the gentleman from Colorado (Mr. SKAGGS) and the gentlewoman from California (Ms. HARMAN), who are leaving not only the committee but the Congress, I join with the other Members in wishing them well in all of their future endeavors and thanking them most sincerely for their very distinguished service not only in this committee but in the Congress of the United States.

Mr. DICKS. Mr. Speaker, I yield 4 minutes to the gentleman from Colorado (Mr. SKAGGS), another one of our most distinguished colleagues. He has been one of the hardest working members on the Permanent Select Committee on Intelligence. He has made an enormous contribution in this House.

I have had the privilege of serving with him on the Committee on Appropriations. I think of him as kind of the conscience of the House of Representatives, and I am going to very much miss him next year, and I want to wish him the very best in his future endeavors. I know he will be a success wherever he goes.

Mr. SKAGGS. Mr. Speaker, I want to thank very much the gentleman from Washington. I am grateful for those kind remarks, and let me return them to him. His leadership on this committee has been extraordinary, and the Nation is in his debt for the kind of care and attention that he has paid to these many, many profoundly important issues.

I also extend my great thanks and admiration and respect to the gentleman from Florida (Mr. GOSS), who really has conducted this committee in an exemplary fashion.

Mr. Speaker, I arrived at the Capitol this morning for what may be my third or fourth next to the last day of voting in this great body. It is a cherished and awesome responsibility that we all enjoy as Members of this House. But this committee, I think, has a special responsibility that goes beyond that which we all share here.

Yes, we have a vital role in developing every year the spending authorization bill for the next fiscal year. That is what is before the House at the moment, and I urge the adoption of the 1999 bill.

But this committee has an especially critical role as proxy for our many colleagues, in fulfilling our responsibility under that always pertinent maxim from the days of the founding of the Republic, that, ''The price of liberty is eternal vigilance.''

On this committee that means not only vigilance with regard to the threats posed by our enemies and adversaries abroad, and the effort to fashion the capabilities of the intelligence community to meet those threats, but also vigilance internally as well; vigilance against the seductiveness of the intelligence business, the seductiveness of power, the seductiveness of classified information, and the allure that the chief executive can always bring through his principal assists to the table upstairs where we debate these terribly difficult and important issues.

We act in behalf of our colleagues in making sure that the executive branch of government follows the law. And that is just as important a responsibility as the one that we bear with regard to any external threats that this country faces.

In that respect, I hope my colleagues understand how wonderful the bipartisanship on this committee is in its service to the country in this critical area.

It has been a real privilege to get to spend 5½ years working with colleagues on my side and the other side of the aisle in behalf of national security and that eternal vigilance. It has been an enormous privilege to see the kind of dedicated staff work that goes in to support the efforts of this committee, again motivated by an absolutely remarkable level of patriotism and commitment to duty. I want our colleagues and I want the country to

have some appreciation of that, because the vast bulk of the work that we do is done in secret and, therefore, cannot be discussed in any detail.

And on that point it is appropriate that on this occasion we recognize as well the dedicated work of the thousands of intelligence officers and workers in the intelligence business of this country, here at home and around the world, who work extraordinarily long hours, in very difficult circumstances, for modest compensation, because they believe in the United States of America. Most of what they do we cannot recognize publicly, but we can offer them, as I do, our thanks.

Mr. GOSS. Mr. Speaker, I yield myself such time as I may consume to say that I think we now understand what a loss the gentleman from Colorado (Mr. SKAGGS) is also going to be from the committee, after those thoughtful remarks, which are consistent with all the thoughtful work he has done for our committee all these years, and we appreciate that.

Mr. Speaker, I yield 2 minutes to the gentleman from New Hampshire (Mr. BASS), who is the man who time and again seems to bail us out on the budget matters that keep confronting us.

Mr. BASS. Mr. Speaker, I also rise in support of the conference report and to pay tribute to our distinguished chairman who, under some recently difficult circumstances, has certainly led this committee with great expertise and integrity.

I also want to pay tribute to our two ranking members who will not be coming back with us next year, the gentleman from Florida (Mr. BILL YOUNG) and the gentleman from Washington (Mr. NORM DICKS). I cannot think of two individuals who are more committed to a strong and capable defense and an efficient and effective intelligence capability.

I came to the committee and I watched the gentleman from Washington defend an issue that was particularly near and dear to him, and this individual just would not take no for an answer. And I asked one of our ever respectful staff people, what is the story with this guy? And they said, ''NORM DICKS never has a bad day.''

Over the last 2 years, and after 38 or so hearings, and 30 formal hearings, visits to Bosnia, to North Korea, to China, reports from Central America and from Africa and other places all over the world, I found, much to my surprise, that we live in a world that is far more dangerous than I ever thought it was. Those dangers are more diffuse and more difficult to identify and to contain. Indeed, I feel, as a member of this committee now, like a Dutch boy at the dike as we seek to protect Americans against threats both here and abroad.

This bill moves us forward in the direction of protecting our strategic national defense and economic interests around the world. We may never succeed, but the fact that we have a committee and a Congress that is dedicated to addressing these issues and doing it in such a fashion so that our scarce resources are expended in the most efficient and productive fashion, is very commendable to this Congress.

So I rise in support of this conference committee report and urge its passage.

Mr. GOSS. Mr. Speaker, may I ask how much time each side has?

The SPEAKER pro tempore (Mr. SESSIONS). The gentleman from Florida (Mr. GOSS) has 9½ minutes remaining, and the gentleman from Washington (Mr. DICKS) has 4½ minutes remaining.

Mr. GOSS. Mr. Speaker, I yield 2½ minutes to the gentleman from Nevada (Mr. GIBBONS), who is a decorated Air Force officer from Nevada who we are proud to have on our committee.

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

Mr. GIBBONS. Mr. Speaker, I thank the distinguished gentleman for yielding me this time, and I rise today in strong support of the conference report to accompany H.R. 3694, the intelligence authorization bill for fiscal year 1999.

Mr. Speaker, I have the high honor and distinct pleasure of being able to serve on both the House Permanent Select Committee on Intelligence and the House Committee on National Security. This allows me the opportunity to look across the operational military and defense issues, as well as the intelligence functions that not only support but, in fact, participate in the various defense operations.

I can tell my colleagues, Mr. Speaker, that this is a very prudent report. It is a conference report that not only sustains currently required capabilities, this is a report that provides our military forces with the informational resources necessary to build warfighter confidence and perhaps even keep them out of harm's way. It also seeks to provide them with the indications and warning intelligence that allow them the advantage in a conflict.

Let there be no mistake, Mr. Speaker, this is not a more secure world since the end of the Cold War. While it is true that we do not face the imminent threat of nuclear annihilation from behind the Iron Curtain, the events of the past few months regarding ballistic missiles and nuclear weapons development and testing by nations seeking to have arsenals that include weapons of mass destruction, strongly suggest that we may well face that imminent threat once again on a broader scale, and sooner than many think or may even want to believe.

□ 1130

Add to that threats posed by international terrorism, transnational threats such as narcotics trafficking, organized international crime, the rampant proliferation of weapons of mass destruction, and use of chemical and biological weapons by rogue nations. Activities we have witnessed recently tell us that these threats are more pressing and considerably more dangerous than they have ever been. The problems associated with collecting and understanding information about today's risks are in many ways more difficult because formal government boundaries are not limiting the threats to our peace and security.

This conference report begins to provide our intelligence community and military forces the infrastructure necessary to give the U.S. that information dominance to increase our security.

That is the bottom line, the security of the United States. The Constitution of the United States places a responsibility on each of us to act in the best interest of the U.S. and our fellow citizens. We have done that here in this conference report.

Mr. GOSS. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Ohio (Mr. PORTMAN) who has made a valuable contribution to the particular conference report before us.

Mr. DICKS. Mr. Speaker, I yield 30 seconds to the gentleman from Ohio (Mr. PORTMAN).

Mr. PORTMAN. Mr. Speaker, I thank the gentleman from Florida for yielding me the time and for his strong personal support from the outset for the worthy effort to designate the CIA compound in Langley, Virginia ''The George Bush Center for Intelligence.''

Earlier this year with the help of the gentleman from Florida (Mr. GOSS), with the help of the gentleman from Missouri (Mr. SKELTON), the gentleman from Indiana (Mr. HAMILTON), the gentleman from California (Mr. DREIER), the gentleman from Washington (Mr. DICKS) and others we were able to get such legislation passed.

I want to thank the gentleman from Florida (Mr. GOSS) and the gentleman from Washington (Mr. DICKS) as well as Senators DICK SHELBY, BOB KERREY and others in the conference committee for including the Bush legislation in this very important authorization bill today.

It is a very fitting tribute to George Bush, the only President to have served as CIA Director. His tenure from 1976 to 1977 was a difficult time when the agency was under fire from investigative committees up here on the Hill, from the press and from the public. The CIA was demoralized and in need of new leadership and direction. George Bush turned the tide. He was key to developing an executive order to prevent future violations of the agency's mandate and, most important, he provided the steady hand of leadership at a turbulent time and in doing so improved the mission and morale of the CIA.

When he resigned his post, Senator DANIEL INOUYE said, ''Bush was one of the best CIA directors we had. The morale of the intelligence community has been inspired by Bush's leadership.''

Mr. Speaker, as a decorated Navy pilot in World War II, a distinguished

Congressman, U.S. ambassador to the United Nations, Liaison to China, CIA Director, Vice President and President, he has ably served our Nation for over 50 years and inspired many of us. He exemplifies the highest values and principles of public service.

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

Mr. PORTMAN. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Speaker, I just want to commend the gentleman for outstanding leadership on this issue. I am very pleased to have been a cosponsor of his legislation. I think this is one of the best things this Congress has done. I want to commend the gentleman for the great leadership that he has demonstrated. George Bush was a great American and I think this was an outstanding idea. I want to congratulate him on his leadership.

Mr. PORTMAN. I thank the gentleman for his support, too, and for his yielding time.

Mr. Speaker, again I want to thank the Members in this body for helping make this possible, because George Bush does represent the highest values and principles in public service, integrity, honesty, and has set an example really for all of us. This is the appropriate recognition of his remarkable and inspirational service to our Nation.

Mr. GOSS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Georgia (Mr. BARR).

Mr. BARR of Georgia. Mr. Speaker, I thank the gentleman from Florida, the distinguished chairman of the committee, for yielding me this time for me to do something that I do not like to do and, that is, to rise in opposition to this bill.

Comments were made earlier that there was a minor change to the electronic surveillance or wiretapping legislation. The change that is contained in this bill is neither minor nor inconsequential. It represents a fundamental shift in wiretapping procedures in this country.

Back in 1996, Mr. Speaker, we debated extensively provisions almost identical to these that are found in section 604 of this conference report. After extensive debate, this House defeated the expanded powers that were sought by the executive branch.

Essentially, Mr. Speaker, this changes Federal wiretapping laws in a way that allows the government to seek a court order in any case, not limited to foreign intelligence surveillance, in any case that a Federal wiretap order is sought to provide that the wiretap follow the person no matter what phone that person uses. No longer would the standard be if you have grounds to tap and grounds to obtain a court order, you tap a particular person's phone, and if that person moves to another phone, you either have to provide a showing that they are deliberately trying to thwart or you have to then get another court order.

This is a very important civil liberty and privacy right. The government, however, under this legislation if this bill passes would be able to ''issue an order authorizing the interception of all communications made by a particular person regardless of what telephone he may use.'' That is language from the conference report. To argue with a straight face that that is a minor change to our electronic surveillance or wiretap laws is disingenuous. This is a significant change. It needs to be debated fully. I urge that this not be allowed to stand.

I rise in opposition to this conference report, Mr. Speaker.

Mr. GOSS. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Florida (Mr. MCCOLLUM), the author of the provision, but I would also point out before I do that any Members who wish to read the section in question, it is section 604, published yesterday in the CONGRESSIONAL RECORD of the House on page H9530, and I think it is very clear, and the safeguards that are necessary I think are equally clear.

Mr. MCCOLLUM. Mr. Speaker, I want to point out to the Members that this is truly a minor change in the wiretap laws. It is designed to combat terrorism. Current law does permit multipoint, or roving wiretaps. Current law does permit this. Court approval is still required under this bill. Probable cause of criminal activity is still required for any wiretap.

Current law requires the court to find intent to evade wiretap before allowing the tap of whatever phone is used by the suspect as opposed to a specific phone. But you can have it if that intent is proven. The bill simply changes this. It permits the court-ordered wiretap that follows the criminal terrorist suspect to whatever phone he uses if the court determines his actions show he is trying to evade the tap, not requiring the specific criminal intent which has been very hard to do. The bill also protects innocent people by limiting the tap of any phone to only those times when the criminal or terrorist suspect actually is using that phone.

This is a very minor change. It is a change allowing the court to follow the suspect as it is doing now with the simple showing that there is an evasion effort by the criminal suspect rather than having to prove the technical intent which is almost impossible now to prove. That is all that this does.

I urge a vote for the authorization bill.

Mr. DICKS. Mr. Speaker, I yield 3½ minutes to the distinguished gentlewoman from California (Ms. PELOSI) who has been one of our most outstanding members.

Ms. PELOSI. Mr. Speaker, I thank the distinguished ranking member for his kind words and for the time that he has yielded me, and I thank the distinguished chairman for his leadership in bringing this legislation to the floor. It is good to see you here, Mr. Chairman.

Mr. Speaker, one of the concerns that I wanted to address in my remarks today is about the issue of whistle blowers. One of the major issues of contention indeed between the House and Senate committees over the past 2 years has been how to address the issue of employees of the executive branch who face reprisals or threats of reprisals for bringing information to the intelligence committees concerning serious violations of law in intelligence activities of the United States.

I myself personally supported the Senate amendment which was very clear about those employees who brought to the attention of Congress issues of gross mismanagement, gross waste of funds, abuse of authority and specific danger to public health and safety. I thought that that amendment should have been passed, but we did not prevail in conference. But our chairman has made a valiant effort to protect those who come forth with information. While I would have liked to have seen the broader language, I am pleased that we have the report language that specifically says that those who come forward with information who have a right to have that information will not have reprisals against them.

While it is not disputed that the Congress is entitled by law to receive prompt reports of any illegal intelligence activities, officials of the executive branch have asserted that the Constitution does not permit Congress to vest in lower-level employees the right to disclose classified information, even to Members of Congress. These officials have asserted that any attempt to do so by Congress would lead them to recommend the President veto such legislation.

The better constitutional view, of course, is that national security is a shared responsibility of the legislative and executive branches and that the Constitution does not deny Congress the power to direct executive activities and gain access to information needed for the performance of legislative duties.

The conferees have made very clear in the findings and the legislative history of the legislation the following:

First, Congress, as a coequal branch of government, has a need to know of allegations of wrongdoing within the intelligence community;

Second, no basis in law exists for requiring prior authorization of disclosures to the intelligence committees of Congress by employees of the executive branch of classified information about wrongdoing within the intelligence community;

Third, the nondisclosure agreements signed by employees of the Central Intelligence Agency stipulate that nothing contained in the agreement prohibits the employee from reporting intelligence activities the employee considers to be unlawful or improper directly to the select committees on intelligence of the Congress; and,

Finally, separate and apart from the process established by the legislation

through the inspector general, as proposed by our distinguished chairman, an intelligence community employee should not be subject to reprisals or threats of reprisals for making a report to appropriate members or staff of the intelligence committees about wrongdoing within the intelligence community.

Mr. Speaker, the conferees have thus agreed to legislation that establishes a new and additional procedure for employees of intelligence agencies to bring issues of urgent concern to the attention of Congress through the offices of their inspector general. This procedure provides the employee who uses it the protections of confidentiality now found in the CIA and 1978 inspector general acts and discourages reprisals and threat of reprisals through a new reporting requirement on the heads of intelligence agencies.

I trust, Mr. Speaker, that these findings and admonitions will guide the Director of the CIA and the heads of intelligence agencies in the treatment of intelligence community employees who seek to bring important information to the attention of Congress.

Again I repeat my support for the report language that says even if you do not go this route, no reprisals.

Mr. GOSS. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Pennsylvania (Mr. SHUSTER).

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

Mr. SHUSTER. Mr. Speaker, I rise in strong support of this legislation.

The Fiscal Year 1999 intelligence authorization addresses a wide range of the intelligence community's current and future needs and it remedies areas where Congress has felt that funding was insufficient. Importantly, the conference report strengthens the ability of our intelligence agencies to respond to rogue states such as Iraq, to weapons proliferation by global competitor states such as China and Russia, and to terrorism. Today, anti-American terrorism ranges from the recent embassy bombings in Africa to murders and kidnappings in Latin America. The terrorist of the 1990's can be found in loosely knit groups motivated by anti-American hatreds, in groups such as the Usama bin Laden organization or the Hisballah in Lebanon or in the FARC in Colombia. In all cases, intelligence is called on repeatedly to track the activities of these individuals and groups, to provide threat warning, and to support the capture and prosecution of those responsible for the deaths of U.S. citizens.

I wholeheartedly support the conference report because it also takes steps to strengthen key areas of U.S. intelligence collection and analytic capabilities. The conference report provides for more robust recapitalization and modernization of our signal intelligence capabilities. The conference report allocates increased funding to strengthen Human Intelligence collection. The conference report also provides additional funding to enhance the ability of intelligence analysts to assess the information that has been gathered. The intelligence committees recognize that increased and wiser investment in information age technologies will be necessary to cope with the large volumes of data. Finally, this conference report includes added resources to strengthen the ability of the Intelligence Community to perform force protection duties to protect our forces against terrorism and defense acquisition programs and operational activities against espionage.

As a Member who has long supported efforts to wage and win the war on drugs, I applaud this conference report for what it does to enhance the Intelligence Community's ability to combat major multinational narcotics trafficking organizations. Although the Intelligence Community's share is but a small percentage of the total National Drug Control Strategy budget, intelligence counternarcotics programs have inflicted substantial damage on a number of the world's leading narcotics trafficking organizations in Latin America, and in Southeast and Southwest Asia. The counternarcotics programs supported by this conference report have and will continue to have a devastating impact on some of the world's most sophisticated and dangerous criminal organizations.

The conference report will strengthen intelligence support to policymakers who must address growth in global organized crime involving such entities as the Russian Mafia, the Chinese Triad societies, and the Mexican drug cartels. The major Mexican, Colombian, and Asian narcotics trafficking organizations represent a growing and sophisticated national security threat to the United States. Only the U.S. intelligence community has the people and the technology to support policymaker response to this threat.

The narcotics traffickers have the wealth to purchase the newest available encryption technology to communicate; they employ highly competent bankers, lawyers, and accountants to conceal their financial transactions on a global basis; their transport networks are highly flexible and respond quickly to changes in U.S. interdiction strategy; and the global supply of cocaine and heroin far exceeds demand in the United States and elsewhere. Close coordination between U.S. law enforcement agencies and intelligence is vital to U.S. efforts to reduce the flow of cocaine and heroin into the United States. Among those U.S. and foreign officials who are responsible for fighting drug trafficking, I am always told that their first priority is on obtaining accurate and timely intelligence on drug suppliers, transporters and money launderers. The conference report will provide the needed funds to enable the robust intelligence support that law enforcement needs.

Mr. Speaker, I strongly support this conference report and urge that all Members of the House do the same.

Mr. DICKS. Mr. Speaker, I yield myself the balance of my time.

I want to also add my congratulations to Calvin Humphrey who has been one of our most outstanding staff people. I want to congratulate him on the great job he has done for our committee. He has handled some of the most difficult assignments. He had to travel with Congressman Richardson all over the world. Together, they got many American citizens out of tight spots around the world.

The only thing I have ever had a problem with Calvin on is his devotion to the Cleveland Indians even when they kept my Seattle Mariners out of the World Series. That I may not be able to forgive him for, but I will never forget him. We wish him well in his new post.

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

I would certainly like to use some of that time also to have my best wishes to Calvin Humphrey's future. Let me tell you that even on the Intelligence Committee, we are sometimes surprised. When I heard that public statement made this morning, I would put it in the category of surprise. It does not diminish in any way my good wishes for your future success which I know are very well assured because of your capabilities. I want to thank you very much not only for getting me out of North Korea but for getting me into North Korea. That was a very valuable experience. And all the other things you have done for our committee.

I also need to say thank you to every member of our committee. Every member brings something to the Permanent Select Committee on Intelligence and is given an extraordinary trust on behalf of all Members and all people of this country. It is a remarkable committee. I hope people who have been watching this and other Members can see that we are able to do our business well, in a bipartisan and professional way, because there is good will to do it and there is an understanding of the need to do it and get it done.

□ 1145

Mr. Speaker, I have nothing but pride for all of the Members and the way they work and the staff that so ably supports us.

I have mentioned some staff; I have to mention Mike Chi and the job he does with all of what I will call not his staff but our staff because I do not make a distinction between one party or the other and the staff. John Mills, our chief of staff, has done a remarkable job, I think, of trying to pull together in a harmony all the management needs to discharge our responsibilities ably. Tim Sample has done an extraordinary job managing numbers. I never will entirely understand, but I am told they always add up, and I check the bottom line, and they seem to.

These are important people that are doing important work far from the madding crowd, far out of the visibility of the ''hoo-wah'' of the Beltway and the media. The work is getting done, and it matters because we are talking about national security. I want to thank everybody involved.

As for the whistle-blower provisions, I want to thank everybody for their understanding, the compromise that was worked out, and I assure the gentlewoman from California, if we find that this is not working as well as I hope it will, that we always will be able to revisit it in the future. I believe this will work.

With regard to those concerned about the matter that was brought up by the gentleman from Georgia (Mr. BARR) and the gentleman from Florida (Mr. MCCOLLUM) I have read the safeguards that are in the bill; I think they are adequate. Again, if something egregious comes out of this, obviously we are prepared to resolve it.

Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. OXLEY).

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

Mr. OXLEY. Mr. Speaker, I rise in support of the conference report.

Mr. GOSS. I would also on a personal note thank everybody for a difficult time while I have been away. It just goes to show that everybody is expendable here, and I appreciate being reminded of that. It keeps me humble.

Ms. WATERS. Mr. Speaker, I rise today to remind the Members of this body of the unfinished business we have regarding the dark, terrible, still classified secrets of our intelligence agencies. The list of misdeeds by our intelligence agencies is long and much of it still remains shrouded in secrecy, in many cases acting to protect criminals who have died and dictators who are no longer in power. We must end our senseless protection of these terrible acts. Congress has the power to do so, and must not shirk its duty.

I have focused my energies on investigating the allegations of Contra-CIA drug dealing. But, there are many other sordid, terrible tales of U.S. intelligence activities that remain a secret to the American people. Some have been investigated, while the reports remain classified. Others have yet to be investigated. The list includes the CIA's involvement with the brutal Battalion 316 in Honduras, the overthrow of Arbenz in Guatemala and Allende in Chile, the death squads in El Salvador, Duvalier's drug dealing regime and the ton ton macout death squads of Haiti, and of course, the many illegal assassination attempts against Fidel Castro. We must release the information we have about these affairs, investigate the others that remain unexamined and bring those responsible to justice. We cannot exhort other nations to follow the rule of law without ensuring that we likewise follow the rule of law.

My investigation into the allegations of CIA-Contra drug dealing has led me to an undeniable conclusion—that U.S. intelligence and law enforcement agencies knew about drug trafficking in South Central Los Angeles and throughout the U.S.—and they let the dealing go on without taking any actions against it.

Robert Perry and Brian Barger first broke the shocking story of Contra involvement in drug trafficking in 1985, at the height of the Contra war against Nicaragua. As a result of this story's revelations, Senator JOHN KERRY conducted a two year Senate probe into the allegations and published the sub-committee's devastating findings in an 1,166-page report in 1989.

Remarkably, the Committee's findings went virtually unreported when they were released.

Then in August 1996 Gary Webb published his explosive series in the San Jose Mercury News. It resulted in a firestorm of anger and outrage in the Black community and throughout the nation. Here was evidence that, while the nation was being told of a national "war on drugs" by the Reagan Administration, our anti-drug intelligence apparatus was actually aiding the drug lords in getting their deadly product into the U.S.

The resulting grassroots outrage put tremendous pressure on the CIA, the Department of Justice and Congress to investigate the matter and report the truth. The Inspectors General of the CIA and Department of Justice were forced to conduct investigations and publish reports on the allegations. The DOJ's Report and Volume I of the CIA's Report published brief executive summaries that concluded that the allegations made in the Mercury News could not be substantiated. However, both Reports, and in particular the DOJ Report, are filled with evidence that contradicts their own conclusions and confirms all of the basic allegations.

Quite unexpectedly, on April 30, 1998, I obtained a secret 1982 Memorandum of Understanding between the CIA and the Department of Justice, that allowed drug trafficking by CIA assets, agents, and contractors to go unreported to federal law enforcement agencies. I also received correspondence between then Attorney General William French Smith and the head of the CIA, William Casey, that spelled out their intent to protect drug traffickers on the CIA payroll from being reported to federal law enforcement.

Then on July 17, 1998 the New York Times ran this amazing front page CIA admission:

CIA SAYS IT USED NICARAGUAN REBELS ACCUSED OF DRUG TIE

[T]he Central Intelligence Agency continued to work with about two dozen Nicaraguan rebels and their supporters during the 1980s despite allegations that they were trafficking in drugs . . . [T]he agency's decision to keep those paid agents, or to continue dealing with them in some less formal relationship, was made by top [CIA] officials at headquarters in Langley, Va. (emphasis added)

This front page confirmation of CIA involvement with Contra drug traffickers came from a leak of the still classified CIA Volume II internal review, described by sources as full of devastating revelations of CIA involvement with known Contra drug traffickers.

The CIA had always vehemently denied any connection to drug traffickers and the massive global drug trade, despite over ten years of documented reports. But in a shocking reversal, the CIA finally admitted that it was CIA policy to keep Contra drug traffickers on the CIA payroll.

The Committee has yet to release Volume II of the CIA Inspector General's investigation into the CIA-Contra drug network. But this body is moving ahead with reauthorizing the Central Intelligence Agency. I call on Members of the Committee and this body to end our policy of protecting criminal conduct by intelligence assets. Declassify and release these reports so that the many who have suffered can seek justice and we can bring the many still protected criminals to justice.

Mr. GOSS. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

MOTION TO RECOMMIT OFFERED BY MR. BARR OF GEORGIA

Mr. BARR of Georgia. Mr. Speaker, I offer a motion to recommit with instructions.

The SPEAKER pro tempore (Mr. SESSIONS). Is the gentleman opposed to the conference report?

Mr. BARR of Georgia. He is, Mr. Speaker.

PARLIAMENTARY INQUIRY

Mr. DICKS. Parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will please state his parliamentary inquiry.

Mr. DICKS. It is my understanding that this bill was taken up in the Senate yesterday. If that is true, can there be a motion to recommit?

The SPEAKER pro tempore. One moment. The Chair will examine the official papers.

Mr. DICKS. Mr. Speaker, I have now been informed by staff that the bill was not taken up yesterday, so I withdraw my objection.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BARR of Georgia moves to recommit the Intelligence Authorization Conference bill to the Committee on Conference with instructions to the managers on the part of the House to remove section 604.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. BARR of Georgia. 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.

Pursuant to the provisions of clause 5, rule XV, the Chair announces the he will reduce to a minimum of 5 minutes the period of time within a vote by electronic device, if ordered, will be taken on the question of passage.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 148, nays 267, not voting 19, as follows:

[Roll No. 486]

YEAS—148

Abercrombie	Camp	Cox
Aderholt	Campbell	Coyne
Bachus	Cannon	Crapo
Ballenger	Cardin	Cubin
Barcia	Carson	Cummings
Barr	Chabot	Davis (IL)
Barrett (WI)	Chenoweth	Deal
Bartlett	Christensen	DeFazio
Becerra	Clayton	Delahunt
Bonilla	Clyburn	DeLay
Bonior	Coburn	Doggett
Bryant	Conyers	Doolittle
Burton	Cooksey	Duncan

Ehrlich
Emerson
English
Ensign
Everett
Filner
Ford
Fossella
Furse
Gillmor
Goode
Goodlatte
Gutknecht
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hostettler
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
Johnson (WI)
Jones
Kanjorski
Kilpatrick
Kingston
Klink
Largent
Lee
Lewis (GA)
Lewis (KY)
Lofgren
Lucas
Maloney (CT)
Manzullo
Matsui
McDade
McGovern
McInnis
McIntosh
McKinney
Meek (FL)
Meeks (NY)
Metcalf
Mica
Mink
Mollohan
Moran (KS)
Myrick
Neal
Neumann
Ney
Norwood
Owens
Pappas
Parker
Pastor
Paul
Payne
Petri
Pickering
Pitts
Pombo
Radanovich
Rangel
Redmond
Riley
Rivers
Rohrabacher
Royce
Ryun
Salmon
Sanders
Sanford
Scarborough
Schaffer, Bob
Scott
Sensenbrenner
Serrano
Smith (MI)
Smith, Linda
Snowbarger
Stark
Stearns
Stokes
Sununu
Talent
Thompson
Thornberry
Thurman
Tiahrt
Torres
Towns
Traficant
Velazquez
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Weller
Whitfield
Wilson
Yates

NAYS—267

Ackerman
Allen
Archer
Armey
Baesler
Baker
Baldacci
Barrett (NE)
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (CA)
Brown (FL)
Brown (OH)
Bunning
Burr
Buyer
Callahan
Calvert
Canady
Capps
Castle
Chambliss
Clement
Coble
Collins
Combest
Condit
Cook
Costello
Cramer
Crane
Cunningham
Danner
Davis (FL)
Davis (VA)
DeGette
DeLauro
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doyle
Dreier
Dunn
Edwards
Ehlers
Engel
Eshoo
Etheridge
Evans
Ewing
Farr
Fawell
Fazio
Foley
Forbes
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gilman
Gonzalez
Gordon
Goss
Granger
Green
Greenwood
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hefner
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Jefferson
John
Johnson (CT)
Johnson, E.B.
Johnson, Sam
Kaptur
Kasich
Kelly
Kennedy (RI)
Kildee
Kim
King (NY)
Kleczka
Klug
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Lantos
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Linder
Lipinski
Livingston
LoBiondo
Lowey
Luther
Maloney (NY)
Manton
Markey
Mascara
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McHale
McHugh
McIntyre
McNulty
Meehan
Menendez
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Moakley
Moran (VA)
Morella
Murtha
Nadler
Nethercutt
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Oxley
Packard
Pallone
Pascrell
Paxon
Pease
Pelosi
Peterson (MN)
Pickett
Pomeroy
Porter
Portman
Price (NC)
Quinn
Rahall
Ramstad
Regula
Reyes
Riggs
Rodriguez
Roemer
Rogan
Rogers
Ros-Lehtinen
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sandlin
Sawyer
Saxton
Schaefer, Dan
Schumer
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Snyder
Spence
Spratt
Stabenow
Stenholm
Strickland
Stump
Stupak
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thune
Tierney
Turner
Upton
Vento
Visclosky
Walsh
Waxman
Weldon (FL)
Weldon (PA)
Wexler
Weygand
Wicker
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NOT VOTING—19

Andrews
Clay
Fattah
Goodling
Graham
Kennedy (MA)
Kennelly
Kind (WI)
LaFalce
Martinez
McCrery
McKeon
Peterson (PA)
Poshard
Pryce (OH)
Roukema
Solomon
Souder
White

□ 1215

Messrs. COMBEST, KOLBE, FORBES, HUTCHINSON, SHADEGG, TAYLOR of Mississippi, NADLER, MILLER of California, REYES and OBEY and Ms. KAPTUR changed their vote from ''yea'' to ''nay.''

Messrs. KINGSTON, REDMOND, WELLER, ADERHOLT BRYANT, SALMON, BOB SCHAFFER of Colorado, HILLIARD, DELAHUNT, CRAPO, THOMPSON, JACKSON of Illinois, SERRANO, FOSSELLA, DOGGETT, PICKERING, YATES, FORD and MCGOVERN and Mrs. THURMAN, Ms. KILPATRICK, Ms. VELÁZQUEZ, Mrs. CLAYTON, and Mrs. MEEK of Florida changed their vote from ''nay'' to ''yea.''

So the motion was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. WHITE. Mr. Speaker, on rollcall No. 486, I was unavoidably detained. Had I been present, I would have voted ''no.''

□ 1218

The SPEAKER pro tempore (Mr. SESSIONS). The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DICKS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 337, noes 83, not voting 14, as follows:

[Roll No. 487]

AYES—337

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Baesler
Baker
Baldacci
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (CA)
Brown (FL)
Bryant
Bunning
Burr
Buyer
Callahan
Calvert
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Clement
Clyburn
Coble
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dreier
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fawell
Fazio
Foley
Forbes
Ford
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Goss
Granger
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hefley
Hefner
Herger
Hinojosa
Hobson
Hoekstra
Holden
Horn
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inglis
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (RI)
Kildee
Kim
Kind (WI)
King (NY)
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Linder
Lipinski
Livingston
LoBiondo
Lowey
Luther
Maloney (NY)
Manton
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDade
McGovern
McHale
McHugh
McInnis
McIntyre
McNulty
Meehan
Menendez
Millender-McDonald
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Nadler
Neal
Nethercutt
Ney
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paxon
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Pickering
Pickett
Pitts
Pomeroy
Porter
Portman
Price (NC)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Riggs
Riley
Rivers
Rodriguez
Rogan
Rogers
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanchez
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
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu

Tanner	Traficant	Wexler
Tauscher	Turner	Weygand
Tauzin	Upton	White
Taylor (MS)	Vento	Whitfield
Taylor (NC)	Visclosky	Wicker
Thomas	Walsh	Wilson
Thompson	Watkins	Wise
Thornberry	Waxman	Wolf
Thune	Weldon (FL)	Wynn
Thurman	Weldon (PA)	Young (AK)
Torres	Weller	Young (FL)

NOES—83

Bachus	Hilleary	Paul
Barr	Hilliard	Payne
Bonilla	Hinchey	Petri
Bonior	Hooley	Pombo
Brown (OH)	Hostettler	Redmond
Burton	Istook	Roemer
Chenoweth	Jones	Rohrabacher
Christensen	Kilpatrick	Ryun
Clay	Kingston	Sanders
Clayton	Kucinich	Sanford
Coburn	Lee	Scarborough
Conyers	Lewis (KY)	Schaffer, Bob
Crane	Lofgren	Sensenbrenner
Crapo	Lucas	Smith, Linda
Cubin	Manzullo	Stark
Deal	Martinez	Stearns
DeFazio	McDermott	Talent
Doolittle	McIntosh	Tiahrt
Duncan	McKinney	Tierney
Ensign	Meek (FL)	Towns
Filner	Meeks (NY)	Velazquez
Furse	Metcalf	Wamp
Goode	Mica	Waters
Gordon	Miller (CA)	Watt (NC)
Graham	Myrick	Watts (OK)
Green	Neumann	Woolsey
Hayworth	Norwood	Yates
Hill	Owens	

NOT VOTING—14

Camp	Kennedy (MA)	McCrery
Dunn	Kennelly	McKeon
Fattah	LaFalce	Poshard
Gephardt	Lewis (GA)	Pryce (OH)
Hutchinson	Maloney (CT)	

□ 1225

Mr. MICA changed his vote from ''aye'' to ''no.''

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

Ms. DUNN. Mr. Speaker, on rollcall No. 487, I was unavoidably detained. Had I been present, I would have voted ''yes.''

PERSONAL EXPLANATION

Mr. MCKEON. Mr. Speaker, this morning I was at the White House on official business and was not present for rollcall votes 486 and 487. Had I been present, I would have voted ''no'' on rollcall 486 and ''yes'' on rollcall 487.

GENERAL LEAVE

Mr. GOSS. Madam 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 on H.R. 3694, just agreed to.

The SPEAKER pro tempore (Mrs. EMERSON). Is there objection to the request of the gentleman from Florida?

There was no objection.

ANNOUNCEMENT OF BILLS TO BE CONSIDERED UNDER SUSPENSION OF THE RULES TODAY

Mr. MCINNIS. Madam Speaker, pursuant to House Resolution 575, I announce the following suspensions to be considered today:

H.R. 4712, a bill regarding music licensing and copyright protection; and

S. 1892, a bill 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.

□ 1230

OMNIBUS NATIONAL PARKS AND PUBLIC LANDS ACT OF 1998

Mr. MCINNIS. Madam Speaker, by direction of the Committee on Rules, I call up House Resolution 573 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 573

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of the 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. 4570) to provide for certain boundary adjustments and conveyances involving public lands, to establish and improve the management of certain heritage areas, historic areas, National Parks, wild and scenic rivers, and national trails, to protect communities by reducing hazardous fuels levels on public lands, and for other purposes. The first reading of the bill shall be dispensed with. 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 Resources. After general debate the bill shall be considered for amendment under the five-minute rule and shall be considered as read. No amendment to the bill shall be in order except those specified in section 2 of this resolution. Each amendment may be offered only in the order specified, may be offered only by a Member specified or his designee, shall be considered as read, shall be debatable for the time specified equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against the first amendment specified in section 2 are waived. 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 our without instructions.

SEC. 2. The amendments described in the first section of this resolution are as follows:

(1) the amendments by Representative Hansen of Utah printed in the Congressional Record and numbered 1 pursuant to clause 6 of rule XXIII, which shall be debatable for twenty minutes; and

(2) an amendment by Representative Miller of California if printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII on October 5, 1998, which shall be debatable for one hour.

The SPEAKER pro tempore (Mrs. EMERSON). The gentleman from Colorado (Mr. MCINNIS) is recognized for 1 hour.

Mr. MCINNIS. Madam Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Ohio (Mr. HALL), pending which I yield myself such time as I may consume. Madam Speaker, during the consideration of this resolution, all time yielded is for the purposes of debate only.

Madam Speaker, the proposed rule is for a modified closed rule providing for 1 hour of general debate, equally divided between the chairman and ranking minority member of the Committee on Resources.

The rule provides that no amendment will be in order except, one, the amendment offered by the gentleman from Utah (Mr. HANSEN) printed in the CONGRESSIONAL RECORD and numbered 1, which shall be debatable for a period of 20 minutes; and two, the amendment offered by the gentleman from California (Mr. MILLER) if printed in the CONGRESSIONAL RECORD on October 5th, 1998, which shall be debatable for 1 hour.

The rule provides that the two amendments listed above may be offered only in the order specified, may be offered only by a Member specified, or his designee, and shall be considered as read, shall be debatable for the time specified, equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment.

The rule waives all points of order against the amendment offered by the gentleman from Utah (Mr. HANSEN).

In addition, the rule 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 one motion to recommit, with or without instructions. This rule was voted out of the Committee on Rules by a voice vote.

Madam Speaker, the underlying legislation, the Omnibus National Parks and Public Lands Act of 1998, addresses a wide variety of important national parks, wild and scenic rivers, heritage areas, national forests, and many other public lands issues and concerns.

This bill includes new protections for national parks and heritage and wilderness areas in 36 States throughout this Nation. There are over 80 proposals from approximately 70 Members of the United States Congress within this underlying legislation. This is critical

legislation. This deals with our national parks. It is a good approach to our national park needs.

As I stated earlier, Madam Speaker, this provides much protection and many of the projects that are critical across the country for our national park system.

Madam Speaker, H.R. 4570 is a bipartisan effort. As I mentioned earlier, Madam Speaker, we have a number of different congressional districts who have projects contained within this bill, both Democrat and Republican. This is a bipartisan bill. It is an effort to get a number of very important pieces of legislation passed because, obviously, we are in the final few days of this session.

Madam Speaker, some groups have expressed concern with a few sections included in 4570. Consistent with the bipartisan spirit in which this bill was drafted, compromise language has been worked out for many of these sections, including major changes to the San Rafael section, the NEPA parity provision, Chugach, Cumberland Island, hazardous fuels reduction, the treaty of Guadalupe Hidalgo, Canyon Ferry Reservoir, Paoli Battlefield, Tuskegee Airmen, and the Emigrant Wilderness provisions. Other controversial sections are also deleted by the manager's amendment.

The gentleman from Utah (Mr. HANSEN), chairman of the Subcommittee on National Parks and Public Lands of the Committee on Resources, has made significant efforts and he has made significant concessions to the groups that have expressed concerns with the provisions of this bill.

Madam Speaker, as I mentioned earlier, this bill includes over 80 proposals from about 70 Members of Congress contained within the legislation. I am one of those 70 Members with provisions in this bill. Title 13 of the Omnibus National Parks and Public Lands Act of 1998 proposes a transfer of the title to the facilities of the Pine River Irrigation Project from the U.S. Bureau of Reclamation to the Pine River Irrigation District.

My piece of this bill is an excellent example of how we, the United States Congress, can govern in a better way, a way that involves communities and local and State government, a way that empowers the people that we represent.

In response to local initiative, and in my opinion demonstrating one of the best examples of the so-called ''New West'' model of cooperation to achieve local control of public resources, a proposal to transfer title to the Pine River Irrigation Project was worked out.

I believe this type of action, shifting Federal control of appropriate projects to local communities, and doing so only after significant commitment by interested government agencies and extensive input from the public impacted by the proposal, will serve as the model for the future efforts of this nature.

Madam Speaker, this bill contains too many other examples of good governance and good public lands policies to discuss in detail. I encourage my colleagues to support the rule and the underlying bill.

Madam Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, this is a modified closed rule. It allows for the consideration of the National Parks and Public Lands Act of 1998. As my colleague, the gentleman from Colorado (Mr. MCINNIS) has described, this rule provides for 1 hour of general debate, equally divided and controlled by the chairman and ranking minority member of the Committee on Resources.

The rule permits the manager's amendment. The Committee on Resources ranking minority member chose not to offer an amendment. No other floor amendments can be offered. I understand the need for cutting corners at the end of the session in order to move legislation before adjournment, but that is not a good enough excuse for the bill before us today. The bill contains more than 100 provisions affecting specific parks, monuments, landmarks, trails, and heritage areas.

Some of these provisions were originally introduced as freestanding bills, and have partially gone through the normal Congressional process, including hearings and reporting by the Committee on Resources. However, other provisions have not. In fact, some sections have only seen the light of day in the subcommittee amendment which was made available yesterday for the first time. Some of these provisions are very controversial, and would never have survived if they had been subject to an open committee process.

There is no committee report for this bill, there have been no hearings, no Congressional Budget Office cost estimate, no Federal mandate statement, no constitutional authority statement. What is the point of having a committee process if we are going to bypass it on a regular basis?

The bill is strongly opposed by a coalition of conservation and environmental groups. The administration would veto the bill if enacted in its present form. Unfortunately, the rule will not permit Members to offer amendments to improve the bill. Madam Speaker, Members deserve the opportunity to debate and amend the bill. Unfortunately, this does not happen at the committee level, and this rule will not permit it on the House floor.

Madam Speaker, I reserve the balance of my time.

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

Madam Speaker, first I should mention that in Ohio we establish the American Discovery Trail, an important aspect of this bill.

Madam Speaker, I yield such time as he may consume to my friend, the gentleman from Alaska (Mr. YOUNG), the chairman of the Committee on Resources, who I think is a good leader on this bill and somebody who understands the details of this bill.

(Mr. YOUNG of Alaska asked and was given permission to revise and extend his remarks.)

Mr. YOUNG of Alaska. Madam Speaker, this is a good rule that should be adopted.

First of all, I want to commend my colleague, the gentleman from Utah (Mr. HANSEN). He has done an excellent job. In fact, he has done more than I would have done in the realm of trying to become reality in the sense of compromise with all walks, all thoughts, and all understanding. He has done an excellent job.

This is a pro-environment, pro-park, pro-history preservation bill that will improve our national parks, wild and scenic rivers, heritage areas, national forests, and many other public lands. Most of the sections of this bill have gone through individual hearings and followed the legislative process on freestanding bills.

Sixty-seven Members of this Congress from both parties have worked on separate pieces of legislation in this bill. We have worked closely with the Members on the important projects, Members of the Republican side and Democrat side. This bill affects 36 different States, the District of Columbia, and will benefit millions of people.

I will not list all the projects of this bill, the gentleman from Utah (Mr. HANSEN) will speak about that in the general debate. Let me say, though, this bill is a delicate balance, a very delicate balance. There will be some Members who believe we have spent too much time on the parks, some who believe we have not spent enough. I think it is a good investment.

There are those who are going to make the usual accusations we are not protecting the environment enough, but this bill creates new opportunities for recreation, for protection of our wildlife, and for improving the quality of life of Americans. This bill deserves the support of every Member of this House.

May I say, Madam Speaker, that for those who may think about voting against this bill or this rule, I would suggest respectfully, because I have worked with each Member who has come to me, it is going to be very difficult in the future to listen to someone sincerely when they do not support their own legislation, or when they suggest that ''I want to have mine, but no one else gets theirs.''

I suggest that those things that are in Ohio, those things that are in Pennsylvania and California, Mississippi, all those other States, those Members had better think very carefully about this great bill.

As far as the administration threatening to veto it, I have never for the life of me understood why we have to listen to the administration with regards to administration saying they

are going to veto it. We are supposed to be the governing body for the people. If he wants to veto a parks bill, let the President veto it. I have no objection to that, if he wishes to do so. That is our form of government.

But I have listened day after day to this President threatening vetoes. I am saying, we ought to be ashamed of ourselves if we listen just to the President. Under our Constitution, we are the House of the people. It is our decision. If we want to vote this bill down, fine, but do not vote it down because in fact he threatens a veto. If Members want a king, they can have a king. I suggest the President would make a very poor king.

Mr. HALL of Ohio. Madam Speaker, I yield 2 minutes to the gentleman from California (Mr. MILLER), the former chairman and now the ranking member of the Committee on Resources.

Mr. MILLER of California. Madam Speaker, I thank the gentleman for yielding time to me.

Madam Speaker, this rule is adequate for this purpose. It does provide for an amendment. Obviously, the problem is that this bill cannot be amended in such a fashion to make it a better bill. We have declined to offer an amendment. We think the bill should be defeated. It should be defeated because it is contrary to the procedures of this House. It is contrary to sound environmental policy. It has many, many bad provisions in it.

It also has some very good provisions in it. Unfortunately, those good provisions are being used as bait. They are being used to try to enable some bad things to happen in this legislation, and to provide camouflage for the underlying provisions in this bill that are very bad policy.

That is why the administration has said it will recommend a veto of this legislation, should it pass. The reason Members ought to listen to this recommendation is so we do not go through this charade and then end up with nothing.

The fact of the matter is there are many, many portions of this bill sponsored by Members on both sides of the aisle that are noncontroversial, that have bipartisan support, and that can be dealt with and passed out of the House almost immediately on unanimous consent. We can deal with those pieces of legislation.

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There are others that have had no hearings that we know very little about, or are so controversial that they simply drag the whole package down.

So Members can make a decision. They can vote ''no'' on this. Then we can concentrate on passing legislation that will be without controversy, that will address the needs of many, many Members, or they can continue the charade that somehow this bill is going to pass, when many of the Senators who are responsible for the jurisdiction of this bill have indicated that the Senate will not give consideration to it.

Unfortunately, the Senate has passed some noncontroversial portions of this bill and sent them off to the President. So the constituency for this bill is declining, and the controversy is increasing. That does not sound like a formula for success at the end of the session.

The fact of the matter is we have had all of this year in which many of the provisions of this bill could have been brought before us and then we could have dealt with them. But at the end of the session, this is a veto. It is unacceptable. It is bad policy, and I would urge all Members to vote against it and understand that not only the administration, but all major environmental groups oppose this legislation.

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

Madam Speaker, I think we need to lay out very clearly here, especially in light of the criticism from the gentleman from California (Mr. MILLER) about the process that we are following. The gentleman from California is quick to step up to the plate and criticize this bill. But the gentleman from California has not been very quick to step up to the plate and offer a substitute. Offer something better.

It is very easy to stand on this House floor and criticize the Republicans and criticize the Democrats who have worked to put this bill together. But I think that that criticism loses some of its credibility when one who steps up has the opportunity under the rule, has the opportunity under the rule to offer a substitute to put in place of this a better bill, stands up and criticizes us. I think this criticism would be much better received had they had a substitute on that side.

I would add that that is not a Democrat or Republican kind of bill. This is a bipartisan bill. So, we have a few Members on the Democratic side criticizing this thing. But still, out of fairness, the Republican leadership out of fairness insisted that these Democrats who are objecting to this bill have an opportunity, out of fairness, have an opportunity to offer their own proposal.

They declined to do that. Why? Because they do not want any criticism. It is much easier to criticize somebody than offer a substitute or come up with a good alternative. And that is the exact route they are traveling, and in my opinion that route comes to a dead end.

Madam Speaker, this is a good bill, a good rule; it is a fair bill, and a fair rule.

Madam Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Madam Speaker, I yield 3 minutes to the gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Madam Speaker, I thank the gentleman from Ohio (Mr. HALL) for yielding me this time.

Madam Speaker, I rise in opposition to the rule. It is only at the end of the session that we will probably ever see rules like this in which there is simply no opportunity for the body to work its will on what constitutes almost 100 different land use and park measures in one bill.

Some of these have been passed and are noncontroversial and have received deliberation of the Committee on Resources and the Subcommittee on National Parks and Public Lands. But many of these provisions, of course, have not been considered or debated on the House floor on their merits. We are forced to swallow whole in this case almost a hundred different modifications to various land use policy.

Of course, it is easy enough to say that there is an alliance here between Members that have some provision in this bill, and that they are basically being force-fed 99 other bills along with the one provision that they want to see enacted into law. But this is not the way to do business in terms of park and public land policy.

If these issues had been vetted, if they had been amended, if they had been debated on their merits, but there is no opportunity here today to in fact amend or to extract these specific provisions from this bill and move on in a deliberate way with the measures that are before us. There is simply no way to do it.

This is sort of a sorry excuse. I think the committee has worked very hard over the last 2 years in having hearings. I know I've sat through my share of such hearings. I am a little surprised that at the end of the session now they bring forth this type of bill, when there is not consensus on it, when all the major conservation and environmental groups are against it and numerous proposals of controversy bad policy and no hearings on the topic.

It is bad policy. It is a bad rule. This is not providing the ability of the body to work its will. This is simply a slam dunk of 100 different land use decisions that frankly repeal long-standing wilderness designations, that provide for roads, provide for other types of activities, and it is being force-fed to the Members as if they have to accept it in order to gain some reasonable changes in terms of public lands and parks bills that they want. The veiled threat and policy is inherent in this approach.

Quite frankly, I think the Congress has rightfully reserved to itself some of the responsibility to work on parks and public lands bills. But this type of action, I think, is the type of action that will, in fact, argue for changing that particular responsibility and conveying this responsibilty to the administration, because I think it is irresponsible to act on a measure of this nature, of this magnitude, in this rule.

Madam Speaker, this is simply a slam-dunk rule that is going to not provide for deliberation or consideration. It is an attempt to push through this body measures that cannot survive on their own merit on an up-or-down vote, and they are shoved into this measure.

Someone talks about it being ''park pork.'' It is more that that. Part of this pork sausage is rancid meat that is into this omnibus park pork sausage. As Bismarck said, those that like laws and sausages should never watch either being made. I would hope we would move away from such an approach. It is not so much sausage, but that we have rancid meat in here that destroys our parks and wilderness system, that are an affront to the American people, and that is why I urge a ''no'' vote on this rule and on this bill.

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

Madam Speaker, the gentleman's are very eloquent comments, but where is the meat? The gentleman has an opportunity to offer a substitute. If he thinks this is a rotten bill, he should come up with a better car.

We are not prohibiting. Our rule is very specific. Let me make it clear that this rule allows the opposition to come up with a substitute through the gentleman from California (Mr. MILLER). He is free to do that.

Mr. VENTO. Madam Speaker, would the gentleman yield? I would be happy to respond.

Mr. MCINNIS. Madam Speaker, I would be happy to yield in a moment, if the gentleman would sit around and listen to the debate.

Madam Speaker, I yield 3 minutes to the gentleman from Texas (Mr. BONILLA).

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

Mr. BONILLA. Madam Speaker, I rise in strong support of the rule and of this legislation that is a result of a lot of hard work between both sides on this committee. The gentleman from Alaska (Chairman YOUNG) and the gentleman from Utah (Chairman HANSEN) have done an outstanding job in moving this legislation forward.

This bill contains, as the chairman alluded to earlier, many stories out in the heartland that will result in positive changes in communities affecting National Parks all over the country. It is a good bipartisan bill, and every Member of Congress that is affected by this bill has a good story to tell about the changes that would result when this legislation passes.

I will just highlight briefly what will happen in my congressional district. There is a piece of land that the owners would like to donate to the Fort Davis National Historic Site. And there are other bills as well that have other local significance, and these changes should not fall prey to partisan politics.

In my part of the country, the bill would permit a simple 16-acre expansion of the Fort Davis historical site. This legislation is necessary because the original legislation limited the historic site to 460 acres.

Fort Davis is located in the heart of west Texas, a wonderful part of the country nestled in an area that is very scenic in its own rough and rugged way. I am proud to represent this area, and I would like to invite my colleagues to visit this area any time they are passing through my State.

That entire area of the State is the most popular tourist attraction in the State of Texas now. The fort was a key post in the defense of west Texas and thus played a major role in this region's history. From 1854 to 1891, troops at the post guarded immigrants, freighters, and stage coaches on the San Antonio-El Paso Road. Fort Davis is the best remaining example in the Southwest of the typical post-Civil War frontier fort. The post has extensive surviving structures and ruins.

The particular parcel of land that would be added is known as Sleeping Lion Mountain. This land overlooks the park's historic landmarks. It is adjacent to the park's southern boundary, and I believe that the inclusion of this tract of land into the site would ensure the visual and historic integrity for this State and national treasure.

The land is slated to be donated to the National Park Service by the Conservation Fund. The land has been purchased by the Conservation Fund. They secured the funds from several private foundations to purchase this land. The purchase of the land was completed in April, and they are simply waiting for us to act. In fact, they have been waiting for a long time for us to act.

Madam Speaker, this park expansion has the blessing of the local community and is supported by the Texas Historical Commission. This is a simple piece of legislation that allows for a minor park expansion. And reflecting on the story that I just told, Madam Speaker, there are countless others around the country that could be told about a positive change in their community and their national parks that could result in something good for the communities that these communities are crying out for.

Madam Speaker, I commend the gentleman from Utah (Chairman HANSEN) and the gentleman from Alaska (Chairman YOUNG), as well as the gentleman from New York (Chairman SOLOMON), my friend who is sitting to my right, and also the gentleman from Colorado (Mr. MCINNIS) who has worked hard on this rule and on this legislation.

Mr. MCINNIS. Madam Speaker, I yield 15 seconds to the gentleman from Minnesota (Mr. VENTO), out of fairness, for him to respond.

Mr. VENTO. Madam Speaker, I thank the gentleman from Colorado (Mr. MCINNIS), and I will certainly also get time from the gentleman from Ohio (Mr. HALL). But this rule does not even provide the opportunity for 5 minutes debate for each of the measures in the bill. I mean, that is its sort of stand-on-your-head-type logic, because it says we can offer a substitute, but this rule waives all points of order against the substitute offered by the gentleman from Utah (Mr. HANSEN), but does not waive them for the substitute if offered by the gentleman from California (Mr. MILLER). And we did not know what the substitute was going to be, and we were supposed to have the amendment in by Monday. It is an unequal playing field and a bad bill and a bad rule.

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

I think the gentleman from Minnesota has brought up a couple of valid points. I am not sure that the gentleman is aware of the historical perspective up in the Committee on Rules. Waivers were offered, and on top of that, we gave the other side an hour, 1 hour, of debate on the substitute. I am baffled by the fact that there is such strong criticism coming about this bill, yet no one who criticizes has decided to step forward with a better car.

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

Mr. MCINNIS. I yield to the gentleman from Minnesota.

Mr. VENTO. Madam Speaker, I would just point out that I think it is an impossible process when we have nearly a hundred measures in here that are important. The measure that the gentleman from Texas (Mr. BONILLA) mentioned is important, and I do not have any objections to it. But this does not provide 5 minutes of debate, not even a minute of debate for each measure in the bill. I think these measures deserve attention.

Mr. MCINNIS. Madam Speaker, reclaiming my time, I would say to the gentleman, that is exactly the point. It is a very complicated bill. It has lots of different projects in it. We are not going to get everybody in here happy about this all the time. But this is probably, this is clearly the most critical bill dealing in helping our national parks we have had this session.

We cannot put together the perfect model because we have too many players and projects. This is the best we are going to get. And if the gentleman could have done better, he should have introduced it.

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

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

Mr. BOEHLERT. Madam Speaker, I rise in support of the rule, but in opposition to the bill. It is a perfectly fine rule for a fatally flawed bill.

I had hoped not to be standing here today. I had hoped the Committee on Resources would pull together a noncontroversial bill, one that would be signable, that actually had a chance to become law. That result was encouraged before the bill was even introduced and there was an offer to negotiate.

Indeed, discussions did take place for 4 days last week. But the Committee on Resources opened those negotiations by listing the items that they considered nonnegotiable, and they were some of the worst provisions of

the bill. That is not a very promising way to start negotiations.

But we still tried to work out issues concerning forestry, Bureau of Reclamation projects, and the rules governing wilderness areas. Unfortunately, none of these issues was fully resolved. We did reach a compromise on one provision, procedures for a NEPA waiver for certain forests.

In short, the bill and the manager's amendment do not address my concerns or the concerns of so many of my colleagues. If my colleagues have heard otherwise, they have been misled.

So, I urge my colleagues to support the rule, but oppose the bill; a bill that could have been negotiated, a bill that could have been noncontroversial, a bill that could have helped Americans all around the country, but a bill that instead is opposed by every environmental group.

It is opposed by the Taxpayers for Common Sense, it is opposed by the administration, it is a bill that is going nowhere, regardless of what happens here today. The majority of this bill could have been passed on the suspension calendar if the temptation had been resisted to deal with controversial matters that have never been the subject of full and open hearings.

I have no objection to the rule. It is a tribute to my friend and good chairman, the gentleman from New York (Mr. SOLOMON). But I urge defeat of the bill.

Mr. HALL of Ohio. Madam Speaker, I yield 3 minutes to the gentleman from American Samoa (Mr. FALEOMAVAEGA).

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

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Mr. FALEOMAVAEGA. Madam Speaker, I rise in reluctant opposition to both the rule and to H.R. 4570. I say reluctant because this is likely the last parks bill to be considered by the House in this Congress, and I would have liked it to be bipartisan.

Madam Speaker, this bill contains laudable provisions which should be enacted into law. The bill contains many provisions supported today by both sides of the aisle, and many more provisions, I believe, that could have been negotiated into forms both sides could have supported. Over the past several weeks I have had discussions with several Members concerning their sections of this bill, and I was prepared to work with them and the gentleman from Utah (Mr. HANSEN) to craft a bill that could have passed the House today. Such a bill could stand a good chance of being enacted into law.

Madam Speaker, among the provisions which I believe there is bipartisan support for are the expansion of the Fort Davis National Historic Site in Texas, expansion of the Arches National Park in Utah, establishment of the Thomas Cole National Historic Site in New York, the amendments to the boundaries of the Abraham Lincoln Birth Place National Historic Site in Kentucky, the Automobile National Heritage Area in Michigan and Indiana, and the land exchanges involving Yosemite National Park and the Cape Cod National Seashore.

Among the provisions I believe, Madam Speaker, that could have been negotiated to acceptable resolutions are the Cumberland Island National Seashore in Georgia and the San Rafael Swell National Conservation Area in Utah.

With all due respect to my dear friend and colleagues, the gentleman from Utah (Mr. HANSEN) and the gentleman from Alaska (Mr. YOUNG), even with the changes contained in today's amendment, there are many provisions which I cannot support in good conscience. Among those are the Guadalupe-Hidalgo Treaty Land, the requirements for congressional approval of national monuments, and changes in environmental laws which go farther than I believe are beneficial to our public resources.

Madam Speaker, these are honest differences on how best to manage our public parks, lands and forests. Based on my subcommittee work with the gentleman from Utah over the past 2 years, I think many of these differences could have worked out. There are others, however, that, given the number of them and basic philosophical differences between the Members, we probably could not have resolved. I believe we should have saved the provisions for which there is strong support by pulling others from this bill. Perhaps this is unacceptable from the majority's perspective, but as we move through these last days of this Congress, I had hoped that we could have focused on moving to enactment as many meritorious bills as possible. With more compromise from the parties involved, we could have done this.

Madam Speaker, as I noted earlier, I would have preferred to be speaking in support of this legislation, but given the substantive differences, I feel compelled to recommend to my colleagues to vote against this rule as well as the bill.

Mr. MCINNIS. Madam Speaker, I yield such time as he may consume to the gentleman from New York (Mr. SOLOMON), the chairman of the Committee on Rules.

Mr. SOLOMON. Madam Speaker, I thank the gentleman for yielding me this time. I was not going to speak on this measure, but I have been sitting here listening patiently to the debate and I just am surprised at the opposition to the rule from the Democrat side.

I am looking at a chart here of all of the individual bills that are incorporated into this. H.R. 3047 passed the House, H.R. 799 on the Union Calendar, and another on the Union Calendar. Here are four more that have passed the House. We can go right down the line here. Most of this legislation has already been acted on by this body, and passed either unanimously or by overwhelming vote. Not even one of these bills was controversial.

I would like to say to the other side that before we took over control of the House 4 years ago, we Republicans were treated quite badly. We had ranking members of full committees that were not given the opportunity to offer a substitute. We have changed the protocol in the Committee on Rules and we never, ever deny the minority party the right to offer their alternative—not through a motion to recommit or not through defeating the previous question, but through a substitute. And they are given ample time.

We offered that to the gentleman from California (Mr. GEORGE MILLER). I specifically said, and Members can go back upstairs and read the record, that if the gentleman from California needed waivers, we would do it. All he needed to do was to print his bill, have it printed in the RECORD so it is there for Members to see in the morning. That is really bending over backwards. We have done everything we can to be fair, and then I see people stand up here opposing the rule. I just do not understand it.

Ronald Reagan taught me the value of compromise years ago, and it was hard to teach me, because as my colleagues saw from yesterday's tribute on the floor, I am very opinionated. But when we do compromise, it feels like we are compromising our principles. But that is what this body is all about. We have to work together. We should be doing that.

I want to assure everybody, all the conservatives in this House, that I have scoured the bill. There is nothing in the bill that intrudes on, that infringes on States' rights or the individual rights of local governments, whether they be towns or villages or cities or counties. This bill does not do that. So from that point of view, it is a good bill.

It is a good bill from some of the environmentalists' point of view. I saw my good friend, the gentleman from New York (Mr. BOEHLERT), who I appreciate is going to vote for the rule, but he is going to oppose the bill. For the Hudson Valley there is very important legislation in the bill that my good friend the gentleman from Utah (Mr. JIM HANSEN), the subcommittee chairman, has provided.

I brought to the floor a bill not too long ago, and it passed the House. During debate I brought in the paintings of Frederick Church and Thomas Cole, which are just outstanding, which pictorialize the entire northeast, the Hudson Valley, the Adirondack and Catskill Mountains. That legislation is in here. And every environmentalist that I know in the mid Hudson Valley supports this legislation. So I just do not know where all the opposition is coming from.

I think Members should vote for the rule and certainly they should support the bill. It is a good bill, and I thank

the gentleman for yielding me the time.

Mr. HALL of Ohio. Madam Speaker, I yield myself such time as I may consume to say that we do not argue with the fact that there are some very good provisions in this bill, but the fact is it is my understanding that over half of the provisions that are in this bill have never been reported from the committee, and there is over two dozen provisions that have never, ever had a hearing.

So the people on the committee and the people on the floor of the House, we do not know what is in this bill and we just want a chance to take a look at it, debate it, and we cannot do it today with this very restrictive rule.

Madam Speaker, I yield 2 minutes to the gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Madam Speaker, I thank the gentleman for yielding me this time. Listening to the appeal of our distinguished friend and chairman of the Committee on Rules, I would just point out that the history of Mo Udall and, for that matter, the gentleman from California (Mr. GEORGE MILLER), who most recently led this committee and now has passed the torch on to the gentleman from Alaska (Mr. DON YOUNG), was to, in fact, have open rules on most of these issues.

As has been indicated here, with a hundred measures on this bill, no opportunity to amend them, some that have not had hearings, some considerable number, some that are very controversial, if it were only the matter of the Thomas Cole measure, that has passed this House and is awaiting action in the Senate, that were included in this bill as a way to try to optimize the opportunity to enact some of these measures into law, I think most of us would be trying to work to accomplish that. It is a difficult task in this format. But given the way that this has been constructed, and the controversy over many of these issues, I think it is unreasonable to expect us to accept this type of substitute.

I think that in order to achieve that, it is not something we are going to do a slam dunk passage here in the House and score some points. It is not going to accomplish what is being sought. I think it has a tendency to polarize. There just is not enough time, given the rule and where we are at on the floor today, to go through and expect to get hours and hours of debate on this. And, logically, the gentleman did not provide that, given the circumstance we are in this week attempting to end this session.

So I think this is a step backward toward seeing the enactment of the good provisions and mixing them up with the bad and hoping somehow that, by rolling the dice here, that we will get to enact these particular measures. This is not the way to do business. This is not deliberative. This is not fair. I understand the pressure the Committee on Rules and the body is under, but this is not a step forward, it is a step backward.

Mr. MCINNIS. Madam Speaker, I yield 7½ minutes to the gentleman from Utah (Mr. HANSEN).

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

Mr. HANSEN. Madam Speaker, I appreciate the gentleman from Colorado yielding this time to me and the excellent remarks that he has made, and let me just say a few things.

We have heard all this stuff, but let us get down to the facts on this baby and what really happened. People are saying, oh, this is going to be vetoed. We promise it will be vetoed. I want to hearken back to 2 years ago. We stood here with a bill that had more titles in it, more bills in it than we have today, and we heard exactly the same thing: oh, this one will be vetoed.

How many of my colleagues were with me as we stood in the oval office while the President put his John Henry on that and said, this is a great way to do legislation. The President of the United States said that. I do not know if I agree with him that it is a good way to do legislation.

But now we hear these other arguments. It has all these things in it that we have not had hearings on. We have not had time on these things. Well, guess what? Most of these are so minuscule, so infinitesimal that they amount to nothing. The bills in here that have got things of substance in it we have had hearings on. We have had a lot of them on the floor. And when we start looking at some of these others, they are almost infinitesimal.

What is this rule about and this bill about? It is about compromise. The whole thing is compromise. My staff, the staff of the gentleman from Alaska (Mr. DON YOUNG), the staff on the other side has worked with others to try to compromise in some of these areas. I almost feel bad that we have compromised so far on our side. I think we have given away the store in some particular things.

But I would like to talk about some of those things on this term compromise. It probably comes down to only two bills in this whole shooting match that really bothers anybody, and this is probably the biggest one, right here. It is called San Rafael Swell. This happens to be an area that I doubt anybody in this room, other than me and maybe one other, has ever seen, but my colleagues should go look at it. It is one of the most beautiful geological things the Lord ever put on the earth.

But as we look at that particular area, the people in Emery County said someday we have to come to grips with this area. This is where Butch Cassidy and the Sundance Kid mixed it up with a few people. This is where there were shootouts and there were mines. This is a very interesting area. People who go in there are just enthralled with the history of the area. So they came up with the San Rafael Swell. And the Emery and Carbon County folks, all those good Democrats down there, said this is what we will do. We will work out something with the environmental community that will work. And so they did, and they gave them about everything. Yet every environmentalist I have talked to said we do not like the way they have it.

Look at this. This green area goes into wilderness under this bill. This light green goes into primitive areas that are nonmotorized. So what is the issue? We are giving them everything they asked for but one thing, and that is called Sid's Mountain. Please look at this yellow place right here. That is Sid's mountain. A very interesting place. But 15 years ago Fish and Wildlife and the State of Utah, and fish and wildlife came from all over America, said this is the ideal place to have the desert big horn sheep. We do not have a good herd anywhere. We have some other places, but not anywhere in the west. So they started the desert big horn sheep.

Guess what the problem is? They have to drink water, just like all the rest of us do, and there is no water on that mountain. So they came up with this original idea called guzzlers. For those who do not know what a guzzler is, let me explain it. It is a large thing that works by evaporation. And through the sun coming up and then it getting cold, it evaporates, goes into a trough, and the big horn sheep get their water there.

However, we all realize the 1964 wilderness bill says what? We cannot have a mechanized thing in the wilderness. So we cannot have guzzlers. So they cannot have the sheep. Well, a lot of people want to go in and see them. There are some roads at the bottom of this, and a lot of people want to see these sheep.

But when it gets down to this great big thing that we are all mad about, it comes down to the idea of the San Rafael Swell and the desert big horn sheep.

Now, we have talked to our environmental friends and asked them what they have against the desert big horn sheep. That is the whole issue on this rascal. The desert big horn sheep seems to be the whole thing that may turn this bill one way or the other. And I am stale waiting for a member of the Sierra Club or one of the others to stand up and say this is what we have against the desert big horn sheep.

What it amounts to is the idea of wilderness. They have built their whole thing on wilderness. They should build it on the term restrictive areas. It means the same thing, but one is a romantic word and one is another word.

Let me go through a few others. The Canyon Ferry Reservoir we considered modification. The Tuskegee Historic Site we went on. The water projects with the gentleman from California (Mr. MILLER) we went on. The Nevada Airport, we worked that out. The

things with the gentleman from Alaska (Mr. DON YOUNG), we came up with a provision on the Chugach area. The C&O Canal. The list goes on and on of things we have agreed to, to make this an acceptable bill.

□ 1315

I personally would urge the passage of this rule, and I would urge the passage of this bill. This is a good piece of legislation. We have played this game time after time. We will hear the same arguments every time. The fact of the matter is the President signed it the last time, and I would hope he would see the wisdom in signing it this time.

Mr. PAUL. Mr. Chairman, moments ago, HR 4570 was described as a ''delicate balance'' not to be disturbed by votes against either the resolution or the rule. In fact, the primary justification presented for passage of the bill was the ''brilliance'' with which a compromise securing the necessary number of votes was ''engineered.'' Statements such as these are an unfortunate commentary on the state of affairs in the nation's capital insofar as they represent not advancement of sound policy principles but rather a seriously flawed process by which federal government ''favors'' are distributed in a means which assures everyone gets a little something if they vote to give enough other districts a little something too. This is not the procedure by which Congress should be deciding matters of federal land disposition and acquisition. In fact, there appears to be no Constitutional authority for most of what HR 4570 proposes to do.

Particularly frustrating is that in my attempt to return authority to the State of Texas for a water project located in the 14th District, I introduced HR 2161, The Palmetto Bend Title Transfer Project. Return of such authority comports with my Constitutional notion that local control is preferred to unlimited federal authority to dictate from Washington, the means by which a water project in Edna, Texas will be managed. I understand that certain Members of Congress may disagree with the notion of the proper and limited role of the federal government. The point here, however, is that the ''political process'' embracing the so-called ''high virtue of compromise'' means that in order for one to vote for less federal authority one must, at the same time, in this bill, vote for more. Political schizophrenia was never more rampant. One would have to vote to authorize the transfer of 377,000 acres of public land in Utah to the federal government (at taxpayer expense of $50 million for Utah's public schools) in order to return Lake Texana to the State of Texas.Two unrelated issues; two opposite philosophies as to the proper role of the federal government—a policy at odds with itself (unless, of course, compromise is one's ultimate end).

HR 2161 merely facilitates the early payment of the construction costs (discounted, of course, by the amount of interest no longer due as a consequence of early payment) and transfers title of the Palmetto Bend Project to the Texas state authorities. Both the LNRA and TWDB concur that an early buy-out and title transfer is extremely beneficial to the economical and operational well-being of the project as well as the Lake Texana water users. The Texas Legislature and Governor George W. Bush have both formally supported the early payment and title transfer. In fact, even the residents of Highland Lakes in Travis County who initially expressed a concern as to the effects of the title transfer on the Colorado River Basin, came to support the legislation. This bill will save Lake Texana water users as much as one million dollars per year as well as providing an immediate infusion of $43 million dollars to the national treasury. Additionally, all liability associated with this water project are, under my legislation, assumed by the state of Texas thus further relieving the financial burden of the federal government.

Texas has already demonstrated sound management of this resource. Recreational use of the lake has been well-provided under Texas state management to include provision of a marina, pavilion, playground, and boating docks, all funded without federal money. Additionally, a woodland bird sanctuary and wildlife viewing area will also be established upon transfer with the assistance of the Texas Parks and Wildlife Department and several environmental organizations.

Members of Congress must not be put in the position of having to support a massive federal land grab to secure for the residents of Texas more local control over their water supply. For these reasons, while I remain committed to the return of Lake Texana to Texas State authorities, I must reluctantly and necessarily oppose HR 4570.

Mr. PORTER. Mr. Chairman, I rise today in opposition to this bill and in particular to Section Nine which seeks to reduce hazardous fuels in our national forests. While I oppose many provisions in this bill, I am particularly concerned with the process by which this legislation has made its way to the floor. Most of the provisions have circumvented Committee consideration and some have never even been considered by the relevant Subcommittee. There is a reason why there is a detailed procedure for the consideration of legislation in the House—a procedure that I strongly support—and I am very dismayed that H.R. 4570 was not developed in this way. As many of my colleagues are aware, I have been very active in reforming management policies in our National Forests. Until his point, the dialogue on this issue between various interested parties within Congress has been very productive. However, the provisions pertaining to hazardous fuels reduction in this bill are a step backwards in improving the management of our National Forests. Section Nine authorizes the Forest Service to combine commercial timber sales with forest stewardship contracting. Further, it establishes an off-budget account that while initially funded by transferring money from the hazardous fuels reduction program, is regenerated through timber receipts from these sales.

As a fiscal conservative, I cannot support the connection of these contracts. Providing offsets for timber purchasers to do stewardship work in connection with a timber sale may have the result of paying timber purchasers to take our natural resources. No Member with any fiscal sense should support such a policy.

While this practice may work in private forestry, it is not something I can support on our federal lands. If private contracting is the most effective and cost-efficient option for performing stewardship contracting, it should be used, but separate to a commercial timber sale. There is no reason that these two services need to be connected in a contract.

In addition, since I already have concerns about existing off-budget accounts maintained by the Forest Service, I cannot support the establishment of another one. Everyone can agree on the fact that the Forest Service has fiscal accountability problems. Allowing them to use more money without Congressional oversight is completely irresponsible.

Since I know that there are many good and important provisions in this bill, I am sorry that I cannot support it. However, my concerns with other provisions are serious enough to warrant my overall opposition. It is my hope that in the future this sort of process for developing legislation will be avoided and real progress can be made.

Mr. CASTLE. Mr. Chairman, I rise today to express my opposition to ten percent of the Omnibus National Parks and Public Lands Act of 1998. This massive 481 page document that rolls almost 100 bills into one package is ninety percent perfect. It makes needed technical corrections to the 1996 Omnibus National Parks Act, makes important adjustments to park boundaries, designates desirable land as heritage and historic areas, and reauthorizes the Historic Preservation Fund. The bill even establishes the transcontinental American Discovery Trail which ends in Cape Henlopen State Park in my State of Delaware. However, ten percent of this bill needs to be separated out and addressed on an individual basis.

That ten percent includes some of the following measures:

Opens areas proposed or being managed as wilderness to possible development, including the Everglades National Park which Congress has spent millions of dollars to restore;

Hands over title and operation of some western water projects to private interests without requiring them to pay full value for the project. This year, the House passed the Salton Sea Reclamation Act with a price tax of almost one-third of the Bureau of Reclamation's annual budget. There is a long list of other reclamation projects seeking funding. Why then would we want to sell existing projects at less than their fair market value? it is not fiscally responsible especially in a year where the President wants to spend the Social Security Surplus on ''emergency'' spending;

Waives environmental review procedures for a proposed road that cuts through one of the richest wetlands on the Pacific Coast of North America, as well as a migratory bird nesting area, and salmon spawning grounds. The value of this road may well outweigh these environmental concerns, but we should not blindly authorize the road easement without stopping to study its full environmental impact and plotting a course that minimizes the environmental harm. That is simply poor management.

Ninety percent of this bill could have been one of the shining stars in the 105th Congress' environmental record. Instead, due to the controversial ten percent it will either die in this chamber, never be considered in the Senate, or be vetoed at the President's desk. We have precious few days left in the legislative session and many of us need to return to our districts and debate serious national issues with political opponents. Let us not be the only institution to pass an unsignable law that has

not been thoroughly examined by the committee process, and ten percent of which bypasses or degrades the world-class environmental protections we have established in this country.

Mr. KINGSTON. Mr. Chairman, I rise in strong support of the Omnibus National Parks and Public Lands Act. In particular, I would like to address one portion of the act regarding Cumberland Island National Seashore in my district.

Cumberland Island National Seashore is governed largely by two establishing acts. The first, in 1972, created the seashore. The second, the 1982, established a large wilderness area on the island. Unfortunately, this act was assembled hastily and before the National Park Service's wilderness suitability study was completed. The unfortunate result was that the wilderness designation was placed on top of a number of important historic assets, essentially locking them away and seriously jeopardizing their existence. While the listing of these structures, districts, and sites on the National Register of Historic Places represents the Federal Government's obligation to protect them, their inclusion within the wilderness in 1982 seriously undermines that effort. Not only does it impede public access to these treasures, it presents significant obstacles to their preservation. These concerns were recognized and noted to Congress in writing at the time by both the President and the Department of Interior, but they were not corrected.

Mr. Chairman, Cumberland Island is a beautiful and unique island. The diversity of its resources is one of its greatest strengths. My intention in introducing this legislation is to recognize the value of this diversity and protect it. I believe it is indeed possible—and imperative in this case—to protect both the natural and historic assets. They do not have to be mutually exclusive goals.

This bill takes three basic steps to achieve this balance. First, it removes the wilderness or potential wilderness label from structures listed on the National Register of Historic Places. This provision will lift restrictions on the Park Service as to the steps they can take to preserve them. It also removes the fundamental conflict of mandates on how these structures are to be treated: whether they are to be preserved according to the Historic Preservation Act of allowed to ''revert to their natural state'' consistent with the Wilderness Act.

The bill also seeks to provide public access to these sites. Because they are encased in wilderness, the only way for the public to visit them is by making a 15 to 30 mile round trip hike. Obviously, only very healthy backpackers can ever see and learn from these sites. A two-hundred year old road (which itself has been designated as a national historic asset), known as the ''Main Road'' or ''Grand Avenue'' runs from the south end of the island up to many of these historic sites within the wilderness. Our bill allows this road to be used in some manner which does not have an undue negative impact on the wilderness so that the park's visitors can see, study, and enjoy these sites.

Unfortunately, under the present circumstances, few visitors even realize all that exists on the island, let alone the events that enhance their historic significance. Cumberland's history is as rich as Georgia's. Off its shore, pirates once loomed and British and Spanish warships fought. Soldiers were stationed there in the War of 1812. Revolutionary War hero Nathaniel Greene and his remarkable wife Katie Littlefield Greene farmed and planted there. Their Cumberland Island timber business supplied the wood for ''Old Ironsides.'' Thomas Carnegie built mansions on the Island and once had over 300 servants there. On the north end of the island is a historic settlement called Half Moon Bluff founded by newly emancipated slaves. This was one of the first free Black settlements in America and one of the few which embodies and represents their transition from slavery to freedom and landownership. In all, there are nine Cumberland island sites and districts and many structures on the National Register of Historic Places. Today many of their remnants are gone, and the rest are decaying.

The third component of the legislation authorizes the restoration of the beautiful historic Plum Orchard mansion which has dangerously deteriorated. This house was gifted to the Federal Government on the condition that it be maintained and enjoyed by the public. I am sorry to say that this trust has been betrayed. Without serious and prompt intervention, this structure like some of its surrounding buildings will fall victim to neglect. This not only marginalizes the Historic Preservation Act, it serves as a pitiful warning to other citizens who would like to donate valuable cultural or historic assets to the government.

Mr. Chairman, I strongly urge support of this legislation and point to this provision as a model for the protection of all resources, natural and historic, which fall within our government's trust.

Mr. STARK. Mr. Chairman, I rise today in opposition to the Republican National Parks Bill. As former President Reagan once said, ''here we go again.''

It has become a tradition in Congress since the Republicans gained control of the majority to pass a massive end of session bill dealing with the environment. Because the Committee brings up these bills on short notice and with minimal oversight, they are ripe for anti-environmental provisions that would not pass on their own muster.

This bill is a desperate attempt to pass legislation prior to hitting the campaign trail and to pass through specific favors to special interests. This ''omnibus'' bill contains many environmental provisions that should be voted upon and should become law. These provisions, if brought to the floor independently, would enjoy broad bipartisan approval. My Republican friends have included pet projects and environmental attacks in the context of this larger package. This bill should be rejected as it is written and Members should have the right to vote on individual parts of this package. Whatever positive environmental effects that part of this bill would help to create is undermined by the backdoor attacks on law that protect our public lands and national parks.

I have heard from numerous environmental groups in opposition to this bill. The Sierra Club, the American Lands Alliance, the Wilderness Society, the U.S. Public Interest Research Group, the National Parks and Conservation Association, the League of Conservation Voters, the Defenders of Wildlife, the Environmental Defense Fund, the World Wildlife Fund, the National Trust for Historic Preservation and more than twenty other organizations have gone on record in opposition to H.R. 4570.

What is hidden in the midst of this bill? Let's take a quick look.

H.R. 4570 exempts certain public bodies from agreements and laws designed to manage public lands wisely. Sections 1351–1357 specifically make exceptions for an irrigation district in Southwestern Arizona from compliance with multiple-species conservation and water use plans now being developed by stakeholders in the Lower Colorado River Basin. Section 1009 is a backdoor assault on standard environmental review procedures for tree removal projects where natural events have happened. These carve-outs set terrible precedent and encourage the selective enforcement of environmental laws.

What else is in this bill? Section 208 makes allowances for the development of a commercial airport in the Mojave National Preserve. Even if you are willing to look beyond the environmental and recreational impact this development will have, this provision also exempts the transfer from the Federal Lands Management Policy Act, another horrible precedent. Section 1342 allows for the development of a road through Alaska's Copper River Delta, including a 250-foot easement for logging in this pristine environmental wetlands area.

H.R. 4570 paves the way for the privatization of National Park Lands, the transfer of Everglades National Park Land and weakens the Federal Antiquities Act. None of these ideas could garnish a majority vote in Congress on their own. Extreme members of the Republican Party must seek this cloak and dagger approach to get their pet projects before the body.

H.R. 4570 incorporates the intent of H.R. 2458, which was introduced by Representative HELEN CHENOWETH. This provision would allow the U.S. Forest Service to give away $350 million in ''forest health'' credits over the next 5 years to pay for increased logging and grazing on National Forests under the pretension of wildfire reduction. I guess the logic is clear, it is hard to have a wildfire without any trees.

I have been working with many Members of Congress to monitor and decrease the invasive use of motorized vehicles in our national parks and public lands. The bill before us today declassifies designated wilderness areas throughout the West to specifically allow motorized access. This dreadful provision could not pass if brought up on its own. But buried in the end of year rush to adjournment, and desperately trying to show their constituents that they have actually passed legislation this year, my colleagues on the other side of the aisle are threatening our natural lands and public areas with irreparable harm.

I urge my colleagues to put the public interest ahead of the special interests and vote against this bill.

Mr. FARR of California. Mr. Chairman, I rise today reminded of the first lines in the Tale of Two Cities ''It was the best of times; it was the worst of times.'' I am pleased that one of my bills, the California Coastal Rocks and Islands Wilderness Act of 1998, is included in the Omnibus National Parks and Public Lands Act. Unfortunately, because of the lateness of the legislative calendar, it will be difficult to reconcile the differences between the executive and legislative branches on how we go about protecting our natural resources.

I am glad to have an opportunity to discuss the language that I introduced along with Messrs. GALLEGLY, BILBRAY and several other

California Coastal Members. I especially want to give my thanks to Mr. GALLEGLY for his hard work and efforts to get this legislation on the floor today. Unfortunately, in the hoopla of the moment I can not forget that this bill is destined to be vetoed.

Mr. Chairman, the purpose of the Rocks and Islands Wilderness Act is to recognize the ecological significance of the tens of thousands of small rocks, islands and pinnacles off the California coast, by designating them as part of the National Wilderness Preservation System.

These small islands and rocks provide important resting sites for California sea lions, Steller's sea lions, elephant seals and harbor seals, as well as providing a narrow flight lane in the Pacific Flyway. An estimated 200,000 breeding seabirds of 13 different species use these rocks and islands for feeding, perching, nesting and shelter. Birds that use these areas include three threatened and endangered species; the brown pelican, the least tern and the peregrine falcon.

The Wilderness designation afforded by this act would apply to all rocks, islands and pinnacles off the California coast from the Oregon border to the U.S.-Mexico border, land that is currently under the jurisdiction of the Bureau of Land Management (BLM). This includes nearly all of the federally-owned lands above the mean high tide and within three geographical miles off the coast.

The designation would afford the highest protected status and highlight the ecological importance of all of the small rocks, islands and pinnacles off the California coast, which together comprise approximately 7,000 acres. Adding these areas would also further the Wilderness Act's goal of including unique, ecologically representative areas to the System.

Rocks and islands which are already patented or reserved for marine navigational aids, National Monuments, or state parks will not be affected by the legislation.

Mr. Chairman, this is a good, straight-forward, non-controversial proposal that protects a unique array of California ecosystems. Unfortunately it is coupled here with many questionable ones that threaten our precious parks and public lands. This omnibus bill is unacceptable in its current form, despite containing a number of worthwhile measures. Regrettably then, I must ask my colleagues to reject this bill but to continue to fight for the good measures that it contains. We must work together to protect our natural heritage so that we can leave a truly worthy legacy to our children and to future generations.

Mr. HALL of Ohio. Madam Speaker, I urge a ''no'' vote on the rule.

I have no further requests for time, and I yield back the balance of my time.

Mr. MCINNIS. Madam Speaker, I urge a ''yes'' vote on the rule.

Madam 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 (Mrs. EMERSON). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HALL of Ohio. Madam 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 225, nays 198, not voting 11, as follows:

[Roll No. 488]

YEAS—225

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
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
Dingell
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
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
Istook
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)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
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
Stearns
Stump
Stupak
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—198

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
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
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Ford
Frank (MA)
Frost
Gejdenson
Gephardt
Gonzalez
Goode
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
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
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
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Traficant
Turner
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—11

Davis (VA)
Furse
Gilman
Kennedy (MA)
Kennelly
LaFalce
McCrery
Poshard
Pryce (OH)
Serrano
Weldon (PA)

☐ 1335

Ms. MCCARTHY of Missouri and Ms. MCKINNEY changed their vote from ''yea'' to ''nay.''

Mrs. MORELLA and Mr. LEACH changed their vote from ''nay'' to ''yea.''

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.

The SPEAKER pro tempore (Mr. UPTON). Pursuant to House Resolution 573 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. 4570.

The Chair designates the gentleman from Ohio (Mr. NEY) as chairman of the Committee of the Whole, and requests the gentlewoman from Missouri (Mrs. EMERSON) to assume the chair temporarily.

□ 1338

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. 4570) to provide for certain boundary adjustments and conveyances involving public lands, to establish and improve the management of certain heritage areas, historic areas, National Parks, wild and scenic rivers, and national trails, to protect communities by reducing hazardous fuels levels on public lands, and for other purposes, with Mrs. EMERSON (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from California (Mr. MILLER) each will control 30 minutes.

Mr. MILLER of California. Madam Chairman, I ask unanimous consent that the gentleman from New York (Mr. BOEHLERT) be allowed to control 10 minutes of the 30 minutes allotted to me.

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

Mr. HANSEN. Madam Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

PARLIAMENTARY INQUIRY

Mr. BOEHLERT. Parliamentary inquiry, Madam Chairman. May I get a clarification?

The CHAIRMAN pro tempore. The gentleman will state his parliamentary inquiry.

Mr. BOEHLERT. The request from the gentleman from California (Mr. MILLER) was that 10 minutes of his time, Mr. MILLER's time, be controlled by this Member.

Is that correct?

The CHAIRMAN pro tempore. That is correct, time which Mr. MILLER has yielded to you.

Mr. HANSEN. I withdraw my objection, Madam Chairman.

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

There was no objection.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Utah (Mr. HANSEN).

Mr. HANSEN. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, it is a great pleasure today that I rise in support of H.R. 4570, the Omnibus National Park and Public Lands Act of 1998. This is an outstanding bill that addresses a variety of important concerns, and national parks, wild and scenic rivers, heritage areas, national forests and other public lands. This bill is the result of a number of resource-related bills, most of which have already gone through individual areas and followed the legislative process. Numerous Members of Congress are to be commended and congratulated for their hard work on the single parts of this bill which together make a landmark piece of legislation. In fact an impressive 67 individual Members of Congress, both Republican and Democrat, introduced legislation that is now part of this bill.

This is a far-reaching bipartisan omnibus bill, accomplishes many goals and addresses a multitude of public lands concerns to ensure that America's cherished parks and public lands, many of them national treasures, are protected, expanded and improved. It also creates new and important historic sites, heritage areas and wilderness areas so the American public can enjoy, benefit and use these extraordinarily natural and historic resources.

Furthermore, the superb natural and significant and historic areas that the omnibus bill protects and creates span the breadth of this great country of ours. In fact, it deals with resource issues and areas in 36 separate States, from wild and scenic rivers of Massachusetts, creating wilderness areas in California; from a national recreation area, to Georgia, to Midway Island, far from the Pacific Ocean and from the Everglades of Florida to Mt. St. Helens in the State of Washington.

Madam Chairman, this is a work of a lot of compromise. We have compromised this thing from a number of areas. During the debate regarding the rule I talked about the most controversial thing, the San Rafael swell bill which was basically just protecting big horn sheep. I cannot imagine why anyone is against big horn sheep, but apparently a lot of folks on this floor are in America, and there is a couple of other minor ones. Other than that, this is almost an agreed-on piece of legislation, and I would hope that the Members would look at this and see what the good things it does for America.

Let us not be legislating by polls and political pundits. Let us legislate on what is right for America and not to be concerned about getting 20 phone calls in the office.

Madam Chairman, it is with great pleasure that I rise today in support of H.R. 4570, the Omnibus National Parks and Public Lands Act of 1998. This is an outstanding bill that addresses a variety of important concerns in National Parks, wild and scenic rivers, heritage areas, National Forests, and other public lands. This bill is the result of a number of resource related bills, most of which have already gone through individual hearings and followed the legislative process. Numerous Members of Congress are to be commended and congratulated for their hard work on the single parts of this bill which, together, make this a landmark piece of legislation. In fact, an impressive sixty-seven individual Members of Congress, both Republican and Democrat, introduced legislation that is now part of this bill.

Madam Chairman, the far-reaching bi-partisan Omnibus Bill accomplishes many goals and addresses a multitude of public lands concerns to assure that America's cherished parks and public lands, many of them national treasures, are protected, expanded, and improved. It also creates new and important historic sites, heritage areas, and wilderness areas so that the American public can enjoy, benefit, and use these extraordinary natural and historic resources.

Furthermore, the superb natural and significant historic areas that the Omnibus Bill protects and creates, span the breadth of this great country of ours. In fact, it deals with resource issues and areas in 36 separate states—from wild and scenic rivers in Massachusetts, to creating wilderness areas in California, from a national recreation area in Georgia to Midway Island, far out in the Pacific Ocean, and from the Everglades of Florida to Mount St. Helens in the state of Washington.

Madam Chairman, allow me to point out in greater detail a few of the many provisions in the bill which will help improve and create more of our outstanding natural, historic, and cultural resources.

This bill expands the boundary of the boyhood home of one of our country's greatest presidents, Abraham Lincoln. It authorizes the inclusion of the Knob Creek Farm into the Lincoln Birthplace National Historic Site. This is the farm where Lincoln spent much of his childhood and still retains its great historic significance.

Likewise, this bill modifies and expands the boundaries of the birthplace of our country's first president, George Washington. It expands the current boundary of the National Monument to include an area known as Ferry Farm located on the banks of the beautiful Rappahannock River. This area is highly prized because of the cultural and natural resources associated with the boyhood home of George Washington and is thought to be the place where George Washington chopped down the well-known cherry tree.

The Omnibus Parks bill enhances the management and public enjoyment of a number of National Heritage Areas including the Delaware and Lehigh National Heritage Corridor in Pennsylvania, the Blackstone River Valley National Heritage Corridor which flows through Massachusetts and Rhode Island, and the Illinois and Michigan National Heritage Corridor. Moreover, it creates a new Heritage Area in Michigan, the Automobile National Heritage Area, so the public can celebrate and enjoy the important resources related to the industrial and cultural heritage of the automotive industry, an industry that, without doubt, has touched every single American in a variety of ways.

This bill provides new opportunities for Americans to visit new historic areas around the country such as the Thomas Cole National Historic Site in the state of New York. Thomas Cole is an extremely important American artist and founded the Hudson River school of art, an important cultural movement with great significance to the beginning of the conservation movement in the United States.

Moreover, it authorizes the addition of the Paoli Battlefield to the Valley Forge National Historic Park. Paoli Battlefield, located in Pennsylvania, is the site of a very important Revolutionary War battle which became a rallying cry for many of the soldiers and citizens alike during the American Revolution.

Other historic sites are established by this bill, as well. For example, in Arizona the Casa

Malpais National Historic Landmark would become an affiliated site of the National Park System. This site is an amazing archaeological pueblo ruin once occupied by the Mongollon culture 700 years ago and includes a number of impressive features such as a Great Kiva complex, stairways, wall fortifications, catacombs, and sacred chambers.

Turning to more recent times, the Omnibus Bill establishes the Lower East Side Tenement National Historic Site in New York City also as an affiliated site of the National Park Service. The Lower East Side Tenement, built in the mid-1860s, is the first tenement in the nation to be preserved as a historic site and represents a unique opportunity for the public to interpret this rich cultural heritage which has contributed to the very fabric of America.

H.R. 4570 authorizes construction of the Gateway Visitor Center at Independence National Historical Park in Philadelphia, home to many of our country's most cherished treasures such as Carpenter's Hall, Independence Hall, and the Liberty Bell. This ensures, that for years to come, visitors will have an enjoyable and educational experience on some of our most revered land in the United States.

H.R. 4570 establishes the Tuskegee Airmen National Historic Site as a unit of the National Park System in the State of Alabama. This site will commemorate and interpret the heroic efforts made by the Tuskegee Airmen during World War II through the development and management of the Tuskegee Airmen National Center. Furthermore, this bill establishes the Little Rock Central High School as a National Historic Site. As many people know, Little Rock Central High School played a prominent role in the struggle for civil rights and served as an example and a catalyst for the integration of public schools across the country. Establishment of this historic site would recognize this great achievement and the evolution of the civil rights movement in the United States.

Madam Chairman, the Omnibus Parks Bill also provides for the expansion of a number of national park units like that of the spectacular Arches National Park in my beautiful home state of Utah. This spectacular park contains one of the largest concentrations of natural stone arches in the world, and numerous geologic features such as spires, pinnacles, pedestals, and balanced rocks. Another park unit expands by authorizing the acquisition of a parcel of property for the Morristown National Historical Park in New Jersey. This property was the strategically located winter headquarters of General George Washington during the winter of 1779–1780. And it expands the Chattahoochee River National Recreation which will increase protection and visitor enjoyment of the river, by adding land-based links between current units of the national recreation area. This addition is a prime example of a public/private initiative to preserve and protect one of our nation's most popular recreation areas.

Importantly, Madam Chairman, this bill would reauthorize the Historic Preservation Fund created by the Historic Preservation Act. This fund is a very significant component for the preservation of the vast array of prehistoric and historic resources across this nation. There are a number of worthwhile programs that are associated with this Fund including two types of grants which support the administrative functions of the State Historic Preservation Office and also support the ''bricks and mortar'' preservation and rehabilitation of important historic properties.

H.R. 4570 establishes the National Discovery Trails System and designates the first such trail as the ''American Discovery Trail''. These trails would be continuous interstate trails located to provide quality outdoor recreation and travel connecting the Nation's metropolitan, urban, rural, and back country regions. The American Discovery Trail would extend 6,000 miles from Delaware across the United States to the coast of California. Provisions are also included in this section that provide needed protection and notification for private property owners. This will ensure both public enjoyment of the trails and protection of the private property owner.

In addition H.R. 4570 establishes the country's newest wild and scenic river system in the state of Massachusetts. It designates four beautiful segments of the Sudbury, Assabet and Concord Rivers to the National Wild and Scenic River System. This will guarantee the protection and conservation of these spectacular rivers, so that the public can continue to enjoy the recreational opportunities these rivers have to offer.

Madam Chairman, this bill resolves a very important issue that has been ongoing in the state of Utah for a number of years. When Utah was granted statehood, the Federal Government designated scattered sections throughout the State as school trust land. These parcels were to be sold or developed, and the revenue was to go into a trust fund for the school children of Utah. Over the years, however, the Federal Government created several National Parks, National Monuments, and Indian Reservations that surrounded hundreds of these school sections, essentially making them undevelopable and nontransferable. Since it became almost impossible for the State to derive any economical use from these lands, the school trust has suffered greatly. This section would trade these lands out of Parks, Monuments and Reservations for economically developable lands elsewhere in the State, greatly benefiting the school children of Utah. Like many others, this provision is supported by the State of Utah, environmental groups, and the Administration.

Madam Chairman, I have just given a more detailed description on only a few of the many, many things that this bill will accomplish. In addition to items I mentioned, H.R. 4570 will establish a hazardous fuels reduction program, settle property rights issues, authorize construction of memorials to great leaders like Mahatma Gandhi and great men of science life Benjamin Bannecker, convey a number of federal reclamation projects to local irrigation districts, establish a cave and karst institute, create wilderness areas, and authorize a number of provisions for the people of Alaska.

Simply put Madam Chairman, this is a very important and comprehensive natural resource bill that represents many single pieces of legislation by nearly 70 individual Members of Congress in both parties over 36 separate states. The Administration is in full support of most of the sections of this bill. Moreover, many of the provisions of this bill have been reported by the Full Committee and many others passed the House or the Senate. H.R. 4570 will greatly benefit our National Park System by expanding units, creating others, and constructing new facilities. We have the opportunity to enhance and strengthen our commitment to historic and cultural preservation and protecting many other natural resources that make this country the most beautiful in the world.

Madam Chairman, I have spent a number of years proudly representing the people of Utah in this House. I have seen many pieces of legislation dealing with national parks and natural resources in my years of service. Very rarely, however, does bi-partisan legislation that does so much, for the benefit of so many people, in so many different states come along. This is one such bill which shows that we here in the Congress are truly committed to ensure that our national parks and natural resources are protected for now and for future generations. I strongly urge my colleagues to support H.R. 4570.

Madam Chairman, I reserve the balance of my time.

Mr. MILLER of California. Madam Chairman, I yield myself 1 minute, and I rise in strong opposition to this legislation. The supporters of this legislation have been promoting it as noncontroversial, bipartisan initiative that is good for the environment. It simply is not true. It is misrepresentation of what is in this legislation. This is a very bad environmental bill with some noncontroversial items in it to try to provide the camouflage so the Members will pass this legislation. But let us make it very clear from the beginning: the administration opposes this legislation, the major environmental groups in this country oppose this legislation, The League of Conservation Voters oppose this legislation, and this legislation ought to be rejected.

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Yes, we can do a major parks bill at the end of this session, but we must do it based upon noncontroversial measures with bipartisan support. It is said that this legislation has bipartisan support. Let us also understand that it has strong bipartisan opposition to this matter. Why? Because many of these measures have not gone through committee. They have not received hearings. They have been brought up at the last minute in spite of the fact that we have had an awful lot of time in this Congress to deal with these kinds of items. Because it also contains some very contentious measures that, if brought out here on their own, would simply not pass, and that is why they are put in this legislation to see whether or not, in fact, they can package a bill that would be passed.

We ought to take the packaging off this legislation and understand exactly what it is, and that is that it is a very bad bill for the environment and without support either in the House or in the Senate.

Mr. BOEHLERT. Madam Chairman, I reserve the balance of my time.

Mr. HANSEN. Madam Chairman, I yield 1 minute to the gentleman from New Mexico (Mr. REDMOND).

Mr. REDMOND. Madam Chairman, I rise today in support of H.R. 4570. As a

Member from a State that is home to sweeping vistas, lush forests, and the largest volcanic caldera in North America, I understand the importance of our maintaining our historic national treasures.

H.R. 4570 will address a variety of public lands issues and concerns, including the authorization of the purchase of 900 acres of expansion of the Bandelier National Monument in New Mexico, one of the oldest national monuments in the United States.

This language represents one of the Park Service's highest priorities and will allow them to fulfill a long goal and acquire the Alamo Headwaters, protect the watershed from any upstream contamination.

I want to express my heartfelt, sincere appreciation to the gentleman from Utah (Mr. HANSEN) for bringing this bill to the floor. The State of New Mexico and most of the United States, as a whole, stands to benefit tremendously from H.R. 4570, and if it had not been for the wise guidance and careful attention to these issues of the gentleman from Utah (Mr. HANSEN), we would not be in this comprehensive conservation legislation today.

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

Mr. BOEHLERT. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I rise in strong opposition to this bill, and I must say I have plenty of company. The bill is opposed by every environmental group and by Taxpayers for Common Sense. The League of Conservation Voters will score it. The administration will veto it.

Why all this opposition? Is it just the natural negativity or orneriness of these groups? I am afraid not. They are against the bill because it will set bad public policy. The bill would weaken protection for wilderness areas, and it would remove 74,000 acres from wilderness protection, 74,000 acres that President Bush said merited that protection.

The bill would waive normal environmental review for a controversial road in Alaska, a road that is controversial, not just in Congress, but Alaska itself, where Native communities, among others, oppose it.

The bill would make it hard to get discovery trails approved by setting new bureaucratic hurdles. The bill would create new incentives to cut trees in national forests and would create new special funds within the Forest Service at a time when we are trying to remove such incentives and clean up Forest Service accounting.

The bill would transfer Federal property to the private sector in a way that would weaken environmental protection and deny the Nation's taxpayers the ability to recoup the full value of the Federal investment.

Those are just the most significant bad policies that would be established by this bill. It was totally unnecessary to include these provisions in the bill.

The bulk of this bill consists of noncontroversial projects throughout the entire country. The committee could have brought these projects to the floor individually or collectively under the Suspension Calendar. It chose not to do so. It chose, instead, to hold perfectly good projects hostage so it could attempt to jam through the Congress bad policies that do not have a prayer of passing independently. In fact, some of those bad policies have not even been approved by the Committee on Resources itself.

So I urge my colleagues to vote against this bill, not only to reject the bad policies, policies a wide majority of Members would oppose if they came up individually, but also to reject bad process.

We are faced with a bill that was deliberately constructed to win support for policies that Members oppose. That is not a fair process. We are faced with a bill that did not go through normal committee review. That is not a fair process.

We are faced with a bill that could not be fairly negotiated because its key provisions were labeled nonnegotiable. That is not a fair process. We are faced with a bill on which negotiations had been repeatedly mischaracterized. That is not a fair process.

We are faced with a bill whose primary point is to put one wing of the Republican party at the mercy of another wing of the Republican Party. That is not a fair process.

So, again, I urge my colleagues to vote down this bill even if it contains your own project. That is, unfortunately, the only way to stop these bad policies and bad processes. My colleagues will not be giving up much because the bill is not going anywhere anyway.

Let us vote down this bill in order to protect the environment and to protect the taxpayer, and let us vote down this bill to prove that we will not stand for being held hostage.

Madam Chairman, I reserve the balance of my time.

Mr. MILLER of California. Madam Chairman, I yield 2 minutes to the gentlewoman from Colorado (Ms. DEGETTE).

Ms. DEGETTE. Madam Chairman, I rise today in opposition to this poorly conceived, hastily prepared anti-environmental legislation. This legislation, as has been noted, has attracted the opposition of the administration, the environmental groups, and even such newspapers as the Washington Post and Los Angeles Times.

Even though I know the gentleman from Utah will be offering an amendment in the nature of a substitute, it still falls far short.

This legislation does not set sound environmental policies. It sets them on the track in the wrong direction at a time when Americans see the environment as a top priority. This legislation turns a blind eye to the demand of our constituents.

For example, in Colorado, a recent statewide poll indicates that an overwhelming number of Coloradans, almost 70 percent across the State, Democrats, Republicans, and Independents, support wilderness designation for over a million acres currently being managed by the Bureau of Land Management.

This astounding level of support is throughout the State, across party lines. But, instead, what this Congress intends to do, instead of listening to voters like that, is to pass a bill that contains provisions such as taxpayers paying for increased clear-cutting and livestock grazing in national forests.

It takes wilderness study area in the San Rafael Swell in Utah and terminates it for 125,000 acres. It creates a new provision for the National Park Service which prohibits the Service from removing inappropriate commercial buildings to protect park values, and on and on.

Are these rollback of environmental protections the legacy we want to leave for future generations? I do not. As somebody who represents a State that is well known for its natural beauty, I will do everything I can to make sure we defeat ill-conceived legislation of this nature.

Mr. BOEHLERT. Madam Chairman, I yield 2½ minutes to the gentleman from Alaska (Mr. YOUNG), chairman of the Committee on Resources.

Mr. YOUNG of Alaska. Madam Chairman, for those that are saying this is a nonenvironmental bill, and also the gentleman from New York (Mr. BOEHLERT) said that all environmental groups are against it, I would like it to say also that, yes, they are, because they have told people, and I have got confirmation of this, that they are just going to show the Congress how strong they are. Because I asked them specifically what was wrong with this bill. They could not give me an answer.

Yes, they brought up the Chugach Road. But remember, Madam Chairman, my colleagues voted on this. It was voted on in this House; and I won, and my colleagues lost. We won that by 250 votes. Think about that a moment. We bring this up as an issue. They did not like the results, so now they are saying this is a bad bill.

This is already law. We should pass it. It will be signed in law, the President will sign it, and that road will be built. But think about all those proposals in this package that said they were not hurt.

By the way, the gentleman from California (Mr. MILLER) is not here, but the bill of the gentleman from California (Mr. MILLER) is in here, and we did not hear anything about his bill, and he wanted it.

The gentleman from Pennsylvania (Mr. MCHALE) came to me and said this is a good bill. We looked at it, and he wants it. Let us see.

Oh, by the way, the gentleman from Arkansas (Mr. SNYDER), the gentleman

from Connecticut (Mr. MALONEY). The gentleman from Connecticut (Mr. MALONEY), that is interesting. The gentleman from Massachusetts (Mr. MOAKLEY). Let us go down the line here a ways. There is the gentlewoman from Hawaii (Mrs. MINK). I can go on down. No hearings.

But we reviewed these, and they were good pieces of legislation, and I happen to have the belief that this is a representative form of government. If someone thinks this is right for the district, they have to live with it.

Now to have the environmental communities come out and say that this is bad environmental legislation, this is a disservice. It goes to show us how far the environmental community has gone in the United States. They are zealots. They think nothing of the people that live in those districts, nor the Representatives that represent them.

I am terribly disappointed. In the rule I mentioned that those of us that have legislation in this bill and, in fact, do not vote for this bill, do not come to me next year and say, ''I need this.'' Think about it a moment. My colleagues asked for this. Now they say it is bad because they say there are wrong things in it.

I will say this to the gentleman from New York. I said before he ought to be ashamed, because the gentleman from Utah (Mr. HANSEN) worked very hard with him all through this last 2 years trying to reach a solution. The gentleman from Utah has given, and he gave more than I would have ever given. San Rafael I never would have given up, but he did trying to reach the compromise.

Now to have opposition because certain interest groups call my colleagues on the phone and say this is a bad piece of legislation, my, God, when are they going to start thinking for themselves? It is time to start thinking about America and the people and not some interest group that has a bill around this highway. I am ashamed of those people that respond to those.

Mr. BOEHLERT. Madam Chairman, I yield myself 30 seconds to point out to my distinguished colleague, the gentleman from Alaska, that some of those calls I have received are long distance from Alaska from people up there who are vitally concerned for the environment.

Secondly, I would point out that I hope we do have good memories. Thirty-five Republicans voted on that Chugach measure. We had the Black Caucus which initially supported the position of the gentleman from Alaska (Mr. YOUNG), but upon serious reflection have issued a statement that they are opposed to it.

Madam Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. GREENWOOD).

Mr. GREENWOOD. Madam Chairman, I rise to oppose the bill, and I do so filled with regret, because the gentleman from Utah is a gentleman. He is a friend.

He called me a couple of weeks ago and asked me if I would help him negotiate this bill, and the reason he called me is that one of the roles that has been assigned to me by the majority leader has been to try to build bridges between Republicans, Republicans who some of us come from the Northeast and have one orientation with regard to the environment, and some of our colleagues from the West and other parts of the country who have different perspectives.

The process that we have tried to establish to do that is to say, if the goal is to make law, then that should be an easy process, because if this President is going to sign a bill, and if the goal is to get him to sign the bill, then we can certainly work out our differences.

We tried that. I gave my staff the assignment to spend an awful lot of time on this measure. It did not work. We could not get the bill anywhere close in these negotiations to where it could be signed into law.

If we had, we would have come out here, and the gentleman from New York and I would have done what we done on other occasions. We would say this is not really what we want. We are uncomfortable with this. We are going to take some criticism from some of our environmental supporters. But it is the right thing to do. It is a compromise. We cannot have it all. But that is not what this process yielded. This process did not yield a bill that looks like it has a prayer to become law.

So the question then becomes what is the point of going through this exercise? Is it simply a test of egos? Is it a test of strength? Is it done for political purposes? That is not why I came to Washington. I came to legislate. Legislating means we compromise, we give up the battle one day to fight it on another day. Maybe we can still do that.

I address my remarks to my friend, the gentleman from Utah. Maybe before this session is over miraculously in the little time that remains, we can do that.

□ 1400

But we are not there yet, and as a matter of honor, I cannot support the gentleman today.

Mr. MILLER of California. Madam Chairman, I yield 3 minutes to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Madam Chairman, as the New York Times has rightly editorialized, ''Since sweeping into Washington in 1995, the Contract-With-America Republicans have tried every legislative trick in the book to undermine the Nation's environmental laws.''

The particular trick that elicited that assessment was the Gingrich scheme to tack on some 50 anti-environmental riders, a scheme to tack them into the appropriations bills that is still holding up appropriations bills in this Congress. It is a practice that was appropriately described as our Republican friends ''mugging the environment.''

Well, today we have something a little different. In this omnibus parks bill, we have another legislative trick. In fact, I guess in eager anticipation of Halloween, we have both trick and treat in this bill. The only problem is that the tricks are all in there for the taxpayer, and the treats are there for those who want to exploit the environment and particularly to exploit publicly-owned resources.

Madam Chairman, this bill is a trick because it takes dozens of anti-environmental bills, stirs them all together in a big old legislative cauldron, including a few Democratic proposals that are good, which are sprinkled in there to give this measure a nice touch, as was just described by the honorable chair of our Committee on Resources. This whole mess of a parks bill, seems to have everything in that cauldron but ''eye of Newt.'' And if one looks real closely, one will see not only the eye, but the hand of Newt, the same hand that was out there trying to mug the environment in the appropriations bills.

What does this bill do? Well, it is appropriately called an omnibus bill because it has near omnibus opposition. It has brought together those deeply concerned with protecting our national resources, with protecting our air and our water, protecting our environment; it has brought them together with groups that are aware that we ought not to waste our taxpayer resources. If the taxpayers have paid for these resources, if these are public resources, they ought not to be quickly given away to those that wish to exploit them. So we find both environmental groups and Taxpayers for Common Sense coming together to oppose in an omnibus way this omnibus, awful bill.

What all does the bill do? What is its theme? In short, where there are national forests, clear-cut them. Where there are pristine wetlands, build on them. Where there is a public reservoir, give it away to someone.

This bill is a Frankenstein's monster of bad ideas. It contains loopholes, exemptions, corporate welfare. The Republicans, with the exception of a few, who have had the courage to stand up here today and oppose it, the Gingrich leadership has sewn all this mess together, and they hope to shock it back to life, just prior to Halloween, here on the House floor. It should be rejected.

Mr. HANSEN. Madam Chairman, I yield 2 minutes to the distinguished gentleman from Michigan (Mr. DINGELL).

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

Mr. DINGELL. Madam Chairman, without any recriminations towards any of my colleagues, I recognize there are strong feelings on this, but today the House has an opportunity to make significant progress in moving forward to address a number of important

issues and opportunities with regard to the national parks and the public lands. This is a good bill.

I want to commend my good friend, the gentleman from Utah (Mr. HANSEN), chairman of the subcommittee, for the outstanding job that he has done in going forward on this matter. I also want to commend my old friend, the chairman of the committee, the gentleman from Alaska (Mr. YOUNG) with whom I worked for many years as members of the Subcommittee on Fisheries and Wildlife Conservation on the old Committee on Merchant Marine and Fisheries. There we passed enormous progress in the area of wildlife conservation and the environment. Those were good bills then, and the gentleman from Utah and the distinguished chairman of the committee have carried forward that tradition.

The gentleman from Utah has been very busy the last few days trying to address the concerns, many of which are legitimate, of Members on this side, and members of the environmental community.

The way legislation is achieved is not simply by saying, no, we are not going to pass this. It is by passing this legislation, working together, continuing the dialogue, and moving forward to achieve the necessary compromises that can put together a bill that will ultimately pass the Senate and go to the White House. Today we have the simple opportunity of moving forward on a piece of legislation, or of saying, no, we are not going to.

The gentleman from Utah has done a superb job, and I want to salute him. I will tell him and tell my colleagues that there is a provision in here which will benefit enormously the people of the 16th District in the State of Michigan and those who work in and are dependent upon the auto industry by creating an auto heritage area, which is very, very important to us in Michigan in terms of remembering our history and in terms of celebrating what we in Michigan, and we who are part of the auto industry, have done to make this a greater country.

I would urge my colleagues to approach it in that light; to recognize that while there may be imperfections in this bill, it is a good bill. It is a bill which is good for the country. It is a bill which makes progress. It is a bill which saves and preserves and protects important areas and values, and it is a bill which keeps in mind the great traditions of this country in terms of protecting its heritage, its traditions, its important areas, and its environment.

I urge my colleagues to support the hand of the distinguished gentleman from Utah, the distinguished gentleman from Alaska, and the others who have worked on this. There may be problems, but they are problems which are resolvable in the spirit of goodwill, and I urge my colleagues to approach it in that way.

Mr. BOEHLERT. Madam Chairman, I yield 1 minute to the gentleman from Delaware (Mr. CASTLE), the former Governor.

Mr. CASTLE. Madam Chairman, I thank the gentleman for yielding, and I rise in reluctant, but strong, opposition to this legislation.

It is this simple. We are down to the last few days of this session of the Congress, we are going to go out of session in 3 days or so, and in this time we are going to find a lot of legislation which comes forward which has not gone through the entire committee process, sometimes not even the subcommittee process, and it is too bad in this case, because this is a very good piece of legislation, if we just took certain portions of it. Somebody said as much as 90 percent of it is actually very good, and frankly, I would not be opposed to that at all.

But the bottom line is that there is enough in it to bring it down that the Senate will probably not act on it. The White House will probably veto it if it came there. It has not gone through committee, and it has certain flaws in it which I think are fundamental in terms of protecting the environment of this country.

It would remove areas from wilderness protection that should not be removed from wilderness protection; it would set new and weaker guidelines for such wilderness protection; it would waive normal environmental reviews for a road across world-famous salmon streams; it would create new barriers to the creation of discovery trails, something which is very important; and it would create new incentives to cut trees in national forests and transfer Federal property in a manner that endangers the environment and cheats taxpayers.

The time has come to get a good environmental agenda that we can all agree on. Unfortunately, this bill does not quite reach it. I urge opposition to the bill.

Mr. MILLER of California. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. WOOLSEY).

(Ms. WOOLSEY asked and was given permission to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Chairman, I rise today in opposition to H.R. 4570, the omnibus parks bill. I would like to see a park bill. I would like to see one that we can support across party lines and across environmental and nonenvironmental lines, because our parks are absolutely the treasures of our Nation.

These are the lands that we as individuals have to protect and treasure so that our children will have lands that they can appreciate also. And this bill would threaten these treasures, threaten them by putting the Channel Island National Park, the Cumberland Island National Seashore, and the C&O Canal up for sale.

H.R. 4570 would also accelerate timber harvesting on Federal land and provide a $150 million subsidy to the timber industry for logging on what the Republicans call overgrown forestlands.

This bill would also build a road without environmental review through the wetlands of Alaska's Chugach National Forest.

I would like to see an omnibus parks bill, I would like to see one passed this year, but I want to see one that has significant bipartisan input and fair representation. Sixteen Democratic issues or measures out of almost 100 is not fair representation, no matter how one adds it up.

I urge my colleagues to oppose this bill, and I urge the majority on the Committee on Resources to work with the Democrats and with the environmentalists in their caucus so that we can have a bill that we can pass.

Mr. HANSEN. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. WELLER).

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

Mr. WELLER. Mr. Chairman, I rise in support of the omnibus parks bill because it is a good environmental bill, and it is good for Illinois. I particularly want to thank the gentleman from Utah (Mr. HANSEN) for including a provision in this legislation, a bipartisan provision that has been sought by the gentleman from Illinois, (Mr. LIPINSKI), my friend, and myself which would extend the Commission of the Illinois and Michigan Canal Heritage Corridor for 5 more years.

The Illinois and Michigan Canal Heritage Corridor was established by legislation sponsored by my political mentor, former Congressman Tom Corcoran, in 1984 and expires in the coming year.

This legislation established the first heritage area in the Nation which was established to protect, interpret and preserve historical and cultural resources and to promote recreational activity. The corridor served as a model for the numerous other heritage areas that have since been created. This particular heritage area stretches from the city of Chicago 100 miles west from the district I represent to LaSalle/Peru.

The I&M Canal is home to numerous prairie reserves, hiking trails and parks. Visitors can see a pioneer settlement in Lockport, a nature center in Joliet, the Aux Sable Aqueduct, or a historic courthouse in my hometown of Morris. If that is not enough, one can visit the first site of the famous Lincoln-Douglas debates in Ottawa.

The I&M Canal tells the story of early canal towns and early American culture. It tells the story of the friendship between the Potawatomi Indians and new settlers. The canal provided farmers access to new markets, and was instrumental in the development of the industrial revolution, and contributed to the development of one of the world's greatest cities, Chicago. This heritage area is so rich with culture, history, and national resources.

Mr. Chairman, I want to point out that this initiative is bipartisan, cosponsored by my friend from Illinois (Mr. LIPINSKI) and myself, and would extend the Illinois and Michigan Canal Heritage Corridor Commission for another 5 years. Otherwise, it will expire in this coming year. It is a national treasure. We must extend it.

I want to ask my colleagues to join everyone in a bipartisan effort to help Illinois.

Again, I want to thank the chairman of the subcommittee for his leadership and friendship and also for including something that is important to Illinois in this important legislation.

Mr. BOEHLERT. Mr. Chairman, how much time is remaining?

The CHAIRMAN. The gentleman from New York (Mr. BOEHLERT) has 2½ minutes; the gentleman from Utah (Mr. HANSEN) has 20 minutes remaining; and the gentleman from California (Mr. MILLER) has 12 minutes remaining.

Mr. BOEHLERT. Mr. Chairman, I reserve the balance of my time.

Mr. MILLER of California. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. HINCHEY).

Mr. HINCHEY. Mr. Chairman, this is a very important bill. In one sense I am opposed to it with some reluctance, because I know that my good friend, the chairman of the subcommittee, the gentleman from Utah (Mr. HANSEN), has spent a great deal of time working on this legislation, and I think that he has truly made an effort to accommodate a number of people and their interests and ideas in this legislation.

In many ways the bill contains a number of very good provisions. For that reason I am somewhat reluctant to oppose it. But when one looks at the bill carefully, one finds that overwhelmingly, too many of the provisions are simply unacceptable.

I will just mention a couple. On the issue of the San Rafael, for example, this is a separate bill, and it is treated in this legislation in some unusual ways. It provides some very unorthodox and unusual ways of managing public land. In addition to that, it reduces the acreage of lands that are eligible for wilderness designation, and I think that that is a big mistake. It fails to give Federal agencies the water that they would need to meet their land management goals.

□ 1415

Then they cannot manage the land properly, if we do not allow them to have the water they need in these arid areas to accomplish that objective.

It gives unusual management authority over nationally-owned land to local officials. This, of course, would be establishing a very dangerous and a very wrong precedent. It creates a strong possibility that sensitive areas would be open to vehicle use. These are areas that should be closed to vehicle use in order to protect wildlife and the land itself. People go out on these areas, but they ought not to go out there with vehicles that are going to wreak havoc with the wildlife and ruin the land.

Another provision of the bill deals with the American Discovery Trail. This is a piece of legislation that had broad bipartisan support. It is a top priority of hiking groups, a proposal that would benefit people from coast-to-coast, just as the Appalachian Trail has benefited people up and down the East Coast.

But there is a poison pill in this initiative as well, which would require that all adjacent property owners be notified. This would tie up all or most of the money that is allocated to accomplish the reasonable and good objectives of the bill, and, in short, it would effectively kill the trail. The trail would not come into existence.

The Chugach Road provision, we hear that this has been improved to meet the objections of the Forest Service. But that is not what the Forest Service has told us. We would, under this bill, still be granting an unregulated easement through one of the richest wildlife habitats and migratory bird flyways in the continent.

In the final analysis I think we all have to oppose this legislation, and I have just mentioned a few of the adverse provisions. We have to oppose this on the grounds that this legislation just does not make any sense, and because of that, it is opposed by virtually every environmental group, and the Taxpayers for Common Sense, as well.

Mr. HANSEN. Mr. Chairman, I yield 2 minutes to the gentleman from Nevada (Mr. GIBBONS).

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

Mr. GIBBONS. Mr. Chairman, I rise in strong support of H.R. 4570. Today we have an historic opportunity to enact bipartisan legislation that will not only protect but expand and improve America's cherished national parks and many of its public lands.

Since I have been in Congress, I have had the great fortune and opportunity to work with distinguished men like the chairman of the subcommittee, the gentleman from Utah (Mr. JIM HANSEN) and the chairman of the full committee, the gentleman from Alaska (Mr. DON YOUNG). Their dedication to the environment of America and sound scientific policies that govern our public lands is a tribute to this bill and to the American people who use and enjoy America's national treasures.

This bill will address a wide variety of important national parks, wild and scenic rivers, heritage areas, national forests, and many other public lands issues and concerns. This bill brings benefits to our public lands, including such items as reauthorization of the National Historic Preservation Fund, the Abraham Lincoln Birthplace National Historic Site, George Washington Birthplace National Monument, and the Little Rock Central High School National Historic Site, among others.

This bill reflects the bipartisan goals and directions of this Congress by confirming that the proper management and creation of America's parks and public lands remain a top priority for years to come.

Some in this body will demagogue. Some will come to the well and dispel the importance of this bill. They will say that this destroys our environment, and that it bodes ill will to our national parks and public lands. But I assure the Members, it does not. I would hope each of my colleagues would read this bill, and I would encourage each of them to ask questions on how it will affect our districts, Members' districts, and our constituents.

I, for one, will support this bill, because I know the benefits it brings to my constituents and the benefits it brings to America. I encourage all Members to support the passage of H.R. 4570.

Mr. HANSEN. Mr. Chairman, I yield 1 minute to the gentleman from Utah (Mr. COOK).

Mr. COOK. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of H.R. 4570, but with strong objections. We have jumbled and junked together several bills here, some good, some bad, hoping that the bad bills will be passed by the sheer momentum of the good ones.

I have always considered that a bad way to legislate, but this bill contains a land swap that gives Utah's schoolchildren hundreds of millions of dollars for their education. I voted for that bill earlier this year when it stood alone, and I am voting for this omnibus bill today, only because of that crucial money for Utah's schoolchildren.

This bill contains weak legislation which I believe is devastating to a prized natural resource also in my State, legislation that would fail on its own because it is a bad idea, legislation I have consistently opposed. I am angry and disappointed in the cynical process that ties these two bills together, and I did work, but unsuccessfully, to separate those two bills. What we are doing today is a disservice to the legislative process, but for the sake of Utah's children, I am voting for it.

Mr. MILLER of California. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Mr. Chairman, I think this bill is a disservice to those that have provisions in the bill that are noncontroversial. I think that this is advanced here, on the eve of the conclusion of this session, on the notion that somehow if we come together in an obmnibus bill, we can get this all done together. I think this is a step backwards for those provisions, as we haven't compromised or agreed to such measure.

It is being held out as a bipartisan bill, but the fact is that there has not been an effective agreement between

the leadership of the Committee on Resources, and I think that 2 years ago that was possible in a polarized situation, and we were able to come together in 1996. But as I look here, we have bipartisan opposition to this today, and I think it is much stronger than the support for this bill.

Obviously, some are concerned desperately that they want to pass their legislation that is noncontroversial. I certainly sympathize with the gentleman from Utah, with the school lands problem that he just conveyed to us.

But I think in the end that this process is flawed, that it is going to result in less action by the Senate even with those House bills that are in the Senate today, and certainly the discussion and veto policy from the administration should give great pause. I think if we defeat this bill, we might actually get something done in the end, but this measure is a step backwards today.

As I quoted earlier, Otto von Bismarck said, ''If you like laws and sausages, you should never watch either being made.'' He must have had this bill, H.R. 4570, in mind, Mr. Chairman. The legislation continues the tradition of park pork, and I might say land use pork.

Unfortunately, the legislation is not a mixture of the finest or acceptable products pending before the committee. Instead, it includes some of the worst, with a few rancid proposals that would give the American people and our public lands system more than just a little stomachache. This sets in place precedents that are going to bother us for a long time. It is an affront to the taxpayers of this country in the way that we manage the public lands, give away communication sites, provide for new definitions of logging without laws. It is a return to the thrilling days of the 104th Congress and the antienvironmental message that came from it.

H.R. 4570 is indeed the leftovers from the anti-enviromental last Congress. Under this legislation wilderness lands will be opened to motorized use, logging of our national forests will be accelerated with increased federal subsidies for the logging industry and important federal lands and sites will be sold to private interests. Frustrated by the public outcry and opposition to their proposals in the last Congress, the majority party, in the waning days of this Congress, is seeking to slip through their ill conceived pet projects in this bill and the 50 riders that have been added to the appropriations measures. These proposals should be rejected.

H.R. 4570 is death by a thousand cuts of many of our most important federal land management laws. The legislation establishes exemptions for wilderness that will be carried forward into future actions creating precedent and changes that will be repeated over and over again to the detrement of the environment. It undermines the basic review process for the National Environmental Policy Act in order to accelerate logging.

Perhaps most importantly, this bill calls into question the basic issue of to whom do our national forests and public lands belong. The American public and past Congresses have acted under the core belief that these lands belong to the American people and that with these lands there is a trust responsibility to pass them on to future generations in at least as good a condition as we received them. This legislation turns that belief on its head. Instead the bill turns our national lands over to the highest bidder through timber sales, the transfer of federal reclamation projects to private interests and the sale of federal lands and historic sites.

Mr. Chairman, the American people spoke loud and clear in outrage to the anti-environmental agenda in the 104th Congress. Their views remain as strong today. I urge my colleagues to reject this anti-environmental proposal.

DEPARTMENT OF AGRICULTURE,
Washington, DC, October 7, 1998.

Hon. GEORGE MILLER,
Ranking Democratic Member, Committee on Resources, U.S. House of Representatives, Washington, DC.

DEAR GEORGE: Several provisions of H.R. 4570, the Omnibus National Parks and Public Lands Act of 1998, would give away or exchange National Forest System lands without adequate compensation to the public. Moreover, the bill contains at least two very controversial forest management provisions that would inappropriately legislate a road easement over environmentally sensitive Alaskan lands and accelerate timber harvesting through an improper application of alternative arrangements for the environmental review process under the National Environmental Policy Act (NEPA). While the Department of Agriculture (USDA) supports some provisions in the bill, the number of objectionable provisions far outweigh them; therefore, I would join the President's senior advisors in recommending that the President veto this legislation if it were submitted to him in its current form.

Regarding section 1009, East Texas blowdown-NEPA Parity, of Title X, Miscellaneous Provisions, the Administration believes that the procedures it follows for alternative NEPA compliance processes to mitigate true natural resource emergencies are more than adequate. USDA strongly opposes expanding the use of these alternative NEPA processes to non-emergency activities, such as the large majority of timber salvage sales.

Section 1432, Easement for Chugach Alaska Corporation, of Title XIV, Provisions Specific to Alaska, legislates an easement for construction of a road across the Chugach National Forest, Near Cordova, Alaska. I have previously stated that I would recommend a veto of earlier versions of this legislation because they give away much more public land, without compensating taxpayers, than necessary to build the road. In addition, they provide the native corporation the opportunity to construct facilities, such as gas stations and restaurants, in an extraordinarily environmentally sensitive area managed solely for wildlife and fish. The Forest Service and the native corporation agreed in 1982 on the terms and conditions of this road easement, including not allowing commercialization along this easement. Therefore, any legislation concerning this easement is neither appropriate nor necessary.

The Administration also strongly objects to section 105, Wasatch-Cache National Forest and Mount Naomi Wilderness, Utah, of Title I, Boundary Adjustment and Related Conveyances; and sections 231, Authorization of use of National Forest lands for public school purposes, and 251, Conveyance, Camp Owen and related parcels, Kern County California, of Title II, Other Land Conveyances and Management, which would convey Federal and out of the public's ownership either for less than market value or in exchange for lands that are undesirable for the public to own.

Your consideration of these matters is greatly appreciated. I am sending an identical letter to Chairman Don Young.

Sincerely,

DAN GLICKMAN,
Secretary.

THE SECRETARY OF THE INTERIOR,
Washington, DC, September 29, 1998.

Hon. DON YOUNG,
Chairman, Committees on Resources, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: On behalf of the Administration, I am writing to you regarding H.R. 4570, the ''Omnibus National Parks and Public Lands Act of 1998.'' H.R. 4570 is a compilation of many separate bills that are of interest to your Committee.

This bill contains many provisions that have previously been strongly opposed by the Administration. These provisions would cause serious damage to our natural resources by, among other things, removing land from wilderness and other protective status to facilitate road building, motorized access, and airport construction.

Indeed, the Chair of the Council on Environmental Quality and I have previously informed the Committee that we would recommend to the President that he veto several of the provisions of this bill, such as those involving San Rafael Swell (Utah), congressional review of National Monument designations, and National Environmental Policy Act (NEPA) parity—East Texas Blowdown.

Over the course of the 105th Congress, the Administration has expressed its support for many provisions now included in H.R. 4570, and we would fully support their enactment were they presented to the President as free-standing bills. However, we cannot endorse them when combined with other provisions we strongly oppose. For example, the bill includes provisions of H.R. 3830, a bill to ratify an exchange agreement between the Department of the Interior and the State of Utah. As you know, the Administration strongly supports enactment of H.R. 3830. However, I made it clear in my testimony of May 19, 1998, that the Administration's support still would not apply if the bill were combined with other objectionable legislation.

Since this is now the case, I must inform you that the Administration is strongly opposed to the enactment of H.R. 4570 and, if the bill is presented to the President in its current form, we will recommend that he veto this legislation.

Sincerely,

BRUCE BABBITT.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, October 5, 1998.

Re H.R. 4570—Omnibus National Parks and Public Lands Act of 1998.

For the reasons outlined below, the President's senior advisors will recommend that the President veto H.R. 4570 if the bill, either as introduced or in the form of the proposed substitute amendment, is presented to him.

H.R. 4570, an omnibus bill that would affect Federal lands and reclamation projects, includes many provisions that the Administration strongly opposes because they would cause grave harm to the Nation's natural resources. These include provisions that would: Designate insufficient wilderness areas within the San Rafael Swell in Utah; sanction uses within the proposed wilderness area that would undermine wilderness values and management practices; establish confusing and inappropriate layers of management;

and limit the Bureau of Land Management's ability to manage livestock.

Undermine the President's authority under the Antiquities Act to act quickly to protect significant natural, historical, and scientific resources on Federal lands; and prohibit, under the Antiquities Act, permanent designations of national monuments in excess of 50,000 acres without further congressional action.

Seek to accelerate timber harvesting on Federal lands through inappropriate application of alternative arrangements for the environmental review process under the National Environmental Policy Act (NEPA), while at the same time requiring the issuance of unnecessary, bureaucratic regulations which can hamper flexibility in addressing emergency situations.

Deny the public future access to lake-front lands around Canyon Ferry Reservoir, Montana, by conveying these properties to non-federal entities.

Permit the sale and lease of valuable structures and lands at Channel Island National Park, California, to private individuals.

Exclude certain lands and roadways from the Cumberland Island Wilderness, Georgia, thus undermining the ongoing collaborative effort between the Federal Government, non-federal public entities, and private individuals to prepare a wilderness management plan for both the Cumberland Island National Seashore and the Cumberland Island Wilderness.

Convey facilities and lands of eight Federal water resources projects throughout the West (e.g. the Sly Park Unit of the Central Valley Project, California) under terms and conditions that: (1) were not developed in an open and public manner; (2) lack sufficient environmental protections; and (3) fail to consider the financial interests of the American taxpayer.

Allow an airport to be constructed near Mojave Preserve, Nevada, without any consideration of the possible harmful environmental impact and effect.

Grant an irrevocable and perpetual easement over environmentally sensitive lands in the Chugach National Forest, Alaska, to the Chugach Alaska Corporation, thereby overriding the provisions of the 1982 Settlement Agreement with the Corporation's predecessor organization.

Notwithstanding the Administration's strong opposition to these and other provisions of the bill, as listed in the Attachment, the Administration has expressed support for some provisions that are now included in H.R. 4570. The Administration would fully support enactment of those particular bills, especially the legislation that would ratify an exchange agreement between the Department of the Interior and the State of Utah, if they are presented individually to the President.

PAY-AS-YOU-GO SCORING

H.R. 4570 would affect direct spending; therefore, it is subject to the pay-as-you-go (PAYGO) requirement of the Omnibus Budget Reconciliation Act of 1990. OMB's PAYGO estimate for this bill is under development.

ATTACHMENT

The following provisions of H.R. 4570, in combination with the aforementioned provisions, would also cause grave harm to the Nation's resources and, thus, are objectionable to the Administration:

Wasatch-Cache National Forest and Mount Naomi Wilderness, Utah; Conveyance to Clark County Department of Aviation, Nevada; Authorization of Use of National Forest Lands for Public School Purposes; Conveyance of Camp Owen and Related parcels, Kern County, California; Protection of Oregon and California Railroad Grant Lands; Addition of the Paoli Battlefield to the Valley Forge National Historical Park, Pennsylvania; Casa Malpais National Historic Landmark, Arizona; Amendment of Land and Water Conservation Fund Act of 1965 regarding Treatment of Receipts at Certain Parks; Amendments to the National Historic Preservation Act (the Administration, however, supports the Senate-passed bill that would reauthorize the National Historic Preservation Fund); and Hazardous Fuels Reduction.

Guadalupe-Hidalgo Treaty Land Claims; Acquisition and Management of Wilcox Ranch, Utah, for Wildlife Habitat; Operation and Maintenance of Existing Dams and Weirs, Emigrant Wilderness, Stanislaus National Forest, California; Exemption for Not-for-Profit Entities from Strict Liability for Recovery of Fire Suppression Costs; Communication Site at San Bernardino National Forest, California; Amendment of the Outer Continental Shelf Lands Act; Carlsbad Irrigation Project, New Mexico; Palmetto Bend Project, Texas; Minidoka Water Reclamation Resources Project, Idaho; Wellton-Mohawk Division, Gila Project, Arizona; Colusa Basin Watershed Integrated Resources Management, California; and Moratorium on Federal Management, Alaska.

Mr. HANSEN. Mr. Chairman, I yield 2 minutes to distinguished gentleman from Tennessee (Mr. DUNCAN), the chairman of the Subcommittee on Aviation of the Committee on Transportation and Infrastructure.

Mr. DUNCAN. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in strong support of this very bipartisan bill which improves parks and public lands in 36 States, and includes requests from over 70 Members.

I first would like to thank my good friend, the gentleman from Utah (Chairman HANSEN) for his hard work and leadership in crafting this legislation. There is no man in this Congress who is more fair or kinder than the gentleman from Utah (Mr. JIM HANSEN), or more well respected on both sides of the aisle.

I would like to briefly discuss two provisions of this bill which would emphasize why I believe my colleagues should support H.R. 4570. First, this bill includes a provision of legislation I introduced which would allow national parks which cannot collect entrance fees to keep all other fees on site for park improvements.

For instance, the Great Smoky Mountains National Park, which is the most visited national park in the country, keeps roughly $800,000 of all the other fees collected in the park. In comparison, the Grand Canyon National Park, under the Fee Demonstration Program, has been allowed to keep over $10 million a year.

Under this bill, the Great Smokies will be allowed to keep all of the fees collected since it cannot, due to deed restrictions, collect an entrance fee. This would mean roughly $250,000 each year for this most visited national park. This provision is supported by organizations like the Friends of the Smokies and the Sierra Club. This provision has just passed the Senate outline.

The second provision of this bill I want to alert my colleagues to is one which will lead to the designation of the Midway Atoll as a national memorial. H.R. 4570 includes language of a bill I introduced which will require a study of the Midway Atoll in order to designate it as a national memorial. As we know, the Battle of Midway was a pivotal battle in the Pacific during World War II. I believe we should take this important step towards honoring our veterans who fought for our freedom in this battle.

The Midway Study Act is supported by the American Legion, the Veterans of Foreign Wars, the Association of Naval Aviation, the Battle of the Coral Sea Association, the Midway Memorial Foundation. This is good legislation, and this legislation contains very many bipartisan measures which every Member of this body should support.

Mr. HANSEN. Mr. Chairman, I yield 2 minutes to the gentleman from Montana (Mr. HILL).

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

Mr. HILL. Mr. Chairman, I thank the chairman of the Subcommittee on National Parks and Public Lands for yielding time to me, and also for including a provision that is very important to my home State of Montana. It is a provision that allows for the sale of about 300 acres of land that adjoins Canyon Ferry Reservoir, and to set aside the proceeds of that sale into a trust fund that can be used for conservation purposes, land acquisition and conservation needs in the area of Canyon Ferry Lake.

This measure is supported by our Governor, both Senators, both political parties, almost all local conservation groups and sportsmen groups. It has been the subject of hearings, and it has been reported out by the Subcommittee on National Parks and Public Lands.

Mr. Chairman, this is extremely important to this local area because it would put aside a matter that has been an ongoing dispute between these cabin site lessees and the Federal Government. But even more important is that these proceeds would be put aside for conservation purposes.

This is an important watershed that is an important trout habitat and spawning area. These proceeds could be invested in improving those fisheries. It will improve access to Canyon Ferry Lake. It will be used to improve the campground facilities around the lake, and it will also reduce the the Federal government's debt.

Mr. Chairman, I urge all of my colleagues to support this public lands and parks measure. I thank the chairman for including this provision in the bill.

Mr. HANSEN. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from New Jersey (Mrs. ROUKEMA).

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

Mrs. ROUKEMA. Mr. Chairman, I will abbreviate my remarks to say how important this portion of this obmnibus legislation is to northern New Jersey, and specifically the Fifth Congressional District.

The Delaware Watergap National Recreation Area, the crown jewel of our national parks, one of the crown jewels, is located in that district. We have to here, in this bill, reauthorize the Citizens Advisory Commission, which was created 10 years ago with the support of myself and our colleague, the gentleman from Pennsylvania (Mr. JOE MCDADE).

That advisory commission runs out October 31. It must be reauthorized. It is essential so that the people of northern New Jersey and the constituents in my district can have a say in how that park system is being run. Time is running out, it is late. My constituents need this commission, and the obmnibus bill represents our last best hope to do that.

I want to thank the committee for having the farsightedness to deal with this issue.

Mr. Chairman, I rise in support of H.R. 4570, the Omnibus National Parks and Public Lands Act of 1998. This massive package contains legislation that is critically important to northern New Jersey and the western portion of New Jersey's Fifth Congressional District—that portion of the District that includes the Delaware Water Gap National Recreation Area.

The Delaware Water Gap National Recreation Area is one of the crown jewels of the National Parks Service system. The largest national park east of the Mississippi—the Water Gap is a recreation and tourism centerpiece for the nation. Its economic benefits to the surrounding communities in Sussex and Warren Counties in New Jersey are quite significant.

The Citizens Advisory Commission was created through legislation that I sponsored, along with our Colleague Joe McDade, in 1988. This Commission has operated with virtually no cost to the taxpayers. Yet, this Commission has made an invaluable contribution to the region.

Without the Delaware Water Gap Citizens Advisory Commission, the general public would have virtually no involvement in the development process of the park. The communities in this part of the state would have no direct mechanism through which to affect Park Service policy. Without this legislation, the Commission will cease to exist on October 31 and our communities in northern New Jersey will have lost a valuable tool. This is the 11th hour and time is of the essence.

Mr. Chairman, H.R. 1894 is a non-controversial bill that would reauthorize the Delaware Water Gap National Recreation Citizens Advisory Committee and deserves to be passed. I had hoped that this legislation would be brought up on the Suspension Calendar earlier in the year. For whatever reason, that has not happened.

The time is now late. This session is rushing to a conclusion. We are faced with two unattractive prospects—either watch this valuable commission fade out of existence, or vote for a massive package containing environmentally sensitive provisions I do not support. I would sincerely hope that as we move through this legislative process that further progress could be made on these controversial issues.

But the major portion of the bill is constructive and very valuable to our park systems.

My constituents need this Commission. This omnibus bill represents our last best hope to do that.

Mr. BOEHLERT. Mr. Chairman, I yield 2 minutes to the gentleman from Oklahoma (Mr. COBURN).

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

Mr. COBURN. Mr. Chairman, there is not anybody in this House that I respect more than the gentleman from Utah (Chairman HANSEN). There are a ton of good things in this bill, especially for Western States. I support those things. But this bill steps on property rights as much as anything in the 4 years that I have been here.

We cannot continue in Washington to decide that we are going to take private property rights away from people, that we are just going to unilaterally do it. Let me give a couple of examples in this bill. We are going to create an American Discovery Trail across the Nation, probably a pretty good idea, and right now it says it is going to be voluntary, or government land.

What is going to happen next year, when the voluntary land and the government land is there, and one of my farmers is right in the middle, or one of the farmers in Kansas is right in the middle? What is going to happen? We are going to take their land away from them. It is going to go away, for us to complete the trail. Two-thirds of that land is going to come from private property owners.

□ 1430

There is also in this bill an area called the Sudbury, Assabet, and Concord Wild and Scenic Rivers provision. The agreement to have that done was an agreement that there would be no takings associated. There was a piece in the original bill that would protect private properties. That has been excluded from this bill. The Antiquities Act. I know, it is out. The Antiquities Act is out. It is one of the things that in fact precludes the President from taking 1.7 million acres in Utah. And because he objects, we are going to take it out.

The gentleman from Utah (Mr. HANSEN) and the gentleman from Alaska (Mr. YOUNG) both have my respect. I am probably wrong on the issue that overall this bill may be better for us than it is bad for us, but I cannot see that we have such great wisdom that we once again are going to take private property away from those American citizens who worked hard to earn it without their permission.

Mr. HANSEN. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona (Mr. HAYWORTH).

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

Mr. HAYWORTH. Mr. Chairman, I rise in strong support of the legislation, for I too take a back seat to no one in adherence to property rights. And at the same time, I believe everyone in this House should look carefully at this legislation and ultimately support it, not exclusively for recreation, although recreational reasons are at stake here; not exclusively for preservation, although the Casa Malpais area in the Round Valley of Arizona with great archaeological value would be preserved; but the most important reason I believe we should support this legislation is for a reason that might not occur to many in this House. That is education.

We heard the gentleman from Utah, despite his many reservations, rise in support of the schoolchildren of that State. I would rise in strongest support of this legislation for the new Education Land-Grant Act that is included in this bill. Understand, in a bipartisan way we worked together to set up a new provision in U.S. Code to designate certain nonenvironmentally sensitive parcels of federally controlled land to be conveyed to rural school districts for the construction of new academic and athletic facilities.

Mr. Chairman, we have heard a lot in the politically correct double-speak of Washington, D.C. and all the talk about benefitting our children and education. And I will tell my colleagues this, Mr. Chairman, nothing will do more for the rural schoolchildren north, east, west and south, than this particular provision within this omnibus bill. It will revolutionize educational opportunities much as we saw done in a smaller piece of legislation in the Alpine District in the 6th District of Arizona. In these districts that find themselves cash poor but land rich, this is a chance to help them. Let us really help children and education.

Mr. MILLER of California. Mr. Chairman, I ask unanimous consent that I may be able to yield 3 minutes to the gentleman from New York (Mr. BOEHLERT) and that he be allowed to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BOEHLERT. Mr. Chairman, I reserve the balance of my time.

Mr. HANSEN. Mr. Chairman, I yield 1 minute to the gentleman from Indiana (Mr. SOUDER).

Mr. SOUDER. Mr. Chairman, I rise in support of this bill and in particular would like to thank the gentleman from Alaska (Chairman YOUNG), the gentleman from Utah (Chairman HANSEN), and the rest of the committee for their leadership for including our National Historic Preservation Act for lighthouses. Senator MURKOWSKI and I began working on this bill last year. He held hearings on the bill last year in the Senate. We worked closely with the nonprofit lighthouse preservation groups and the Coast Guard and the National Park Service and the GSA.

Let me make it clear, I have no lighthouses in my district. So do not try to and come to northeast Indiana to see lighthouses. This bill is for lighthouse lovers across America.

Many of these historic lighthouses have been developed by nonprofit groups and then go up for bidding. There are about 400 that are going to be excess property and we need a procedure so that individual Members of Congress do not have to come down here to try to preserve these things, and so that the nonprofit groups do not have to bid against the very things that they helped set the equity for.

I commend the chairman for moving this. I believe this sets an orderly procedure. And I know that many Members of this body have lighthouses in their district and groups that this would be very important to.

Mr. HANSEN. Mr. Chairman, I yield 2 minutes to the gentleman from Kentucky (Mr. LEWIS).

(Mr. LEWIS of Kentucky asked and was given permission to revise and extend his remarks.)

Mr. LEWIS of Kentucky. Mr. Chairman, I rise today in support of H.R. 4570, the Omnibus National Parks and Public Lands Act of 1999. H.R. 4570 is comprehensive, common sense legislation which incorporates a number of resource bills that will ultimately benefit 36 States throughout this great Nation of ours.

Once again, some environmental extremists are determined to torpedo any legislation that proposes to alter the status quo, despite the fact that many compromises have been reached to address their concerns. Since the tactics of fear can be a powerful weapon, I believe a careful review of the legislation will assure my colleagues that H.R. 4570 is no threat to our environmental interest.

It does, however, mark a major step in resolving some important public lands issues and also presents the 105th Congress a great opportunity to help fulfill the dreams and plans of so many Americans who cherish our national parks and our national historic and natural resources.

Many States and communities across this country worked very hard to establish these historic heritage areas, such as Automobile National Heritage Area in Michigan and Indiana, and the Midway Atoll as the national memorial to the Battle of Midway. Still other measures will further protect our great national resources by providing for expansion and improvements to our National Parks.

I am particularly grateful to the gentleman from Utah (Chairman HANSEN) and the members of his subcommittee for supporting legislation which would add a very important property to the Abraham Lincoln Birthplace National Historic Site, Knob Creek Farm of Hodgenville, Kentucky, the boyhood home of Abraham Lincoln.

The preservation of Knob Creek Lincoln Farm, as important as it is, represents only a single part of H.R. 4570. The Omnibus National Parks and Public Lands Act of 1999 allows us to move forward with what I believe are balanced proposals to protect and more effectively manage our National Parks, national forests, scenic rivers, and other public lands. Also, it offers improved access for Americans to enjoy the vast beauty of our national resources and proud history throughout our country.

Mr. Chairman, I urge my colleagues to support this reasonable and comprehensive legislation.

Mr. HANSEN. Mr. Chairman, I yield 1 minute to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Chairman, I rise in support of H.R. 4570. It represents a wide, bipartisan group of projects of local interest. And it is amazing to me how most of these are very specific to certain areas that the local folks have all supported, and yet when it comes to Washington, experts up here are saying that the locals really do not know what they are doing. We better kill this legislation.

I think that this is a good bill. The part that I have the most interest is Cumberland Island in Georgia. The reason I support that is that we have historic properties on a historic island that was deemed a wilderness area. One of them is a 100-year-old mansion and the other part is a settlement that was founded by freed slaves. Mr. Chairman, we cannot name the number of villages founded by free slaves in the United States of America. There are not any. Yet here is one and it is right in the middle of a wilderness area and the Park Service, under their present plan, will let it fall to pieces because that is what a wilderness mandates. What our provision does is that it frees those properties, the 100-year-old mansion and the freed slaves area, also incidently called The Settlement, and allows them to be saved and protected for future generations because of their very historical significance.

Mr. HANSEN. Mr. Chairman, I yield 2 minutes to the gentleman from Utah (Mr. CANNON).

Mr. CANNON. Mr. Chairman, I would like to thank also the gentleman from Utah (Mr. HANSEN) who is also the chairman of the subcommittee, for this opportunity to speak and for what I think is a very good bill.

I would like to associate myself with the comments made by the gentleman from Georgia (Mr. KINGSTON) about the rationale, the difficulty of the rationale of Federal people substituting their judgment for that of locals.

I think this is a wonderful bill with a lot of local interest that works very well for local people. In my district, we have several bills that are affected. I do not think anybody in America is unaware of Arches National Park. It is the beautiful sandstone, freestanding arches and other beautiful sandstone formations in southern Utah.

We have in this bill a bill that would expand Arches to include the full geographic area and that would result in a much more beautiful and satisfying experience in the park. So I urge support for this bill on the basis of that.

Also in this bill there is an attempt to make adjustments for some of the technical problems with the Grand Staircase and Escalante National Monument. Members will recall it was well-documented that it was done without consultation with local folks, Congressmen, Senators or county commissioners, and a number of mistakes were made. I think everybody agrees on the changes that need to be made to that and we need to get that passed in this bill.

We also have language that would privatize the small Federal town of Dutch John. This is one of those few remaining Federal towns where bureaucratic restrictions cost a million dollars a year in government expenditures that could be borne privately at a much lower cost. We need to pass this law to privatize Dutch John and relieve the Treasury of that kind of an expense.

Thirdly, let me point out that we have, as the gentleman from Utah (Mr. COOK) has pointed out, a huge trade of school trust lands that has been negotiated and considered. It is a very important trade and it will do wonderful things for the children of Utah and their schools.

Lastly, let me just deal with briefly the San Rafael Swell. This is the area where Butch Cassidy and the Sundance Kid roamed and was made famous by that movie. It is a harsh and beautiful area that needs to be managed according to what the locals understand and that is appropriate in this bill.

Mr. HANSEN. Mr. Chairman, I would inquire how much time I have remaining.

The CHAIRMAN. The gentleman from Utah (Mr. HANSEN) has 4½ minutes remaining.

Mr. HANSEN. Mr. Chairman, may I inquire who has the right to close?

The CHAIRMAN. The gentleman from Utah has the right to close.

Mr. HANSEN. Mr. Chairman, I yield 1 minute to the gentleman from Alabama (Mr. RILEY).

Mr. RILEY. Mr. Chairman, I rise today in strong support of H.R. 4570. Once enacted, H.R. 4570 will go a long way to expand, to protect, and to improve our national park system. This bipartisan effort is a compilation of over 80 bills designed to enhance and protect the environment and our public lands.

Moreover, the omnibus park bill will create a new Heritage Area and historic sites that will help our Nation to celebrate the true American experience. Of particular interest to me is the creation of the Tuskegee Airmen Historic Site in Moton Field, Alabama.

Mr. Chairman, by any standard, the famed Tuskegee Airmen of World War II were and are true American heroes. The Tuskegee Airmen, in my view, should be remembered, honored, and

thanked for their courageous, selfless efforts to preserve and protect the freedoms that we enjoy today. I believe that the Tuskegee Airmen National Historic Site will be a fitting and a worthy tribute to these American heroes.

Mr. Chairman, I want to thank the gentleman from Utah (Chairman HANSEN) and the gentleman from Alaska (Chairman YOUNG) for including this historic site in the bill. I believe that the Tuskegee Airmen deserve no less from any of us today, and I urge my colleagues to vote in favor of this bill.

Mr. HANSEN. Mr. Chairman, I yield 1 minute to the gentleman from Nebraska (Mr. BEREUTER).

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

Mr. BEREUTER. Mr. Chairman, I was involved in a hearing and I happened to see some comments on the television monitor by the distinguished gentleman from Oklahoma (Mr. COBURN) and I have to tell my colleagues that despite his good intentions, they are inaccurate.

Because of a huge effort the trails organization made over several years, and as a result of a thorough study, of the 6,000-plus miles in the American Discovery Trail, only 58 miles of the trail cross private property. Most of that is in the hands of a few big electrical utilities.

There are less than 20 private property owners that are affected by this 6,000-plus mile trail. And all of them, every single one of them, have given consent or signed agreements permit access for the trail.

Furthermore, there is an absolute prohibition against imminent domain or even the voluntary sale by owners of the private property for the American Discovery Trail.

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Now, I am very unhappy that this legislation is a part of the overall omnibus bill. I was guaranteed by the chairman the gentleman from Alaska (Mr. YOUNG) that the ADT legislation, my bill, would be brought up separately. It has great support in the House, passed in the other body, but I do not want the argument raised in this debate that the ADT presents a private property issue. It absolutely does not. There is no way that the ADT component of this legislation threatens private property rights; therefore I ask Members to disregard those comments by the gentleman from Okahoma (Mr. COBURN).

Mr. MILLER of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, many Members have come down to this floor and commented on a number of good projects in this bill, and that is, in fact, accurate. But many Members who have good projects in this bill will be opposing this legislation because they understand that they are being used; that they are being held hostage to get some very bad pieces of legislation enacted into law.

In fact, many of the organizations that are supporting many provisions that are in this bill oppose this bill because they understand that the harm that will be done by this bill is greater than the good that will be done by those provisions, many of which have bipartisan support. They also understand that this legislation, that a good portion of these bills, in fact, have received no hearings.

Some 33 provisions of this legislation have received no hearings, 62 provisions have never been reported from committee, and yet we are told at the end that we have to take these provisions so that we can have a few good pieces, in many cases noncontroversial pieces of legislation, pass. That is not the way this place should work and that is not the way it will work. Why? Because there is another way to do this.

We started negotiations about this legislation, and the gentleman from New York (Mr. BOEHLERT) and the gentleman from Pennsylvania (Mr. GREENWOOD) and others started negotiation separate from ours about this. We told them there were things we thought should be put in this bill. They took those things but they refused to take any of the bad pieces out. They kept trying to add more things to it that were better in this bill so they could continue to pull the bad pieces of legislation with it.

It has turned out that that simply will not work. The people understand that and the environmental organizations understand that. That is why they are opposing it. The administration understands that. That is why the administration is opposing it. That is why it has been recommended that the President veto this legislation.

Members have said, well, 2 years ago we did the same thing. No, 2 years ago we did not do the same thing. Two years ago we had this kind of bill and we could not even get it to the floor of the Congress. Then, later, we negotiated it out in real negotiations, between Members of each side and the administration, and we worked basically on a bill that passed overwhelmingly and was noncontroversial with huge bipartisan support. That is the way this legislation should work.

We should not be coming here at the last minute and lumping in water projects, lumping in bad environmental projects, lumping in projects that have had no hearings, that have not gone through the committee process, that we do not know the cost of them, that waive environmental laws, that waive all kinds of planning and process that are necessary to protect the environment.

In fact, many of the local organizations that have supported these projects in many instances did so because they believed that they would continue to have a local voice in how those projects were designed and what the benefits were and what the detriments were so they could have a project they are proud of. Now we have legislation that, in fact, waives many of those provisions for that kind of planning and environmental review of these projects.

That is why this legislation should be rejected. That is why this legislation should be rejected on a bipartisan basis, because it is not about whether or not a few of the provisions in here that are noncontroversial, that are bipartisan in their support, that have support from the administration are good or not, it is the fact that this legislation has numerous, numerous components of it that are offensive to environmental policy, that are offensive to environmental planning, and that are, in many cases, offensive to local communities that oppose them.

Those bills ought to be brought to this floor and they ought to be debated in the light of day. They may still pass on a majority vote, but they ought not to be put in this bill to sink this bill down so that it cannot happen. The best thing we can do for people who want provisions passed is to kill this bill and then get on with the negotiations to negotiate a bill that, in fact, upholds the standards of environmental policy in this country, that will pass the administration's review and will have bipartisan support and then can pass the Senate.

If this bill goes over to the Senate in the number of days left, given the controversy in the bill, we will end up with nothing. We will end up with nothing. So the point is, if we really and truly want our projects, what we should do is understand that we ought to negotiate from a good bill, not trying to add things on to a very bad bill and hoping that that will make it pass.

I ask for the Members to oppose this legislation, to join the administration, to join the taxpayer organizations, and to join the environmental organizations in opposition to this legislation.

Mr. BOEHLERT. Mr. Chairman, I yield myself such time as I may consume.

I rise to once again reinforce my opposition to this measure. And it is too bad that it has worked out this way, because it could have been worked out in such a way that this bill would have passed unanimously in the House of Representatives. Ninety percent of the provisions in this bill are good provisions and could pass on the suspension calendar, which is reserved for noncontroversial items. But 10 percent of the bill, 10 percent of the bill, is not good. It is bad public policy. I would suggest to my colleagues that anyone who wants to do good would not prescribe a solution, a potion, 90 percent penicillin laced with 10 percent arsenic.

Let us recap what this bill would do. This bill would remove areas from wilderness protection. It would set new weaker guidelines for wilderness protection. It would waive normal environmental reviews for a road across

world famous salmon streams. It would create new barriers to the creation of discovery trails. It would create new incentives to cut trees in national forests. And it would transfer Federal property in a manner that endangers the environment and cheats taxpayers.

Now, this is not just my view. This is not just the view of many of us in this chamber. This is the view of a whole wide range of organizations. Let me point out, first of all, that the opposition is led by the gentleman from California (Mr. MILLER) and this Member from New York, from coast to coast.

But this is region specific, too. For example, the opposition comes from the Alaska Rainforest Campaign and from the Alaska Wilderness League. The opposition comes from the Southern Utah Wilderness Alliance and from the Federation of Western Outdoor Clubs. If that is not enough, these region specific organizations, such national organizations as Friends of the Earth, the Isaac Walton League, the National Environment Trust, the National Trust for Historic Preservation, Physicians for Social Responsibility, and the National Audubon Society all strongly oppose this legislation, and with good reason. It does harm to the environment.

Now, we want a bill that would be signable, a bill that actually has an opportunity to become law. Let me point out that one of the previous speakers, the gentleman from Tennessee (Mr. DUNCAN), rightly enumerated a number of measures in this bill that he supports and, quite frankly, we all support them. They are noncontroversial. They were passed by the Senate, as he so properly suggested. They would be passed in this bill if they were presented to us separate from all the controversial provisions that have been added on.

This is an effort that is unfortunate, but the fact of the matter is we have to stand up here and register our strongest opposition, not just with all the environmental groups, not just with the Taxpayers for Common Sense, but with those who are offended by the process, a process that says a 450 or so page bill can be introduced and 3 weeks later, without the benefit of full committee hearings, without the benefit even of subcommittee hearings on some of the more controversial provisions are presented to the people's House in the closing days of a session for consideration.

That is a process, quite honestly, that offends many of us here, whether we are for or against the individual bill. We want thorough deliberation. We want open and public hearings. We want a chance for the people's House to examine all of the various provisions.

So for all of the above reasons, I rise in strong opposition to this measure and point out that the amendment to be offered by the chairman will not correct those deficiencies.

Mr. HANSEN. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, let me point out this has probably been one of the most interesting debates I have heard in a long time. It is interesting to note that some people are worried about property rights, and some people are worried about heritage areas, and some people are worried that maybe some in the environmental community did not get everything they wanted in this particular piece of legislation.

I would like to ask my colleagues, can anybody name a bill around here that everybody got what they wanted in it? This is not a 10, but none of us here are a 10. We are lucky if we are a 4, if we look at some of the political polls right now. When we get right down to it, this bill is probably a high 8.

Some people have one little particular area and they say, gee, I do not feel good about that so I am going to vote against the whole package, throw out the whole thing and forget all the goods things in there. That does not make any sense. I have never seen a piece of legislation like that.

We keep hearing the idea of the President vetoing this. We all know it will be vetoed. As I mentioned before, last time around he said the same thing, and I stood in the oval office and he signed the bill. That was 2 years ago.

Now, he did send up some things he was objecting to: The San Rafael Swell. So we made the changes he wanted. So who is talking about San Rafael Swell around here? The antiquities Act. He could not go along with that, even though his administration acknowledged they violated the law when they did the Grand Staircase Escalante. So we took it out. It is not there. He also talked about NEPA parity, but we have worked on that. So where is the obstruction?

The most interesting thing about this debate that I have heard is no one has said, specifically in this one piece, we do not like that. We talk about all these people that are against it. My good friend from New York mentioned a few of them. Tell me what environmental community can we please around this country, anyway? In Utah, if I gave SUWA 5.7 million acres, they would want 8.5. If I gave them 8.5, they would want 15. The same with these other organizations. We cannot please them all. Who believes we can do that in this country? Can we all please our wives, can we please our kids and our colleagues? Nobody can.

So look at this thing. On a scale of 1 to 10, we have a high 8. Put that green card in there and vote a green button and we will be all right and we will get something moved. We will get to the Senate and get some good legislation. This idea we are all going to sit down and have a good Sunday school lesson and we are all going to agree on something is poppycock. Has that ever happened around here in 200 years? Of course not. It never happens.

The only thing I have ever seen we have agreed on is when we gave a gold medal to Queen Beatrice. I think it got 100 percent. And we are not giving any gold medals today. We are trying to move some good legislation.

I think it is interesting that many of these organizations that have the name Utah on them have their headquarters in New York. I thought the gentleman from New York (Mr. BOEHLERT) would enjoy that.

So I urge my colleagues to do everything they can to vote for this bill. Let us get it out, let us get something done for America and get off this nonsense that it needs 100 percent. It will never happen.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill is considered as having been read for amendment under the 5-minute rule.

The text of H.R. 4570 is as follows:

H.R. 4570

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Omnibus National Parks and Public Lands Act of 1998''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

TITLE I—BOUNDARY ADJUSTMENTS AND RELATED CONVEYANCES

Sec. 101. Fort Davis Historic Site, Fort Davis, Texas.
Sec. 102. Abraham Lincoln Birthplace National Historic Site, Kentucky.
Sec. 103. Grand Staircase-Escalante National Monument, Utah.
Sec. 104. George Washington Birthplace National Monument, Virginia.
Sec. 105. Wasatch–Cache National Forest and Mount Naomi Wilderness, Utah.
Sec. 106. Red Rock Canyon National Conservation Area, Nevada.
Sec. 107. Cape Cod National Seashore, Massachusetts.
Sec. 108. Hells Canyon Wilderness, Hells Canyon National Recreation Area.

TITLE II—OTHER LAND CONVEYANCES AND MANAGEMENT

Subtitle A—Southern Nevada Public Land Management

Sec. 201. Findings and purpose.
Sec. 202. Definitions.
Sec. 203. Disposal and exchange.
Sec. 204. Acquisitions.
Sec. 205. Report.
Sec. 206. Recreation and Public Purposes Act.
Sec. 207. Support for affordable housing.
Sec. 208. Conveyance to Clark County Department of Aviation.

Subtitle B—Gallatin Land Consolidation

Sec. 211. Findings.
Sec. 212. Definitions.
Sec. 213. Gallatin land consolidation completion.
Sec. 214. Other facilitated exchanges.
Sec. 215. General provisions.
Sec. 216. Authorization of appropriations.

Subtitle C—Conveyance of Canyon Ferry Reservoir Properties

Sec. 221. Findings.
Sec. 222. Purpose.
Sec. 223. Definitions.
Sec. 224. Sale of Properties.
Sec. 225. Management of Bureau of Reclamation recreation area.

Sec. 226. Use of proceeds.
Sec. 227. Montana Fish and Wildlife Conservation Trust.
Sec. 228. Canyon Ferry-Broadwater County Trust.

Subtitle D—Conveyance of National Forest Lands for Public School Purposes

Sec. 231. Authorization of use of National Forest lands for public school purposes.

Subtitle E—Other Conveyances

Sec. 241. Land exchange, El Portal Administrative Site, California.
Sec. 242. Authorization to use land in Merced County, California, for elementary school.
Sec. 243. Issuance of quitclaim deed, Steffens family property, Big Horn County, Wyoming.
Sec. 244. Issuance of quitclaim deed, Lowe family property, Big Horn County, Wyoming.
Sec. 245. Utah schools and lands exchange.
Sec. 246. Land exchange, Routt National Forest, Colorado.
Sec. 247. Conveyance of administrative site, Rogue River National Forest, Oregon and California.
Sec. 248. Hart Mountain jurisdictional transfers, Oregon.
Sec. 249. Sale, lease, or exchange of Idaho school land.
Sec. 250. Transfer of jurisdiction of certain property in San Joaquin County, California, to Bureau of Land Management.
Sec. 251. Conveyance, Camp Owen and related parcels, Kern County, California.
Sec. 252. Treatment of certain land acquired by exchange, Red Cliffs Desert Reserve, Utah.

TITLE III—HERITAGE AREAS

Subtitle A—Delaware and Lehigh National Heritage Corridor of Pennsylvania

Sec. 301. Change in name of Heritage Corridor.
Sec. 302. Purpose.
Sec. 303. Corridor Commission.
Sec. 304. Powers of Corridor Commission.
Sec. 305. Duties of Corridor Commission.
Sec. 306. Termination of Corridor Commission.
Sec. 307. Duties of other Federal entities.
Sec. 308. Authorization of appropriations.
Sec. 309. Local authority and private property.
Sec. 310. Duties of the Secretary.

Subtitle B—Automobile National Heritage Area of Michigan

Sec. 311. Findings and purposes.
Sec. 312. Definitions.
Sec. 313. Automobile National Heritage Area.
Sec. 314. Designation of partnership as management entity.
Sec. 315. Management duties of the Automobile National Heritage Area Partnership.
Sec. 316. Duties and authorities of Federal agencies.
Sec. 317. Lack of effect on land use regulation and private property.
Sec. 318. Sunset.
Sec. 319. Authorization of appropriations.

Subtitle C—Miscellaneous Provisions

Sec. 321. Blackstone River Valley National Heritage Corridor, Massachusetts and Rhode Island.
Sec. 322. Illinois and Michigan Canal National Heritage Corridor, Illinois.

TITLE IV—HISTORIC AREAS

Sec. 401. Battle of Midway National Memorial study.
Sec. 402. Historic lighthouse preservation.
Sec. 403. Thomas Cole National Historic Site, New York.
Sec. 404. Addition of the Paoli battlefield to the Valley Forge National Historical Park.
Sec. 405. Casa Malpais National Historic Landmark, Arizona.
Sec. 406. Lower East Side Tenement National Historic Site, New York.
Sec. 407. Gateway Visitor Center authorization, Independence National Historical Park.
Sec. 408. Tuskegee Airmen National Historic Site, Alabama.
Sec. 409. Little Rock Central High School National Historic Site, Arkansas.
Sec. 410. Sand Creek Massacre National Historic Site study.
Sec. 411. Chesapeake and Ohio Canal National Historical Park enhancement and protection.

TITLE V—SAN RAFAEL SWELL

Sec. 501. Short title.
Sec. 502. Definitions.

Subtitle A—San Rafael Swell National Heritage Area

Sec. 511. Short title; findings; purposes.
Sec. 512. Designation.
Sec. 513. Definitions.
Sec. 514. Grants, technical assistance, and other duties and authorities of Federal agencies.
Sec. 515. Compact and heritage plan.
Sec. 516. Heritage Council.
Sec. 517. Lack of effect on land use regulation.
Sec. 518. Authorization of appropriations.

Subtitle B—San Rafael Swell National Conservation Area

Sec. 521. Definition of plan.
Sec. 522. Establishment of national conservation area.
Sec. 523. Management.
Sec. 524. Additions.
Sec. 525. Advisory Council.
Sec. 526. Relationship to other laws and administrative provisions.
Sec. 527. Communications equipment.

Subtitle C—Wilderness Areas Within Conservation Area

Sec. 531. Designation of wilderness.
Sec. 532. Administration of wilderness areas.
Sec. 533. Livestock.
Sec. 534. Wilderness release.

Subtitle D—Other Special Management Areas Within Conservation Area

Sec. 541. San Rafael Swell Desert Bighorn Sheep Management Area.
Sec. 542. Semi-primitive nonmotorized use areas.
Sec. 543. Scenic visual area of critical environmental concern.

Subtitle E—General Management Provisions

Sec. 551. Livestock grazing.
Sec. 552. Cultural and paleontological resources.
Sec. 553. Land exchanges relating to school and institutional trust lands.
Sec. 554. Water rights.
Sec. 555. Miscellaneous.

TITLE VI—NATIONAL PARKS

Sec. 601. Provision for roads in Pictured Rocks National Lakeshore.
Sec. 602. Expansion of Arches National Park, Utah.
Sec. 603. Miccosukee Reserved Area.
Sec. 604. Cumberland Island.
Sec. 605. Studies of potential National Park System units in Hawaii.
Sec. 606. Congressional review of national monument status and consultation.
Sec. 607. Santa Cruz Island, additional rights of use and occupancy.
Sec. 608. Acquisition of Warren Property for Morristown National Historical Park.
Sec. 609. Amendment of Land and Water Conservation Fund Act of 1965 regarding treatment of receipts at certain parks.
Sec. 610. Chattahoochee River National Recreation Area.

TITLE VII—REAUTHORIZATIONS

Sec. 701. Reauthorization of National Historic Preservation Act.
Sec. 702. Reauthorization of Delaware Water Gap National Recreation Area Citizen Advisory Commission.
Sec. 703. Coastal Heritage Trail Route in New Jersey.
Sec. 704. Extension of authorization for Upper Delaware Citizens Advisory Council.

TITLE VIII—RIVERS AND TRAILS

Sec. 801. National discovery trails.
Sec. 802. Sudbury, Assabet, and Concord Wild and Scenic Rivers.
Sec. 803. Assistance to the National Historic Trails Interpretive Center.

TITLE IX—HAZARDOUS FUELS REDUCTION

Sec. 901. Short title.
Sec. 902. Findings and purpose.
Sec. 903. Definitions.

Subtitle A—Management of Wildland/Urban Interface Areas

Sec. 911. Identification of wildland/urban interface areas.
Sec. 912. Contracting to reduce hazardous fuels and undertake forest management projects in wildland/urban interface areas.
Sec. 913. Monitoring requirements.
Sec. 914. Reporting requirements.
Sec. 915. Termination of authority.

Subtitle B—Miscellaneous Provisions

Sec. 921. Regulations.
Sec. 922. Authorization of appropriations.

TITLE X—MISCELLANEOUS PROVISIONS

Sec. 1001. Authority to establish Mahatma Gandhi memorial.
Sec. 1002. Establishment of the National Cave and Karst Research Institute in New Mexico.
Sec. 1003. Guadalupe-Hidalgo Treaty land claims.
Sec. 1004. Otay Mountain Wilderness.
Sec. 1005. Acquisition and management of Wilcox Ranch, Utah, for wildlife habitat.
Sec. 1006. Acquisition of mineral and geothermal interests within Mount St. Helens National Volcanic Monument.
Sec. 1007. Operation and Maintenance of Existing Dams and Weirs, Emigrant Wilderness, Stanislaus National Forest, California.
Sec. 1008. Demonstration resource management project, Stanislaus National Forest, California, to enhance and protect the Granite watershed.
Sec. 1009. East Texas blowdown-NEPA parity.
Sec. 1010. Exemption for not-for-profit entities from strict liability for recovery of fire suppression costs.
Sec. 1011. Study of Improved Outdoor Recreational Access for Persons with Disabilities.
Sec. 1012. Communication site.
Sec. 1013. Amendment of the Outer Continental Shelf Lands Act.
Sec. 1014. Leasing of Certain Reserved Mineral Interests.

Sec. 1015. Oil and Gas Wells in Wayne National Forest, Ohio.
Sec. 1016. Memorial to Mr. Benjamin Banneker in the District of Columbia.

TITLE XI—AMENDMENTS AND TECHNICAL CORRECTIONS TO 1996 OMNIBUS PARKS ACT

Sec. 1100. Reference to Omnibus Parks and Public Lands Management Act of 1996.

Subtitle A—Technical Corrections to the Omnibus Parks Act

Sec. 1101. Presidio of San Francisco.
Sec. 1102. Colonial National Historical Park.
Sec. 1103. Merced Irrigation District.
Sec. 1104. Big Thicket National Preserve.
Sec. 1105. Kenai Natives Association land exchange.
Sec. 1106. Lamprey Wild and Scenic River.
Sec. 1107. Vancouver National Historic Reserve.
Sec. 1108. Memorial to Martin Luther King, Jr.
Sec. 1109. Advisory Council on Historic Preservation.
Sec. 1110. Great Falls Historic District, New Jersey.
Sec. 1111. New Bedford Whaling National Historical Park.
Sec. 1112. Nicodemus National Historic Site.
Sec. 1113. Unalaska.
Sec. 1114. Revolutionary War and War of 1812 historic preservation study.
Sec. 1115. Shenandoah Valley battlefields.
Sec. 1116. Washita Battlefield.
Sec. 1117. Ski area permit rental charge.
Sec. 1118. Glacier Bay National Park.
Sec. 1119. Robert J. Lagomarsino Visitor Center.
Sec. 1120. National Park Service administrative reform.
Sec. 1121. Blackstone River Valley National Heritage Corridor.
Sec. 1122. Tallgrass Prairie National Preserve.
Sec. 1123. Recreation lakes.
Sec. 1124. Fossil forest protection.
Sec. 1125. Opal Creek Wilderness and Scenic Recreation Area.
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Sec. 1344. Relationship to existing operations.
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Sec. 1351. Short title.
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Sec. 1353. Conveyance of project.
Sec. 1354. Relationship to existing operations.
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Subtitle F—Canadian River Project, Texas

Sec. 1361. Short title.
Sec. 1362. Definitions.
Sec. 1363. Prepayment and conveyance of project.
Sec. 1364. Relationship to existing operations.
Sec. 1365. Relationship to certain contract obligations.
Sec. 1366. Relationship to other laws.
Sec. 1367. Liability.

Subtitle G—Clear Creek Distribution System, California

Sec. 1371. Short title.
Sec. 1372. Definitions.
Sec. 1373. Conveyance of project.
Sec. 1374. Relationship to existing operations.
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Subtitle H—Pine River Project, Colorado

Sec. 1381. Short title.
Sec. 1382. Definitions.
Sec. 1383. Conveyance of project.
Sec. 1384. Relationship to existing operations.
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Subtitle I—Technical Corrections and Miscellaneous Provisions

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TITLE XIV—PROVISIONS SPECIFIC TO ALASKA

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Sec. 1401. Short title.
Sec. 1402. Land exchange and wilderness designation.
Sec. 1403. Role of FERC.
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Subtitle B—Amendments to Alaska Native Claims Settlement Act and Related Provisions

Sec. 1411. Automatic land bank protection.
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Subtitle C—Miscellaneous Provisions

Sec. 1431. Moratorium on Federal management.
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TITLE I—BOUNDARY ADJUSTMENTS AND RELATED CONVEYANCES

SEC. 101. FORT DAVIS HISTORIC SITE, FORT DAVIS, TEXAS.

The Act entitled ''An Act Authorizing the establishment of a national historic site at Fort Davis, Jeff Davis County, Texas'', approved September 8, 1961 (75 Stat. 488; 16 U.S.C. 461 note), is amended in the first section by striking ''not to exceed four hundred and sixty acres'' and inserting ''not to exceed 476 acres''.

SEC. 102. ABRAHAM LINCOLN BIRTHPLACE NATIONAL HISTORIC SITE, KENTUCKY.

(a) IN GENERAL.—Upon acquisition of the land known as Knob Creek Farm pursuant to subsection (b), the boundary of the Abraham Lincoln Birthplace National Historic Site, established by the Act of July 17, 1916 (39 Stat. 385, chapter 247; 16 U.S.C. 211 et seq.), is revised to include such land.

(b) ACQUISITION OF KNOB CREEK FARM.—The Secretary of the Interior may acquire, by donation only, the approximately 228 acres of land known as Knob Creek Farm in Larue County, Kentucky.

(c) STUDY AND REPORT.—The Secretary of the Interior shall study the Knob Creek Farm in Larue County, Kentucky, and not later than 1 year after the date of enactment of this Act, submit a report to the Congress containing the results of the study. The purpose of the study shall be to:

(1) Identify significant resources associated with the Knob Creek Farm and the early boyhood of Abraham Lincoln.

(2) Evaluate the threats to the long-term protection of the Knob Creek Farm's cultural, recreational, and natural resources.

(3) Examine the incorporation of the Knob Creek Farm into the operations of the Abraham Lincoln Birthplace National Historic

Site and establish a strategic management plan for implementing such incorporation. In developing the plan, the Secretary shall—

(A) determine infrastructure requirements and property improvements needed at Knob Creek Farm to meet National Park Service standards;

(B) identify current and potential uses of Knob Creek Farm for recreational, interpretive, and educational opportunities; and

(C) project costs and potential revenues associated with acquisition, development, and operation of Knob Creek Farm.

(d) AUTHORIZATION.—There are authorized to be appropriated such sums as may be necessary to carry out subsection (c).

SEC. 103. GRAND STAIRCASE-ESCALANTE NATIONAL MONUMENT, UTAH.

(a) EXCLUSION OF CERTAIN LANDS.—The boundaries of the Grand Staircase-Escalante National Monument in the State of Utah are hereby modified to exclude the following lands:

(1) The parcel known as Henrieville Town, Utah, as generally depicted on the map entitled ''Henrieville Town Exclusion, Garfield County, Utah'', dated March 25, 1998.

(2) The parcel known as Cannonville Town, Utah, as generally depicted on the map entitled ''Cannonville Town Exclusion, Garfield County, Utah'', dated March 25, 1998.

(3) The parcel known as Tropic Town, Utah, as generally depicted on the map entitled ''Tropic Town Parcel'', dated July 21, 1998.

(4) The parcel known as Boulder Town, Utah, as generally depicted on the map entitled ''Boulder Town Exclusion, Garfield County, Utah'', dated March 25, 1998.

(b) INCLUSION OF CERTAIN ADDITIONAL LANDS.—The boundaries of the Grand Staircase-Escalante National Monument are hereby modified to include the parcel known as East Clark Bench, as generally depicted on the map entitled ''East Clark Bench Inclusion, Kane County, Utah'', dated March 25, 1998.

(c) MAPS.—The maps referred to in subsections (a) and (b) shall be on file and available for public inspection in the office of the Grand Staircase-Escalante National Monument in the State of Utah and in the office of the Director of the Bureau of Land Management.

(d) LAND CONVEYANCE, TROPIC TOWN, UTAH.—The Secretary of the Interior shall convey to Garfield County School District, Utah, all right, title, and interest of the United States in and to the lands shown on the map entitled ''Tropic Town Parcel'' and dated July 21, 1998, in accordance with section 1 of the Act of June 14, 1926 (43 U.S.C. 869; commonly known as the Recreation and Public Purposes Act), for use as the location for a school and for other education purposes.

(e) LAND CONVEYANCE, KODACHROME BASIN STATE PARK, UTAH.—The Secretary shall transfer to the State of Utah all right, title, and interest of the United States in and to the lands shown on the map entitled ''Kodachrome Basin Conveyance No. 1 and No. 2'' and dated July 21, 1998, in accordance with section 1 of the Act of June 14, 1926 (43 U.S.C. 869; commonly known as the Recreation and Public Purposes Act), for inclusion of the lands in Kodachrome Basin State Park.

(f) UTILITY CORRIDOR DESIGNATION, U.S. ROUTE 89, KANE COUNTY, UTAH.—There is hereby designated a utility corridor with regard to U.S. Route 89, in Kane County, Utah. The utility corridor shall run from the boundary of Glen Canyon Recreation Area easterly to Mount Carmel Jct. and shall consist of the following:

(1) Bureau of Land Management lands located on the north side of U.S. Route 89 within 240 feet of the center line of the highway.

(2) Bureau of Land Management lands located on the south side of U.S. Route 89 within 500 feet of the center line of the highway.

SEC. 104. GEORGE WASHINGTON BIRTHPLACE NATIONAL MONUMENT, VIRGINIA.

(a) ADDITION.—The boundaries of the George Washington Birthplace National Monument are modified to include the property generally known as George Washington's Boyhood Home, Ferry Farm, located in Stafford County, Virginia, across the Rappahannock River from Fredericksburg, Virginia, comprising approximately 85 acres. The boundary modification is generally depicted on the map entitled ''George Washington Birthplace National Monument Boundary Map'', numbered 322/80,020 and dated April 1998. The Secretary of the Interior shall keep the map on file and available for public inspection in appropriate offices of the National Park Service.

(b) ACQUISITION OF EASEMENT.—After enactment of this section, the Secretary of the Interior may acquire no more than a less than fee interest in the property described in subsection (a) to ensure the preservation of the important cultural and natural resources associated with Ferry Farm.

(c) RESOURCE STUDY.—Not later than 18 months after the date on which funds are made available to carry out this section, the Secretary of the Interior shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives a resource study of the property described in subsection (a). The study shall—

(1) identify the full range of resources and historic themes associated with Ferry Farm, including those associated with George Washington's tenure at the property described in subsection (a) and those associated with the Civil War period;

(2) identify alternatives for further National Park Service involvement at the property described in subsection (a) beyond those that may be provided for in the acquisition authorized under subsection (b); and

(3) include cost estimates for any necessary acquisition, development, interpretation, operation, and maintenance associated with the alternatives identified.

(d) AGREEMENTS.—Upon completion of the resource study under subsection (c), the Secretary of the Interior may enter into agreements with the owner of the property described in subsection (a) or other entities for the purpose of providing programs, services, facilities, or technical assistance that further the preservation and public use of the property.

SEC. 105. WASATCH–CACHE NATIONAL FOREST AND MOUNT NAOMI WILDERNESS, UTAH.

(a) BOUNDARY ADJUSTMENT.—To correct a faulty land survey, the boundaries of the Wasatch–Cache National Forest in the State of Utah and the boundaries of the Mount Naomi Wilderness, which is located within the Wasatch–Cache National Forest and was established as a component of the National Wilderness Preservation System in section 102(a)(1) of the Utah Wilderness Act of 1984 (Public Law 98–428; 98 Stat. 1657), are hereby modified to exclude the parcel of land known as the D. Hyde property, which encompasses an area of cultivation and private use, as generally depicted on the map entitled ''D. Hyde Property Section 7 Township 12 North Range 2 East SLB & M'', dated July 23, 1998.

(b) LAND CONVEYANCE.—The Secretary of Agriculture shall convey to Darrell Edward Hyde of Cache County, Utah, all right, title, and interest of the United States in and to the parcel of land identified in subsection (a). As part of the conveyance, the Secretary shall release, on behalf of the United States, any claims of the United States against Darrell Edward Hyde for trespass or unauthorized use of the parcel before its conveyance.

SEC. 106. RED ROCK CANYON NATIONAL CONSERVATION AREA, NEVADA.

Paragraph (2) of section 3(a) of the Red Rock Canyon National Conservation Area Establishment Act of 1990 (16 U.S.C. 460ccc–1(a)) is amended to read as follows:

''(2) The conservation area shall consist of approximately 195,780 acres as generally depicted on the map entitled 'Red Rock Canyon National Conservation Area Administrative Boundary Modification', dated August 8, 1996.''.

SEC. 107. CAPE COD NATIONAL SEASHORE, MASSACHUSETTS.

(a) LAND EXCHANGE AND BOUNDARY ADJUSTMENT.—Section 2 of Public Law 87–126 (16 U.S.C. 459b–1) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

''(d) The Secretary may convey to the town of Provincetown, Massachusetts, a parcel of real property consisting of approximately 7.62 acres of Federal land within such area in exchange for approximately 11.157 acres of land outside of such area, as depicted on the map entitled 'Cape Cod National Seashore Boundary Revision Map', dated May 1997, and numbered 609/80,801, to allow for the establishment of a municipal facility to serve the town that is restricted to solid waste transfer and recycling facilities and for other municipal activities that are compatible with National Park Service laws and regulations. Upon completion of the exchange, the Secretary shall modify the boundary of the Cape Cod National Seashore to include the land that has been added.''.

(b) REAUTHORIZATION OF ADVISORY COMMISSION.—Section 8(a) of Public Law 87–126 (16 U.S.C. 459b–7(a)) is amended by striking the second sentence and inserting the following new sentence: ''The Commission shall terminate September 26, 2008.''.

SEC. 108. HELLS CANYON WILDERNESS, HELLS CANYON NATIONAL RECREATION AREA.

The Secretary of Agriculture shall revise the map and detailed boundary description of the Hells Canyon Wilderness designated by section 2 of Public Law 94–199 (16 U.S.C. 460gg–1) to exclude Forest Service Road 3965 from the wilderness area so that the road may continue to be used by motorized vehicles to its historical terminus at Squirrel Prairie, as was the original intent of the Congress. The road shall continue to be included in the Hells Canyon National Recreation Area also established by such Act.

TITLE II—OTHER LAND CONVEYANCES AND MANAGEMENT

Subtitle A—Southern Nevada Public Land Management

SEC. 201. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds the following:

(1) The Bureau of Land Management has extensive land ownership in small and large parcels interspersed with or adjacent to private land in the Las Vegas Valley, Nevada, making many of these parcels difficult to manage and more appropriate for disposal.

(2) In order to promote responsible and orderly development in the Las Vegas Valley, certain of those Federal lands should be sold by the Federal Government based on recommendations made by local government and the public.

(3) The Las Vegas metropolitan area is the fastest growing urban area in the United States, which is causing significant impacts upon the Lake Mead National Recreation Area, the Red Rock Canyon National Conservation Area, and the Spring Mountains

National Recreation Area, which surround the Las Vegas Valley.

(b) PURPOSE.—The purpose of this subtitle is to provide for the orderly disposal of certain Federal lands in Clark County, Nevada, and to provide for the acquisition of environmentally sensitive lands in the State of Nevada.

SEC. 202. DEFINITIONS.

As used in this subtitle:

(1) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(2) UNIT OF LOCAL GOVERNMENT.—The term ''unit of local government'' means Clark County, the City of Las Vegas, the City of North Las Vegas, or the City of Henderson; all in the State of Nevada.

(3) AGREEMENT.—The term ''Agreement'' means the agreement entitled ''The Interim Cooperative Management Agreement Between The United States Department of the Interior—Bureau of Land Management and Clark County'', dated November 4, 1992.

(4) SPECIAL ACCOUNT.—The term ''special account'' means the account in the Treasury of the United States established under section 203(e)(1)(C).

(5) RECREATION AND PUBLIC PURPOSES ACT.—The term ''Recreation and Public Purposes Act'' means the Act entitled ''An Act to authorize acquisition or use of public lands by States, counties, or municipalities for recreational purposes'', approved June 14, 1926 (43 U.S.C. 869 et seq.).

(6) REGIONAL GOVERNMENTAL ENTITY.—The term ''regional governmental entity'' means the Southern Nevada Water Authority, the Regional Flood Control District, and the Clark County Sanitation District.

(7) AVIATION DEPARTMENT.—The term ''Aviation Department'' means the Department of Aviation of Clark County, Nevada.

SEC. 203. DISPOSAL AND EXCHANGE.

(a) DISPOSAL.—Notwithstanding the land use planning requirements contained in sections 202 and 203 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1711 and 1712), the Secretary, in accordance with this section, the Federal Land Policy and Management Act of 1976, and other applicable law, and subject to valid existing rights, is authorized to dispose of lands within the boundary of the area under the jurisdiction of the Direction of the Bureau of Land Management in Clark County, Nevada, as generally depicted on the map entitled ''Las Vegas Valley, Nevada, Land Disposal Map'', dated April 10, 1997. Such map shall be on file and available for public inspection in the offices of the Director and the Las Vegas District of the Bureau of Land Management.

(b) RESERVATION FOR LOCAL PUBLIC PURPOSES.—

(1) RECREATION AND PUBLIC PURPOSE ACT CONVEYANCES.—Not less than 30 days before the offering of lands for sale or exchange pursuant to subsection (a), the State of Nevada or the unit of local government in whose jurisdiction the lands are located may elect to obtain any such lands for local public purposes pursuant to the provisions of the Recreation and Public Purposes Act. Pursuant to any such election, the Secretary shall retain the elected lands for conveyance to the State of Nevada or such unit of the local government in accordance with the provisions of the Recreation and Public Purposes Act.

(2) RIGHTS-OF-WAY.—

(A) ISSUANCE.—Upon application, by a unit of local government or regional governmental entity, the Secretary, in accordance with this section and the Federal Land Policy and Management Act of 1976, and other applicable provisions of law, shall issue right-of-way grants on Federal lands in Clark County, Nevada, for all reservoirs, canals, channels, ditches, pipes, pipelines, tunnels and other facilities and systems needed for—

(i) the impoundment, storage, treatment, transportation or distribution of water (other than water from the Virgin River) or wastewater; or

(ii) flood control management.

(B) DURATION.—Right-of-way grants issued under this paragraph shall be valid in perpetuity.

(C) WAIVER OF FEES.—Right-of-way grants issued under this paragraph shall not require the payment of rental or cost recovery fees.

(3) YOUTH ACTIVITY FACILITIES.—Within 30 days after a request by Clark County, Nevada, the Secretary shall offer to Clark County, Nevada, the land depicted on the map entitled ''Vicinity Map Parcel 177–28–101–020 dated August 14, 1996, in accordance with the Recreation and Public Purposes Act for the construction of youth activity facilities.

(c) WITHDRAWAL.—Subject to valid existing rights, all Federal lands identified in subsection (a) for disposal are withdrawn from location and entry, under the mining laws and from operation under the mineral leasing and geothermal leasing laws until such time as the Secretary terminates the withdrawal or the lands are patented.

(d) SELECTION.—

(1) JOINT SELECTION REQUIRED.—The Secretary and the unit of local government in whose jurisdiction lands referred to in subsection (a) are located shall jointly select lands to be offered for sale or exchange under this section. The Secretary shall coordinate land disposal activities with the unit of local government in whose jurisdiction such lands are located. Land disposal activities of the Secretary shall be consistent with local land use planning and zoning requirements and recommendations.

(2) OFFERING.—After land has been selected in accordance with this subsection, the Secretary shall make the first offering of land as soon as practicable after the date of enactment of this Act.

(e) DISPOSITION OF PROCEEDS.—

(1) LAND SALES.—Of the gross proceeds of sales of land under this section in a fiscal year—

(A) 5 percent shall be paid directly to the State of Nevada for use in the general education program of the State;

(B) 10 percent shall be paid directly to the Southern Nevada Water Authority for water treatment and transmission facility infrastructure in Clark County, Nevada; and

(C) the remainder shall be deposited in a special account in the Treasury of the United States for use pursuant to the provisions of paragraph (3).

Amounts in the special account shall be available to the Secretary without further appropriation and shall remain available until expended.

(2) LAND EXCHANGES.—

(A) PAYMENTS.—In the case of a land exchange under this section, the non-Federal party shall provide direct payments to the State of Nevada and the Southern Nevada Water Authority in accordance with subparagraphs (A) and (B) of paragraph (1). The payments shall be based on the fair market value of the Federal lands to be conveyed in the exchange and shall be considered a cost incurred by the non-Federal party that shall be compensated by the Secretary if so provided by any agreement to initiate the exchange.

(B) PENDING EXCHANGES.—The provisions of this section, except this subsection and subsections (a) and (b), shall not apply to any land exchange for which an initial agreement to initiate an exchange was signed by an authorized representative of the exchange proponent and an authorized officer of the Bureau of Land Management prior to February 29, 1996.

(3) AVAILABILITY OF SPECIAL ACCOUNT.—

(A) IN GENERAL.—Amounts deposited in the special account may be expended by the Secretary for—

(i) the acquisition of environmentally sensitive land in the State of Nevada in accordance with section 5, with priority given to lands located within Clark County;

(ii) capital improvements at the Lake Mead National Recreation Area, the Desert National Wildlife Refuge, the Red Rock Canyon National Conservation Area and other areas administered by the Bureau of Land Management in Clark County, and the Spring Mountains National Recreation Area;

(iii) development of a multispecies habitat conservation plan in Clark County, Nevada;

(iv) development of parks, trails, and natural areas in Clark County, Nevada, pursuant to a cooperative agreement with a unit of local government; and

(v) reimbursement of costs incurred by the local offices of the Bureau of Land Management in arranging sales or exchanges under this subtitle.

(B) PROCEDURES.—The Secretary shall coordinate the use of the special account with the Secretary of Agriculture, the State of Nevada, local governments, and other interested persons, to ensure accountability and demonstrated results.

(C) LIMITATION.—Not more than 25 percent of the amounts available to the Secretary from the special account in any fiscal year (determined without taking into account amounts deposited under subsection (g)(4)) may be used in any fiscal year for the purposes described in subparagraph (A)(ii).

(f) INVESTMENT OF SPECIAL ACCOUNT.—All funds deposited as principal in the special account shall earn interest in the amount determined by the Secretary of the Treasury on the basis of the current average market yield on outstanding marketable obligations of the United States of comparable maturities. Such interest shall be added to the principal of the account and expended according to the provisions of subsection (e)(3).

(g) AIRPORT ENVIRONS OVERLAY DISTRICT LAND TRANSFER.—Upon request of Clark County, Nevada, the Secretary shall transfer to Clark County, Nevada, without consideration, all right, title, and interest of the United States in and to the lands identified in the Agreement, subject to the following:

(1) Valid existing rights.

(2) Clark County agrees to manage such lands in accordance with the Agreement and with section 47504 of title 49, United States Code (relating to airport noise compatibility planning), and regulations promulgated pursuant to that section.

(3) Clark County agrees that if any of such lands are sold, leased, or otherwise conveyed or leased by Clark County, such sale, lease, or other conveyance shall contain a limitation which requires uses compatible with the Agreement and such airport noise compatibility planning provisions.

(4) Clark County agrees that if any of such lands are sold, leased, or otherwise conveyed by Clark County, such lands shall be sold, leased, or otherwise conveyed for fair market value. Clark County shall contribute 85 percent of the gross proceeds from the sale, lease, or other conveyance of such lands directly to the special account. If any of such lands sold, leased, or otherwise conveyed by Clark County are identified on the map referenced in section 2(a) of the Act entitled ''An Act to provide for the orderly disposal of certain Federal lands in Nevada and for the acquisition of certain other lands in the Lake Tahoe Basin, and for other purposes'',

approved December 23, 1980 (94 Stat. 3381; commonly known as the ''Santini-Burton Act''), the proceeds contributed to the special account by Clark County from the sale, lease, or other conveyance of such lands shall be used by the Secretary of Agriculture to acquire environmentally sensitive land in the Lake Tahoe Basin pursuant to section 3 of the Santini-Burton Act. Clark County shall contribute 5 percent of the gross proceeds from the sale, lease, or other conveyance of such lands directly to the State of Nevada for use in the general education program of the State, and the remainder shall be available for use by the Aviation Department for the benefit of airport development and the noise compatibility program.

SEC. 204. ACQUISITIONS.

(a) ACQUISITIONS.—

(1) DEFINITION.—For purposes of this section, the term ''environmentally sensitive land'' means land or an interest in land, the acquisition of which the United States would, in the judgment of the Secretary or the Secretary of Agriculture—

(A) promote the preservation of natural, scientific, aesthetic, historical, cultural, watershed, wildlife, and other values contributing to public enjoyment and biological diversity;

(B) enhance recreational opportunities and public access;

(C) provide the opportunity to achieve better management of public land through consolidation of Federal ownership; or

(D) otherwise serve the public interest.

(2) IN GENERAL.—After the consultation process has been completed in accordance with paragraph (3), the Secretary may acquire with the proceeds of the special account environmentally sensitive land and interests in environmentally sensitive land. Lands may not be acquired under this section without the consent of the owner thereof. Funds made available from the special account may be used with any other funds made available under any other provision of law.

(3) CONSULTATION.—Before initiating efforts to acquire land under this section, the Secretary or the Secretary of Agriculture shall consult with the State of Nevada and with local government within whose jurisdiction the lands are located, including appropriate planning and regulatory agencies, and with other interested persons, concerning the necessity of making the acquisition, the potential impacts on State and local government, and other appropriate aspects of the acquisition. Consultation under this paragraph is in addition to any other consultation required by law.

(b) ADMINISTRATION.—On acceptance of title by the United States, land and interests in land acquired under this section that is within the boundaries of a unit of the National Forest System, National Park System, National Wildlife Refuge System, National Wild and Scenic Rivers System, National Trails System, National Wilderness Preservation System, any other system established by Act of Congress, or any national conservation or national recreation area established by Act of Congress—

(1) shall become part of the unit or area without further action by the Secretary or Secretary of Agriculture; and

(2) shall be managed in accordance with all laws and regulations and land use plans applicable to the unit or area.

(c) DETERMINATION OF FAIR MARKET VALUE.—The fair market value of land or an interest in land to be acquired by the Secretary or the Secretary of Agriculture under this section shall be determined pursuant to section 206 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716) and shall be consistent with other applicable requirements and standards. Fair market value shall be determined without regard to the presence of a species listed as threatened or endangered under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.).

(d) PAYMENTS IN LIEU OF TAXES.—Section 6901(1) of title 31, United States Code, is amended as follows:

(1) By striking ''or'' at the end of subparagraph (F).

(2) By striking the period at the end of subparagraph (G) and inserting ''; or''.

(3) By adding at the end the following:

''(H) acquired by the Secretary of the Interior or the Secretary of Agriculture under subtitle A of title II of the Omnibus National Parks and Public Lands Act of 1998 that is not otherwise described in subparagraphs (A) through (G).''.

SEC. 205. REPORT.

The Secretary, in cooperation with the Secretary of Agriculture, shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives an annual report on all transactions under this subtitle.

SEC. 206. RECREATION AND PUBLIC PURPOSES ACT.

(a) TRANSFER OF REVERSIONARY INTEREST.—Upon request by a grantee of lands within Clark County, Nevada, that are subject to a lease or patent issued under the Recreation and Public Purposes Act, the Secretary may transfer the reversionary interest in such lands to other non-Federal lands. The transfer of the reversionary interest shall only be made to lands of equal value, except that with respect to the State of Nevada or a unit of local government, an amount equal to the excess (if any) of the fair market value of lands received by the unit of local government over the fair market value of lands transferred by the unit of local government shall be paid to the Secretary and shall be treated under section 203(e)(1) of this section as proceeds from the sale of land. For purposes of this subsection, the fair market value of lands to be transferred by the State of Nevada or a unit of local government may be based upon a statement of value prepared by a qualified appraiser.

(b) TERMS AND CONDITIONS APPLICABLE TO LANDS ACQUIRED.—Land selected under subsection (a) by a grantee described in such subsection shall be subject to the terms and conditions, uses, and acreage limitations of the lease or patent to which the lands transferred by the grantee were subject, including the reverter provisions, under the Recreation and Public Purposes Act.

SEC. 207. SUPPORT FOR AFFORDABLE HOUSING.

The Secretary, in consultation with the Secretary of Housing and Urban Development, may make available, in accordance with section 203 of the Federal Land Planning and Management Act of 1976 (43 U.S.C. 1712), land in the State of Nevada at less than fair market value and under other such terms and conditions as the Secretary may determine for affordable housing purposes. Such lands shall be made available only to State or local governmental entities, including local public housing authorities. For the purposes of this subsection, housing shall be considered to be affordable housing if the housing serves low-income families (as defined in section 104 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704)).

SEC. 208. CONVEYANCE TO CLARK COUNTY DEPARTMENT OF AVIATION.

(a) CONVEYANCE REQUIRED.—Notwithstanding the land use planning requirements contained in sections 202 and 203 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1711 and 1712), but subject to subsection (b) of this section, the Secretary shall convey to the Department of Aviation of Clark County, Nevada, all right, title, and interest of the United States in and to the public lands identified for disposition on the map entitled ''Ivanpah Valley, Nevada-Airport Selections'', numbered ____, and dated ____, for the purpose of developing an airport facility and related infrastructure. Such map shall be on file and available for public inspection in the offices of the Director and the Las Vegas District of the Bureau of Land Management.

(b) AIRSPACE STUDY AND MITIGATION OF ADVERSE EFFECTS.—The conveyance identified in subsection (a) shall not occur unless each of the following occur:

(1) The Aviation Department conducts an airspace assessment to identify any adverse effect on access to the Las Vegas Basin under visual flight rules that would result from the construction and operation of a commercial or primary airport, or both, on the land to be conveyed.

(2) The Federal Aviation Administration certifies to the Secretary that the Aviation Department's assessment is thorough and that alternatives have been developed to address each adverse effect identified in the assessment, including alternatives that ensure access to the Las Vegas Basin under visual flight rules at a level that is equal to or better than existing access.

(3) The Aviation Department enters into an agreement with the Secretary to retain ownership of nearby Jean Airport and to maintain and develop Jean Airport as a general aviation airport.

(c) PHASED CONVEYANCES.—The Secretary shall convey the lands identified in subsection (a) in smaller parcels over a period of up to 20 years, as may be required to carry out the phased construction and development of the airport facility and infrastructure on the lands to be conveyed. As consideration for the conveyance of each parcel, the Aviation Department shall pay to the United States an amount equal to the fair market value of the parcel.

(d) DETERMINATIONS OF FAIR MARKET VALUE.—During the 3-year period beginning on the date of the enactment of this Act, the fair market value of a parcel to be conveyed under subsection (a) shall be based on an appraisal of the fair market value as of a date not later than 6 months after the date of the enactment of this Act. The fair market value of each parcel conveyed after the end of such period shall be based on a subsequent appraisal. An appraisal conducted after such period shall consider the parcel in its unimproved state and shall not reflect any enhancement in value to the parcel based upon the existence or planned construction of infrastructure on or near the parcel.

(e) REVERSIONARY INTEREST.—During the 5-year period beginning 20 years after the date on which the Secretary conveys the first parcel under subsection (a), if the Secretary determines that the Aviation Department is not developing or progressing toward the development of the conveyed lands as an airport facility, the Secretary may exercise a right to reenter the conveyed lands. Any determination of the Secretary under this subsection shall be made on the record after an opportunity for a hearing. If the Secretary exercises a right to reenter the conveyed lands under this subsection, the Secretary shall reimburse the Aviation Department for all payments made to the United States under subsection (c).

(f) WITHDRAWAL.—The public lands referred to in subsection (a) are hereby withdrawn from mineral entry under the Act of May 10, 1872 (30 U.S.C. 22 et seq.; popularly known as

the Mining Law of 1872), and the Mineral Leasing Act (30 U.S.C. 181 et seq.).

Subtitle B—Gallatin Land Consolidation

SEC. 211. FINDINGS.

Congress finds that—

(1) the land north of Yellowstone National Park possesses outstanding natural characteristics and wildlife habitats that make the land a valuable addition to the National Forest System;

(2) it is in the interest of the United States to establish a logical and effective ownership pattern for the Gallatin National Forest, reducing long-term costs for taxpayers and increasing and improving public access to the forest;

(3) it is in the interest of the United States for the Secretary of Agriculture to enter into an Option Agreement for the acquisition of land owned by Big Sky Lumber Co. to accomplish the purposes of this subtitle;

(4) other private property owners are willing to enter into exchanges that further improve the ownership pattern of the Gallatin National Forest; and

(5) BSL, acting in good faith, has shouldered many aspects of the financial burden of the appraisal and subsequent option and exchange process.

SEC. 212. DEFINITIONS.

In this subtitle:

(1) BLM LAND.—The term ''BLM land'' means approximately 2,000 acres of Bureau of Land Management land (including all appurtenances to the land) that is proposed to be acquired by BSL, as depicted in Exhibit B to the Option Agreement.

(2) BSL.—The term ''BSL'' means Big Sky Lumber Co., an Oregon joint venture, and its successors and assigns, and any other entities having a property interest in the BSL land.

(3) BSL LAND.—The term ''BSL land'' means approximately 54,000 acres of land (including all appurtenances to the land except as provided in section 213(e)(1)(D)(i)) owned by BSL that is proposed to be acquired by the Secretary of Agriculture, as depicted in Exhibit A to the Option Agreement.

(4) EASTSIDE NATIONAL FORESTS.—The term ''Eastside National Forests'' means national forests east of the Continental Divide in the State of Montana, including the Beaverhead National Forest, Deerlodge National Forest, Helena National Forest, Custer National Forest, and Lewis and Clark National Forest.

(5) NATIONAL FOREST SYSTEM LAND.—The term ''National Forest System land'' means approximately 29,000 acres of land (including all appurtenances to the land) owned by the United States in the Gallatin National Forest, Flathead National Forest, Deerlodge National Forest, Helena National Forest, Lolo National Forest, and Lewis and Clark National Forest that is proposed to be acquired by BSL, as depicted in Exhibit B to the Option Agreement.

(6) OPTION AGREEMENT.—The term ''Option Agreement'' means—

(A) the document signed by BSL, dated July 29, 1998, and entitled ''Option Agreement for the Acquisition of Big Sky Lumber Co. Lands Pursuant to the Gallatin Range Consolidation and Protection Act of 1993'';

(B) the exhibits and maps attached to the document described in subparagraph (A); and

(C) a negotiated agreement to be entered into between the Secretary and BSL and made part of the document described in subparagraph (A).

(7) SECRETARY.—The ''Secretary'' means the Secretary of Agriculture.

SEC. 213. GALLATIN LAND CONSOLIDATION COMPLETION.

(a) IN GENERAL.—Notwithstanding any other provision of law, and subject to the terms and conditions of the Option Agreement—

(1) if BSL offers title acceptable to the Secretary to the BSL land—

(A) the Secretary shall accept a warranty deed to the BSL land and a quit claim deed to agreed to mineral interests in the BSL land;

(B) the Secretary shall convey to BSL, subject to valid existing rights and to other terms, conditions, reservations, and exceptions as may be agreed to by the Secretary and BSL, fee title to the National Forest System land; and

(C) the Secretary of the Interior shall convey to BSL, by patent or otherwise, subject to valid existing rights and other terms, conditions, reservations, and exceptions as may be agreed to by the Secretary of the Interior and BSL, fee title to the BLM land;

(2) if BSL places title in escrow acceptable to the Secretary to 11½ sections of the BSL land in the Taylor Fork area as set forth in the Option Agreement—

(A) the Secretary shall place Federal land in the Bangtail and Doe Creek areas of the Gallatin National Forest, as identified in the Option Agreement, in escrow pending conveyance to the Secretary of the Taylor Fork land, as identified in the Option Agreement in escrow;

(B) the Secretary, subject to the availability of funds, shall purchase 7½ sections of BSL land in the Taylor Fork area held in escrow and identified in the Option Agreement at a purchase price of $4,150,000 plus interest at a rate acceptable to the Secretary; and

(C) the Secretary shall acquire the 4 Taylor Fork sections identified in the Option Agreement remaining in escrow, and any of the 6 sections referred to in subparagraph (B) for which funds are not available, by providing BSL with timber sale receipts from timber sales on the Gallatin National Forest and other eastside national forests in the State of Montana in accordance with subsection (c); and

(3)(A) as funds or timber sale receipts are received by BSL—

(i) the deeds to an equivalent value of BSL Taylor Fork land held in escrow shall be released and conveyed to the Secretary; and

(ii) the escrow of deeds to an equivalent value of Federal land shall be released to the Secretary in accordance with the terms of the Option Agreement; or

(B) if funds or timber sale receipts are not provided to BSL as provided in the Option Agreement, BSL shall be entitled to receive patents and deeds to an equivalent value of the Federal land held in escrow.

(b) VALUATION.—

(1) IN GENERAL.—The property and other assets exchanged or conveyed by BSL and the United States under subsection (a) shall be approximately equal in value, as determined by the Secretary.

(2) DIFFERENCE IN VALUE.—To the extent that the property and other assets exchanged or conveyed by BSL or the United States under subsection (a) are not approximately equal in value, as determined by the Secretary, the values shall be equalized in accordance with methods identified in the Option Agreement.

(c) TIMBER SALE PROGRAM.—

(1) IN GENERAL.—The Secretary shall implement a timber sale program, according to the terms and conditions identified in the Option Agreement and subject to compliance with applicable environmental laws, judicial decisions, and acts beyond the control of the Secretary, to generate sufficient timber receipts to purchase the portions of the BSL land in Taylor Fork identified in the Option Agreement.

(2) IMPLEMENTATION.—In implementing the timber sale program—

(A) the Secretary shall provide BSL with a proposed annual schedule of timber sales;

(B) as set forth in the Option Agreement, receipts generated from the timber sale program shall be deposited by the Secretary in a special account established by the Secretary and paid by the Secretary to BSL;

(C) receipts from the Gallatin National Forest shall not be subject to the Act of May 23, 1908 (16 U.S.C. 500); and

(D) the Secretary shall fund the timber sale program at levels determined by the Secretary to be commensurate with the preparation and administration of the identified timber sale program.

(d) RIGHTS-OF-WAY.—As specified in the Option Agreement—

(1) the Secretary, under the authority of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.), shall convey to BSL such easements in or other rights-of-way over National Forest System land for access to the land acquired by BSL under this subtitle for all lawful purposes; and

(2) BSL shall convey to the United States such easements in or other rights-of-way over land owned by BSL for all lawful purposes, as may be agreed to by the Secretary and BSL.

(e) QUALITY OF TITLE.—

(1) DETERMINATION.—The Secretary shall review the title for the BSL land described in subsection (a) and, within 45 days after receipt of all applicable title documents from BSL, determine whether—

(A) the applicable title standards for Federal land acquisition have been satisfied and the quality of the title is otherwise acceptable to the Secretary of Agriculture;

(B) all draft conveyances and closing documents have been received and approved;

(C) a current title commitment verifying compliance with applicable title standards has been issued to the Secretary; and

(D) the title includes both the surface and subsurface estates without reservation or exception (except as specifically provided in this subtitle), including—

(i) minerals, mineral rights, and mineral interests (including severed oil and gas surface rights), subject to and excepting other outstanding or reserved oil and gas rights;

(ii) timber, timber rights, and timber interests (except those reserved subject to section 251.14 of title 36, Code of Federal Regulations, by BSL and agreed to by the Secretary);

(iii) water, water rights, ditch, and ditch rights;

(iv) geothermal rights; and

(v) any other interest in the property.

(2) CONVEYANCE OF TITLE.—

(A) IN GENERAL.—If the quality of title does not meet Federal standards or is otherwise determined to be unacceptable to the Secretary of Agriculture, the Secretary shall advise BSL regarding corrective actions necessary to make an affirmative determination under paragraph (1).

(B) TITLE TO SUBSURFACE ESTATE.—Title to the subsurface estate shall be conveyed by BSL to the Secretary in the same form and content as that estate is received by BSL from Burlington Resources Oil & Gas Company Inc. and Glacier Park Company.

(f) TIMING OF IMPLEMENTATION.—

(1) LAND-FOR-LAND EXCHANGE.—The Secretary shall accept the conveyance of land described in subsection (a) not later than 45 days after the Secretary has made an affirmative determination of quality of title.

(2) LAND-FOR-TIMBER SALE RECEIPT EXCHANGE.—As provided in subsection (c) and the Option Agreement, the Secretary shall make timber receipts described in subsection (a)(3) available not later than December 31 of

the fifth full calendar year that begins after the date of enactment of this subtitle.

(3) PURCHASE.—The Secretary shall complete the purchase of BSL land under subsection (a)(2)(B) not later than 30 days after the date on which funds are made available for such purchase and an affirmative determination of quality of title is made with respect to the BSL land.

SEC. 214. OTHER FACILITATED EXCHANGES.

(a) AUTHORIZED EXCHANGES.—

(1) IN GENERAL.—The Secretary shall enter into the following land exchanges if the landowners are willing:

(A) Wapiti land exchange, as outlined in the documents entitled ''Non-Federal Lands in Facilitated Exchanges'' and ''Federal Lands in Facilitated Exchanges'' and dated July 1998.

(B) Eightmile/West Pine land exchange as outlined in the documents entitled ''Non-Federal Lands in Facilitated Exchanges'' and ''Federal Lands in Facilitated Exchanges'' and dated July 1998.

(2) EQUAL VALUE.—Before entering into an exchange under paragraph (1), the Secretary shall determine that the parcels of land to be exchanged are of approximately equal value, based on an appraisal.

(b) SECTION 1 OF THE TAYLOR FORK LAND.—

(1) IN GENERAL.—The Secretary is encouraged to pursue a land exchange with the owner of section 1 of the Taylor Fork land after completing a full public process and an appraisal.

(2) REPORT.—The Secretary shall report to Congress on the implementation of paragraph (1) not later than 180 days after the date of enactment of this subtitle.

SEC. 215. GENERAL PROVISIONS.

(a) MINOR CORRECTIONS.—

(1) IN GENERAL.—The Option Agreement shall be subject to such minor corrections and supplemental provisions as may be agreed to by the Secretary and BSL.

(2) NOTIFICATION.—The Secretary shall notify the Committee on Energy and Natural Resources of the Senate, the Committee on Resources of the House of Representatives, and each member of the Montana congressional delegation of any changes made under this subsection.

(3) BOUNDARY ADJUSTMENT.—

(A) IN GENERAL.—The boundary of the Gallatin National Forest is adjusted in the Wineglass and North Bridger area, as described on maps dated July 1998, upon completion of the conveyances.

(B) NO LIMITATION.—Nothing in this subsection limits the authority of the Secretary to adjust the boundary pursuant to section 11 of the Act of March 1, 1911 (commonly known as the ''Weeks Act'') (16 U.S.C. 521).

(C) ALLOCATION OF LAND AND WATER CONSERVATION FUND MONEYS.—For the purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–9), boundaries of the Gallatin National Forest shall be considered to be the boundaries of the National Forest as of January 1, 1965.

(b) PUBLIC AVAILABILITY.—The Option Agreement—

(1) shall be on file and available for public inspection in the office of the Supervisor of the Gallatin National Forest; and

(2) shall be filed with the county clerk of each of Gallatin County, Park County, Madison County, Granite County, Broadwater County, Meagher County, Flathead County, and Missoula County, Montana.

(c) COMPLIANCE WITH OPTION AGREEMENT.—The Secretary, the Secretary of the Interior, and BSL shall comply with the terms and conditions of the Option Agreement except to the extent that any provision of the Option Agreement conflicts with this subtitle.

(d) CONVEYANCE OF TIMBER.—After completion of the land-for-land exchange under section 213(a)(1), the Secretary shall convey to BSL 1,000,000 board feet of timber from roaded land in the Gallatin National Forest, which—

(1) shall be treated as reserved timber under section 251.14 of title 36, Code of Federal Regulations; and

(2) shall not be considered as part of the appraisal value of land exchanged under this subtitle.

(e) STATUS OF LAND.—All land conveyed to the United States under this subtitle shall be added to and administered as part of the Gallatin National Forest and Deerlodge National Forest, as appropriate, in accordance with the Act of March 1, 1911 (5 U.S.C. 515 et seq.), and other laws (including regulations) pertaining to the National Forest System.

(f) MANAGEMENT.—

(1) PUBLIC PROCESS.—Not later than 30 days after the date of completion of the land-for-land exchange under section 213(f)(1), the Secretary shall initiate a public process to amend the Gallatin National Forest Plan and the Deerlodge National Forest Plan to integrate the acquired land into the plans.

(2) PROCESS TIME.—The amendment process under paragraph (1) shall be completed as soon as practicable, and in no event later than 540 days after the date on which the amendment process is initiated.

(3) LIMITATION.—An amended management plan shall not permit surface occupancy on the acquired land for access to reserved or outstanding oil and gas rights or for exploration or development of oil and gas.

(4) INTERIM MANAGEMENT.—Pending completion of the forest plan amendment process under paragraph (1), the Secretary shall—

(A) manage the acquired land under the standards and guidelines in the applicable land and resource management plans for adjacent land managed by the Forest Service; and

(B) maintain all existing public access to the acquired land.

(g) RESTORATION.—

(1) IN GENERAL.—The Secretary shall implement a restoration program including reforestation and watershed enhancements to bring the acquired land and surrounding national forest land into compliance with Forest Service standards and guidelines.

(2) STATE AND LOCAL CONSERVATION CORPS.—In implementing the restoration program, the Secretary shall, when practicable, use partnerships with State and local conservation corps, including the Montana Conservation Corps, under the Public Lands Corps Act of 1993 (16 U.S.C. 1721 et seq.).

(h) IMPLEMENTATION.—The Secretary of Agriculture shall ensure that sufficient funds are made available to the Gallatin National Forest to carry out this subtitle.

(i) REVOCATIONS.—Notwithstanding any other provision of law, any public orders withdrawing lands identified in the Option Agreement from all forms of appropriation under the public land laws are revoked upon conveyance of the lands by the Secretary.

SEC. 216. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this subtitle.

Subtitle C—Conveyance of Canyon Ferry Reservoir Properties

SEC. 221. FINDINGS.

The Congress finds that the conveyance of the Properties described in section 224(b) to the Lessees of those Properties for fair market value would have the beneficial results of—

(1) reducing Pick-Sloan project debt for the Canyon Ferry Reservior;

(2) providing a permanent source of funding to acquire public access, to conserve fish and wildlife, and to enhance public hunting, fishing, and recreational opportunities in the State of Montana;

(3) eliminating Federal payments in lieu of taxes and associated management expenditures in connection with the Federal Government's ownership of the Properties while increasing local tax revenues from the new owners of the Properties; and

(4) eliminating expensive and contentious disputes between the Secretary of the Interior and Lessees while ensuring that the Federal Government receives full and fair value for the conveyance of the Properties.

SEC. 222. PURPOSE.

The purpose of this subtitle is to establish terms and conditions under which the Secretary of the Interior shall convey, for fair market value, certain Properties around Canyon Ferry Reservoir in the State of Montana, to the Lessees of the Properties.

SEC. 223. DEFINITIONS.

In this subtitle:

(1) CFRA.—The term ''CFRA'' means the Canyon Ferry Recreation Association, Incorporated, a Montana corporation.

(2) COMMISSIONERS.—The term ''Commissioners'' means the Board of Commissioners for Broadwater County, Montana.

(3) COUNTY TRUST.—The terms ''County Trust'' and ''Canyon Ferry-Broadwater County Trust'' mean the Canyon Ferry-Broadwater County Trust established pursuant to section 228.

(3) LESSEE.—The term ''Lessee'' means the leaseholder of any 1 of the cabin sites described in section 224(b) on the date of the enactment of this subtitle and the heirs, executors, and assigns of the leaseholder's interest in that cabin site.

(4) PROPERTY.—The term ''Property'' means any one of the cabin sites described in section 224(b).

(5) PROPERTIES.—The term ''Properties'' means all 265 of the cabin sites (and related parcels) described in section 224(b).

(6) PURCHASER.—The term ''Purchaser'' means a person or entity, excluding CFRA, that purchases the Properties under section 224.

(7) RESERVOIR.—The terms ''Reservoir'' and ''Canyon Ferry Reservoir'' mean the Canyon Ferry Reservoir in the State of Montana.

(8) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(9) STATE TRUST.—The terms ''State Trust'' and ''Montana Fish and Wildlife Conservation Trust'' mean the Montana Fish and Wildlife Conservation Trust established pursuant to section 227.

SEC. 224. SALE OF PROPERTIES.

(a) SALE REQUIRED.—Subject to subsection (c) and section 228, and notwithstanding any other provision of law, the Secretary shall sell at fair market value—

(1) all right, title, and interest of the United States in and to all (but not fewer than all) of the Properties, subject to valid existing rights; and

(2) perpetual easements for—

(A) vehicular access to each Property;

(B) access to and the use of one dock per Property; and

(C) access to and the use of all boathouses, ramps, retaining walls, and other improvements for which access is provided in the Property leases as of the date of the enactment of this subtitle.

(b) DESCRIPTION OF PROPERTIES.—

(1) IN GENERAL.—The Properties to be conveyed are—

(A) the 265 cabin sites of the Bureau of Reclamation located along the northern end of the Reservoir in portions of sections 2, 11, 12, 13, 15, 22, 23, and 26, Township 10 North, Range 1 West; and

(B) any small parcels contiguous to the Properties (not including shoreline or land

needed to provide public access to the shoreline of the Reservoir) that the Secretary determines should be conveyed in order to eliminate inholdings and facilitate administration of surrounding land remaining in Federal ownership.

(2) ACREAGE; LEGAL DESCRIPTION.—The acreage and legal description of each Property and of each parcel determined by the Secretary under paragraph (1)(B) shall be determined by agreement between the Secretary and CFRA.

(c) PURCHASE PROCESS.—

(1) IN GENERAL.—The Secretary shall—

(A) solicit sealed bids for the Properties;

(B) subject to paragraph (2), sell the Properties to the bidder that submits the highest bid above the minimum bid determined under paragraph (2); and

(C) only accept bids that provide for the purchase of all of the Properties in one bundle.

(2) MINIMUM BID.—Before accepting bids, the Secretary, in consultation with CFRA, shall establish a minimum bid based on an appraisal of the fair market value of the Properties, exclusive of the value of private improvements made by leaseholders of the Properties before the date of the conveyance. The appraisal shall be conducted in conformance with the Uniform Standards of Professional Appraisal Practice.

(3) RIGHT OF FIRST REFUSAL.—If the highest bidder is a person other than CFRA, CFRA shall have the right to match the highest bid and purchase the Properties at a price equal to the amount of that bid.

(d) TERMS OF CONVEYANCE.—

(1) PURCHASER TO EXTEND OPTION TO PURCHASE OR TO CONTINUE LEASING.—

(A) PURCHASE OPTION.—The Purchaser shall give each Lessee of a Property conveyed under this section an option to purchase the Property at fair market value as determined under subsection (c)(2).

(B) RIGHT TO CONTINUE LEASE.—A Lessee that is unable or unwilling to purchase a Property shall be provided the opportunity to continue to lease the Property for fair market value rent under the same terms and conditions as apply under the existing lease for the Property, including the right to renew the term of the existing lease for two consecutive five-year terms.

(C) COMPENSATION FOR IMPROVEMENTS.—If a Lessee declines to purchase a Property, the Purchaser shall compensate the Lessee for the fair market value, as determined pursuant to customary appraisal procedures, of all improvements made to the Property. The Lessee may sell the improvements to the Purchaser at any time, but the sale shall be completed by the final termination of the lease, after all renewals as provided in subparagraph (B).

(2) PROPERTY DESCRIPTIONS AND HISTORICAL USE.—The Purchaser shall honor the existing descriptions of the Properties and historical use restrictions for the Properties.

(3) CFRA PURCHASES.—

(A) CONVEYANCE TO STATE TRUST IN LIEU OF PAYMENT.—If CFRA is the highest bidder, or matches the highest bid, CFRA may convey to the Montana Fish and Wildlife Conservation Trust the fee title to any Property that is not purchased by a Lessee under paragraph (1)(A). The conveyance to the State Trust shall be in lieu of payment, and the value of each Property contribution under this subparagraph shall be the fair market value of the Property under this section.

(B) CONTINUATION OF LEASES.—

(i) IN GENERAL.—CFRA (or the State Trust if a Property is conveyed to the State Trust under subparagraph (A)) shall allow the Lessee of that Property who is unable or unwilling to purchase the Property to continue to lease the Property pursuant to the terms and conditions of the lease in effect for the Property on the date of the enactment of this subtitle.

(ii) RENTAL PAYMENTS.—All rents received during the continuation of a lease under clause (i) shall be paid to CFRA (or the State Trust if the Property is conveyed to the State Trust under subparagraph (A)).

(iii) LIMITATION ON RIGHT TO TRANSFER LEASE.—Subject to valid existing rights, a Lessee may not sell or otherwise assign or transfer the Lessee's Property without purchasing the Property from CFRA (or the State Trust if the Property is conveyed to the State Trust under subparagraph (A)) and conveying the fee interest in the Property.

(C) CONVEYANCE BY STATE TRUST.—All conveyances of a Property and any related parcels under subsection (b)(1)(B) by the State Trust shall be at fair market value as determined by a new appraisal, but in no event may the State Trust convey any Property to a Lessee for an amount less than the value established for the Property by the appraisal conducted pursuant to subsection (c)(2).

(e) ADMINISTRATIVE COSTS.—Any reasonable administrative cost incurred by the Secretary incident to the conveyance under subsection (a) shall be reimbursed by the Purchaser or CFRA, as the case may be.

(f) TIMING.—The Secretary shall make every effort to complete the conveyance under subsection (a) not later than one year after the date of the enactment of this subtitle.

(g) CLOSING.—Real estate closings to complete the conveyance under subsection (a) may be staggered to facilitate the conveyance as agreed to by the Secretary and the Purchaser or CFRA, as the case may be.

(h) CONVEYANCE TO LESSEE.—If a Lessee elects to purchase a Property from the Purchaser or CFRA as provided in subsection (d)(1)(A), the Secretary, upon request by the Lessee, shall have the conveyance documents prepared in the Lessee's name or names in order to minimize the time and documents required to complete the closing for the Property.

(h) COSTS.—The Lessee shall reimburse CFRA for a proportionate share of the costs to CFRA of completing the transactions contemplated by this subtitle, including any interest charges. In addition, the Lessee shall reimburse the State Trust for costs, including costs of the new appraisal, associated with conveying the Property from the Trust to the Lessee.

SEC. 225. MANAGEMENT OF BUREAU OF RECLAMATION RECREATION AREA.

(a) CONTRACT FOR CAMPGROUND MANAGEMENT.—Not later than six months after the date of the enactment of this subtitle, the Secretary shall—

(1) offer to enter into a contract with the Board of Commissioners for Broadwater County, Montana, under which the Commissioners would undertake the management of the Bureau of Reclamation recreation area known as Silos recreation area; and

(2) enter into such a contract if mutually agreed upon by the Secretary and the Commissioners.

(b) CONCESSION INCOME.—Any income generated by any concessions which may be granted by the Commissioners at the recreation area shall be deposited in the Canyon Ferry-Broadwater County Trust established pursuant to section 228 and may be dispersed by the manager of the County Trust as part of the income of the County Trust.

SEC. 226. USE OF PROCEEDS.

Proceeds received by the United States from the conveyances under this subtitle shall be used as follows:

(1) 10 percent of the proceeds shall be applied by the Secretary of the Treasury to reduce the outstanding debt for the Pick-Sloan project at Canyon Ferry Reservoir.

(2) 90 percent of the proceeds shall be deposited into the State Trust.

SEC. 227. MONTANA FISH AND WILDLIFE CONSERVATION TRUST.

As part of the conveyance of the Properties under section 224, there shall be established a nonprofit charitable permanent perpetual public trust in Montana to be known as the ''Montana Fish and Wildlife Conservation Trust'', to provide a permanent source of funding to acquire publicly accessible land and interests in land, including easements and conservation easements, in Montana from willing sellers at fair market value to—

(1) restore and conserve fisheries habitat, including riparian habitat;

(2) restore and conserve wildlife habitat;

(3) enhance public hunting, fishing, and recreational opportunities; and

(4) improve public access to public lands.

SEC. 228. CANYON FERRY-BROADWATER COUNTY TRUST.

(a) TRUST REQUIRED AS CONDITION ON CONVEYANCES.—The Secretary may not sell the Properties under section 224 unless and until the Board of Commissioners for Broadwater County, Montana—

(1) establishes a nonprofit charitable permanent perpetual public trust, to be known as the ''Canyon Ferry-Broadwater County Trust''; and

(2) deposits at least $3,000,000 as the initial corpus of the County Trust.

(b) REDUCTION FOR IN-KIND CONTRIBUTIONS.—The Secretary may reduce the amount required to be deposited in the County Trust under subsection (a)(2) to reflect in-kind contributions made in Broadwater County and related to the maintenance or improvement of access to or recreational facilities at the Reservoir. In kind contributions shall be valued based on the fair market value of the goods or services provided.

(c) COUNTY TRUST MANAGEMENT.—The County Trust shall be managed by the Montana Community Foundation, in this section referred to as the ''trust manager''.

(d) USE.—

(1) IN GENERAL.—The trust manager shall invest the corpus of the County Trust and shall disperse funds from the County Trust only as provided in this subsection.

(2) SILO RECREATION AREA.—A sum not to exceed $500,000 may be expended from the corpus of the County Trust to pay for the planning and construction of a harbor at the Silos recreation area.

(3) OTHER USES.—The balance of the principal of the County Trust shall be inviolate. Income derived from the County Trust may be expended for the improvement of access to those portions of Canyon Ferry Reservoir lying within Broadwater County, Montana, and for the creation and improvement of new and existing recreational areas within Broadwater County.

(4) LIMITATION.—All interest earned on the principal of the County Trust shall be reinvested and considered part of the corpus of the Trust until the sum of $3,000,000, or such lesser amount established by the Secretary under subsection (b), is deposited as the initial corpus of County Trust.

(5) DISPERSEMENT.—The trust manager shall either approve or reject any request for dispersement, but shall not make any expenditure except on the recommendation of the advisory committee established under subsection (e).

(e) ADVISORY COMMITTEE.—

(1) APPOINTMENT.—The Commissioners shall appoint an advisory committee consisting of not less than three nor more than person persons.

(2) DUTIES.—The advisory committee shall meet on a regular basis to establish priorities and prepare requests for the dispersement of funds from the County Trust, except that the advisory committee shall recommend only such expenditures as are approved by the Commissioners.

Subtitle D—Conveyance of National Forest Lands for Public School Purposes

SEC. 231. AUTHORIZATION OF USE OF NATIONAL FOREST LANDS FOR PUBLIC SCHOOL PURPOSES.

(a) TRANSFERS.—The Secretary of Agriculture may, upon a finding that the transfer of certain National Forest lands for local public school purposes would serve the public interest, authorize the transfer of up to 40 acres of National Forest lands to a local governmental entity for public school purposes. The Secretary may make available only those National Forest lands that have been identified for disposal or exchange or are not otherwise needed for National Forest purposes. The Secretary shall make such transfers using the least amount of land required for the efficient operation of the project involved.

(b) COSTS.—Such transfers may be made at discounted or no-cost. The Secretary shall provide for a no-cost transfer to a local governmental entity for public school purposes if the Secretary determines that the charges for such lands would impose an undue hardship on the local governmental entity.

(c) CONDITIONS.—Such transfers shall be conditioned on the requirement that the lands so transferred will be used solely for public school purposes.

(d) DEADLINE FOR CONSIDERATION OF APPLICATION FOR USE FOR SCHOOL.—If the Secretary receives an application from a duly qualified applicant that is a local education agency seeking a conveyance of land under this section for use for an elementary or secondary school, including a public charter school, the Secretary shall—

(1) before the end of the 10-day period beginning on the date of that receipt, provide notice of that receipt to the applicant; and

(2) before the end of the 90-day period beginning on the date of that receipt—

(A) determine whether or not to convey land pursuant to the application, and notify the applicant of that determination; or

(B) report to the Congress and the applicant the reasons that determination has not been made.

Subtitle D—Other Conveyances

SEC. 241. LAND EXCHANGE, EL PORTAL ADMINISTRATIVE SITE, CALIFORNIA.

(a) AUTHORIZATION OF EXCHANGE.—If the non-Federal lands described in subsection (b) are conveyed to the United States in accordance with this section, the Secretary of the Interior shall convey to the party conveying the non-Federal lands all right, title, and interest of the United States in and to a parcel of land consisting of approximately 8 acres administered by the Department of Interior as part of the El Portal Administrative Site in the State of California, as generally depicted on the map entitled ''El Portal Administrative Site Land Exchange'', dated June 1998.

(b) RECEIPT OF NON-FEDERAL LANDS.—The parcel of non-Federal lands referred to in subsection (a) consists of approximately 8 acres, known as the Yosemite View parcel, which is located adjacent to the El Portal Administrative Site, as generally depicted on the map referred to in subsection (a). Title to the non-Federal lands must be acceptable to the Secretary of the Interior, and the conveyance shall be subject to such valid existing rights of record as may be acceptable to the Secretary. The parcel shall conform with the title approval standards applicable to Federal land acquisitions.

(c) EQUALIZATION OF VALUES.—If the value of the Federal land and non-Federal lands to be exchanged under this section are not equal in value, the difference in value shall be equalized through a cash payment or the provision of goods or services as agreed upon by the Secretary and the party conveying the non-Federal lands.

(d) APPLICABILITY OF OTHER LAWS.—Except as otherwise provided in this section, the Secretary of the Interior shall process the land exchange authorized by this section in the manner provided in part 2200 of title 43, Code of Federal Regulations, as in effect on the date of the enactment of this subtitle.

(e) BOUNDARY ADJUSTMENT.—Upon completion of the land exchange, the Secretary shall adjust the boundaries of the El Portal Administrative Site as necessary to reflect the exchange. Lands acquired by the Secretary under this section shall be administered as part of the El Portal Administrative Site.

(f) MAP.—The map referred to in subsection (a) shall be on file and available for inspection in appropriate offices of the Department of the Interior.

(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Interior may require such additional terms and conditions in connection with the land exchange under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 242. AUTHORIZATION TO USE LAND IN MERCED COUNTY, CALIFORNIA, FOR ELEMENTARY SCHOOL.

(a) REMOVAL OF RESTRICTIONS.—Notwithstanding the restrictions otherwise applicable under the terms of conveyance by the United States of any of the land described in subsection (b) to Merced County, California, or under any agreement concerning any part of such land between such county and the Secretary of the Interior or any other officer or agent of the United States, the land described in subsection (b) may be used for the purpose specified in subsection (c).

(b) LAND AFFECTED.—The land referred to in subsection (a) is the north 25 acres of the 40 acres located in the northwest quarter of the southwest quarter of section 20, township 7 south, range 13 east, Mount Diablo base line and Meridian in Merced County, California, conveyed to such county by deed recorded in volume 1941 at page 441 of the official records in Merced County, California.

(c) AUTHORIZED USES.—Merced County, California, may authorize the use of the land described in subsection (b) for an elementary school serving children without regard to their race, creed, color, national origin, physical or mental disability, or sex, operated by a nonsectarian organization on a nonprofit basis and in compliance with all applicable requirements of the laws of the United States and the State of California. If Merced County permits such lands to be used for such purposes, the county shall include information concerning such use in the periodic reports to the Secretary of the Interior required under the terms of the conveyance of such lands to the county by the United States. Any violation of the provisions of this subsection shall be deemed to be a breach of the conditions and covenants under which such lands were conveyed to Merced County by the United States, and shall have the same effect as provided by deed whereby the United States conveyed the lands to the county. Except as specified in this subsection, nothing in this section shall increase or diminish the authority or responsibility of the county with respect to the land.

SEC. 243. ISSUANCE OF QUITCLAIM DEED, STEFFENS FAMILY PROPERTY, BIG HORN COUNTY, WYOMING.

(a) ISSUANCE.—Subject to valid existing rights and subsection (d), the Secretary of the Interior is directed to issue, without consideration, a quitclaim deed to Marie Wambeke of Big Horn County, Wyoming, the personal representative of the estate of Fred Steffens, to the land described in subsection (b).

(b) LAND DESCRIPTION.—The land referred to in subsection (a) is the approximately 80-parcel known as ''Farm Unit C'' in the E½NW¼ of Section 27, Township 57 North, Range 97 West, 6th Principal Meridian, Wyoming.

(c) REVOCATION OF WITHDRAWAL.—The Bureau of Reclamation withdrawal for the Shoshone Reclamation Project under Secretarial Order dated October 21, 1913, is hereby revoked with respect to the land described in subsection (b).

(d) RESERVATION OF MINERAL INTERESTS.—All minerals underlying the land described in subsection (b) are hereby reserved to the United States.

SEC. 244. ISSUANCE OF QUITCLAIM DEED, LOWE FAMILY PROPERTY, BIG HORN COUNTY, WYOMING.

(a) ISSUANCE.—Subject to valid existing rights and subsection (c), the Secretary of the Interior is directed to issue, without consideration, a quitclaim deed to John R. and Margaret J. Lowe of Big Horn County, Wyoming, to the land described in subsection (b).

(b) LAND DESCRIPTION.—The land referred to in subsection (a) is the approximately 40-acre parcel located in the SW¼SE¼ of Section 11, Township 51 North, Range 96 West, 6th Principal Meridian, Wyoming.

(c) RESERVATION OF MINERAL INTERESTS.—All minerals underlying the land described in subsection (b) are hereby reserved to the United States.

SEC. 245. UTAH SCHOOLS AND LANDS EXCHANGE.

(a) FINDINGS.—The Congress finds the following:

(1) The State of Utah owns approximately 176,600 acres of land, as well as approximately 24,165 acres of mineral interests, administered by the Utah School and Institutional Trust Lands Administration, within the exterior boundaries of the Grand Staircase-Escalante National Monument, established by Presidential proclamation on September 18, 1996, pursuant to section 2 of the Antiquities Act of 1906 (16 U.S.C. 431). The State of Utah also owns approximately 200,000 acres of land, and 76,000 acres of mineral interests, administered by the Utah School and Institutional Trust Lands Administration, within the exterior boundaries of several units of the National Park System and the National Forest System, and within certain Indian reservations in Utah. These lands were granted by Congress to the State of Utah pursuant to the Utah Enabling Act, chap. 138, 28 Stat. 107 (1894), to be held in trust for the benefit of the State's public school system and other public institutions.

(2) Many of the State school trust lands within the monument may contain significant economic quantities of mineral resources, including coal, oil, and gas, tar sands, coalbed methane, titanium, uranium, and other energy and metalliferous minerals. Certain State school trust lands within the Monument, like the Federal lands comprising the Monument, have substantial noneconomic scientific, historic, cultural, scenic, recreational, and natural resources, including ancient Native American archaeological sites and rare plant and animal communities.

(3) Development of surface and mineral resources on State school trust lands within the monument could be incompatible with the preservation of these scientific and historic resources for which the monument was established. Federal acquisition of State school trust lands within the monument

would eliminate this potential incompatibility, and would enhance management of the Grand Staircase-Escalante National Monument.

(4) The United States owns lands and interest in lands outside of the monument that can be transferred to the State of Utah in exchange for the monument inholdings without jeopardizing Federal management objectives or needs.

(5) In 1993, Congress passed and the President signed Public Law 103–93, which contained a process for exchanging State of Utah school trust inholdings in the National Park System, the National Forest System, and certain Indian reservations in Utah. Among other things, it identified various Federal lands and interests in land that were available to exchange for these State inholdings.

(6) Although Public Law 103–93 offered the hope of a prompt, orderly exchange of State inholdings for Federal lands elsewhere, implementation of the legislation has been very slow. Completion of this process is realistically estimated to be many years away, at great expense to both the State and the United States in the form of expert witnesses, lawyers, appraisers, and other litigation costs.

(7) The State also owns approximately 2,560 acres of land in or near the Alton coal field which has been declared an area unsuitable for coal mining under the terms of the Surface Mining Control and Reclamation Act. This land is also administered by the Utah School and Institutional Trust Lands Administration, but its use is limited given this declaration.

(8) The large presence of State school trust land inholdings in the monument, national parks, national forests, and Indian reservations make land and resource management in these areas difficult, costly, and controversial for both the State of Utah and the United States.

(9) It is in the public interest to reach agreement on exchange of inholdings, on terms fair to both the State and the United States. Agreement saves much time and delay in meeting the expectations of the State school and institutional trusts, in simplifying management of Federal and Indian lands and resources, and in avoiding expensive, protracted litigation under Public Law 103–93.

(10) The State of Utah and the United States have reached an agreement under which the State would exchange of all its State school trust lands within the monument, and specified inholdings in national parks, forests, and Indian reservations that are subject to Public Law 103–93, for various Federal lands and interests in lands located outside the monument, including Federal lands and interests identified as available for exchange in Public Law 103–93 and additional Federal lands and interests in lands.

(11) The State school trust lands to be conveyed to the Federal Government include properties within units of the National Park System, the National Forest System, and the Grand Staircase-Escalante National Monument. The Federal assets made available for exchange with the State were selected with a great sensitivity to environmental concerns and a belief and expectation by both parties that Federal assets to be conveyed to the State would be unlikely to trigger significant environmental controversy.

(12) The parties agreed at the outset of negotiations to avoid identifying Federal assets for conveyance to the State where any of the following was known to exist or likely to be an issue as a result of foreseeable future uses of the land: significant wildlife resources, endangered species habitat, significant archaeological resources, areas of critical environmental concern, coal resources requiring surface mining to extract the mineral deposits, wilderness study areas, significant recreational areas, or any other lands known to raise significant environmental concerns of any kind.

(13) The parties further agreed that the use of any mineral interests obtained by the State of Utah where the Federal Government retains surface and other interest, will not conflict with established Federal land and environmental management objectives, and shall be fully subject to all environmental regulations applicable to development of non-Federal mineral interest on Federal lands.

(14) Because the inholdings to be acquired by the Federal Government include properties within the boundaries of some of the most renowned conservation land units in the United States, and because a mission of the Utah School and Institutional Trust Lands Administration is to produce economic benefits for Utah's public schools and other beneficiary institutions, the exchange of lands called for in this agreement will resolve many longstanding environmental conflicts and further the interest of the State trust lands, the school children of Utah, and these conservation resources.

(15) Under this Agreement taken as a whole, the State interests to be conveyed to the United States by the State of Utah, and the Federal interests and payments to be conveyed to the State of Utah by the United States, are approximately equal in value.

(16) The purpose of this section is to enact into law and direct prompt implementation of this historic agreement.

(b) RATIFICATION OF AGREED EXCHANGE BETWEEN THE STATE OF UTAH AND THE DEPARTMENT OF THE INTERIOR.—

(1) AGREEMENT.—The State of Utah and the Department of the Interior have agreed to exchange certain Federal lands, Federal mineral interests, and payment of money for lands and mineral interests managed by the Utah School and Institutional Trust Lands Administration, lands and mineral interests of approximately equal value inheld within the Grand Staircase-Escalante National Monument the Goshute and Navajo Indian Reservations, units of the National Park System, the National Forest System, and the Alton coal fields.

(2) RATIFICATION.—All terms, conditions, procedures, covenants, reservations, and other provisions set forth in the document entitled ''Agreement to Exchange Utah School Trust Lands Between the State of Utah and the United States of America'' (in this section referred to as the ''Agreement'') are hereby incorporated in this section, are ratified and confirmed, and set forth the obligations and commitments of the United States, the State of Utah, and Utah School and Institutional Trust Lands Administration, as a matter of Federal law.

(c) LEGAL DESCRIPTIONS.—

(1) IN GENERAL.—The maps and legal descriptions referred to in the Agreement depict the lands subject to the conveyances.

(2) PUBLIC AVAILABILITY.—The maps and descriptions referred to in the Agreement shall be on file and available for public inspection in the offices of the Secretary of the Interior and the Utah State Director of the Bureau of Land Management.

(3) CONFLICT.—In case of conflict between the maps and the legal descriptions, the legal descriptions shall control.

(d) COSTS.—The United States and the State of Utah shall each bear its own respective costs incurred in the implementation of this section.

(e) REPEAL OF PUBLIC LAW 103–93 AND PUBLIC LAW 104–211.—The provisions of Public Law 103–93 (107 Stat. 995), other than section 7(b)(1), section 7(b)(3), and section 10(b) thereof, are hereby repealed. Public Law 104–211 (110 Stat. 3013) is hereby repealed.

(f) CASH PAYMENT PREVIOUSLY AUTHORIZED.—As previously authorized and made available by section 7(b)(1) and (b)(3) of Public Law 103–93, upon completion of all conveyances described in the Agreement, the United States shall pay $50,000,000 to the State of Utah from funds not otherwise appropriated from the Treasury.

(g) SCHEDULE FOR CONVEYANCES.—All conveyances under sections 2 and 3 of the Agreement shall be completed within 70 days after the enactment of this Act.

SEC. 246. LAND EXCHANGE, ROUTT NATIONAL FOREST, COLORADO.

(a) AUTHORIZATION OF EXCHANGE.—If the non-Federal lands described in subsection (b) are conveyed to the United States in accordance with this section, the Secretary of Agriculture shall convey to the party conveying the non-Federal lands all right, title, and interest of the United States in and to a parcel of land consisting of approximately 84 acres within the Routt National Forest in the State of Colorado, as generally depicted on the map entitled ''Miles Land Exchange'', Routt National Forest, dated May 1996.

(b) RECEIPT OF NON-FEDERAL LANDS.—The parcel of non-Federal lands referred to in subsection (a) consists of approximately 84 acres, known as the Miles parcel, located adjacent to the Routt National Forest, as generally depicted on the map entitled ''Miles Land Exchange'', Routt National Forest, dated May 1996. Title to the non-Federal lands must be acceptable to the Secretary of Agriculture, and the conveyance shall be subject to such valid existing rights of record as may be acceptable to the Secretary of Agriculture. The parcel shall conform with the title approval standards applicable to Federal land acquisitions.

(c) APPROXIMATELY EQUAL IN VALUE.—The values of both the Federal and non-Federal lands to be exchanged under this section are deemed to be approximately equal in value, and no additional valuation determinations are required.

(d) APPLICABILITY OF OTHER LAWS.—Except as otherwise provided in this section, the Secretary of Agriculture shall process the land exchange authorized by this section in the manner provided in subpart A of part 254 of title 36, Code of Federal Regulations.

(e) MAPS.—The maps referred to in subsections (a) and (b) shall be on file and available for inspection in the office of the Forest Supervisor, Routt National Forest, and in the office of the Chief of the Forest Service.

(f) BOUNDARY ADJUSTMENT.—Upon approval and acceptance of title by the Secretary of Agriculture, the non-Federal lands conveyed to the United States under this section shall become part of the Routt National Forest, and the boundaries of the Routt National Forest shall be adjusted to reflect the land exchange. Upon receipt of the non-Federal lands, the Secretary of Agriculture shall manage the lands in accordance with the laws and regulations pertaining to the National Forest System. For purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–9), the boundaries of the Routt National Forest, as adjusted by this section, shall be considered to be the boundaries of the National Forest as of January 1, 1965.

(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of Agriculture may require such additional terms and conditions in connection with the conveyances under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 247. CONVEYANCE OF ADMINISTRATIVE SITE, ROGUE RIVER NATIONAL FOREST, OREGON AND CALIFORNIA.

(a) SALE OR EXCHANGE AUTHORIZED.—The Secretary of Agriculture, under such terms and conditions as the Secretary may prescribe, may sell or exchange any or all right, title, and interest of the United States in and to the Rogue River National Forest administrative site depicted on the map entitled ''Rogue River Administrative Conveyance'' dated April 23, 1998, consisting of approximately 5.1 acres.

(b) EXCHANGE ACQUISITIONS.—The Secretary of Agriculture may provide for the construction of administrative facilities in exchange for a conveyance of the administrative site under subsection (a).

(c) APPLICABLE AUTHORITIES.—Except as otherwise provided in this section, any sale or exchange of an administrative site shall be subject to the laws (including regulations) applicable to the conveyance and acquisition of land for National Forest System purposes.

(d) CASH EQUALIZATION.—Notwithstanding any other provision of law, the Secretary of Agriculture may accept a cash equalization payment in excess of 25 percent of the value of an administrative site in an exchange under subsection (a).

(e) SOLICITATIONS OF OFFERS.—In carrying out this section, the Secretary of Agriculture may—

(1) use solicitations of offers for sale or exchange on such terms and conditions as the Secretary may prescribe; and

(2) reject any offer if the Secretary determines that the offer is not adequate or not in the public interest.

(f) DISPOSITION OF FUNDS.—The proceeds of a sale or exchange under subsection (a) shall be deposited in the fund established under Public Law 90–171 (16 U.S.C. 484a; commonly known as the Sisk Act) and shall be available, until expended, for the construction or improvement of offices and support buildings for combined use by the Forest Service for the Rogue River National Forest, and by the Bureau of Land Management.

(g) REVOCATION OF PUBLIC LAND ORDERS.—Notwithstanding any other provision of law, to facilitate the sale or exchange of the administrative site, public land orders withdrawing the administrative site from all forms of appropriation under the public land laws are revoked for any portion of the administrative site, upon conveyance of that portion by the Secretary of Agriculture. The effective date of a revocation made by this subsection shall be the date of the patent or deed conveying the administrative site (or portion thereof).

SEC. 248. HART MOUNTAIN JURISDICTIONAL TRANSFERS, OREGON.

(a) TRANSFER FROM THE BUREAU OF LAND MANAGEMENT TO THE UNITED STATES FISH AND WILDLIFE SERVICE.—

(1) IN GENERAL.—Administrative jurisdiction over the parcels of land identified for transfer to the United States Fish and Wildlife Service on the map entitled ''Hart Mountain Jurisdictional Transfer'', dated February 26, 1998, comprising approximately 12,100 acres of land in Lake County, Oregon, located adjacent to or within the Hart Mountain National Antelope Refuge, is transferred from the Bureau of Land Management to the United States Fish and Wildlife Service.

(2) INCLUSION IN REFUGE.—The parcels of land described in paragraph (1) shall be included in the Hart Mountain National Antelope Refuge.

(3) WITHDRAWAL.—Subject to valid existing rights, the parcels of land described in paragraph (1)—

(A) are withdrawn from—

(i) surface entry under the public land laws;

(ii) leasing under the mineral leasing laws and Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.); and

(iii) location and entry under the mining laws; and

(B) shall be treated as parcels of land subject to the provisions of Executive Order No. 7523 of December 21, 1936, as amended by Executive Order No. 7895 of May 23, 1938, and Presidential Proclamation No. 2416 of July 25, 1940, that withdrew parcels of land for the Hart Mountain National Antelope Refuge.

(4) MANAGEMENT.—The land described in paragraph (1) shall be included in the Hart Mountain National Antelope Refuge and managed in accordance with the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.), and other applicable law and with management plans and agreements between the Bureau of Land Management and the United States Fish and Wildlife Service for the Hart Mountain Refuge.

(b) CONTINUED MANAGEMENT OF GUANO CREEK WILDERNESS STUDY AREA BY THE BUREAU OF LAND MANAGEMENT.—

(1) IN GENERAL.—The parcels of land identified for cooperative management on the map entitled ''Hart Mountain Jurisdictional Transfer'', dated February 26, 1998, comprising approximately 10,900 acres of land in Lake County, Oregon, located south of the Hart Mountain National Antelope Refuge, shall be retained under the jurisdiction of the Bureau of Land Management.

(2) MANAGEMENT.—The parcels of land described in paragraph (1) that are within the Guano Creek Wilderness Study Area Act shall be managed so as not to impair the suitability of the area for designation as wilderness, in accordance with current and future management plans and agreements (including the agreement known as the ''Shirk Ranch Agreement'' dated September 30, 1997), until such date as Congress enacts a law directing otherwise.

(c) TRANSFER FROM THE UNITED STATES FISH AND WILDLIFE SERVICE TO THE BUREAU OF LAND MANAGEMENT.—

(1) IN GENERAL.—Administrative jurisdiction over the parcels of land identified for transfer to the Bureau of Land Management on the map entitled ''Hart Mountain Jurisdictional Transfer'', dated February 26, 1998, comprising approximately 7,700 acres of land in Lake County, Oregon, located adjacent to or within the Hart Mountain National Antelope Refuge, is transferred from the United States Fish and Wildlife Service to the Bureau of Land Management.

(2) REMOVAL FROM REFUGE.—The parcels of land described in paragraph (1) are removed from the Hart Mountain National Antelope Refuge, and the boundary of the refuge is modified to reflect that removal.

(3) REVOCATION OF WITHDRAWAL.—The provisions of Executive Order No. 7523 of December 21, 1936, as amended by Executive Order No. 7895 of May 23, 1938, and Presidential Proclamation No. 2416 of July 25, 1940, that withdrew the parcels of land for the refuge, shall be of no effect with respect to the parcels of land described in paragraph (1).

(4) STATUS.—The parcels of land described in paragraph (1)—

(A) are designated as public land; and

(B) shall be open to—

(i) surface entry under the public land laws;

(ii) leasing under the mineral leasing laws and the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.); and

(iii) location and entry under the mining laws.

(5) MANAGEMENT.—The land described in paragraph (1) shall be managed in accordance with the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.) and other applicable law, and the agreement known as the ''Shirk Ranch Agreement'' dated September 30, 1997.

(d) MAP.—A copy of the map described in subsections (a), (b), and (c) and such additional legal descriptions as are applicable shall be kept on file and available for public inspection in the Office of the Regional Director of Region 1 of the United States Fish and Wildlife Service, the local District Office of the Bureau of Land Management, the Committee on Energy and Natural Resources of the Senate, and the Committee on Resources of the House of Representatives.

(e) CORRECTION OF REFERENCE TO WILDLIFE REFUGE.—Section 28 of the Act of August 13, 1954 (68 Stat. 718, chapter 732; 72 Stat. 818; 25 U.S.C. 564w–1), is amended in subsections (f) and (g) by striking ''Klamath Forest National Wildlife Refuge'' each place it appears and inserting ''Klamath Marsh National Wildlife Refuge''.

SEC. 249. SALE, LEASE, OR EXCHANGE OF IDAHO SCHOOL LAND.

The Act of July 3, 1890 (commonly known as the ''Idaho Admission Act'') (26 Stat. 215, chapter 656), is amended by striking section 5 and inserting the following:

''SEC. 5. SALE, LEASE, OR EXCHANGE OF SCHOOL LAND.

''(a) SALE.—

''(1) IN GENERAL.—Except as provided in subsection (c), all land granted under this Act for educational purposes shall be sold only at public sale.

''(2) USE OF PROCEEDS.—

''(A) IN GENERAL.—Proceeds of the sale of school land—

''(i) except as provided in clause (ii), shall be deposited in the public school permanent endowment fund and expended only for the support of public schools; and

''(ii)(I) may be deposited in a land bank fund to be used to acquire, in accordance with State law, other land in the State for the benefit of the beneficiaries of the public school permanent endowment fund; or

''(II) if the proceeds are not used to acquire other land in the State within a period specified by State law, shall be transferred to the public school permanent endowment fund.

''(B) EARNINGS RESERVE FUND.—Earnings on amounts in the public school permanent endowment fund shall be deposited in an earnings reserve fund to be used for the support of public schools of the State in accordance with State law.

''(b) LEASE.—Land granted under this Act for educational purposes may be leased in accordance with State law.

''(c) EXCHANGE.—

''(1) IN GENERAL.—Land granted for educational purposes under this Act may be exchanged for other public or private land.

''(2) VALUATION.—The values of exchanged lands shall be approximately equal, or, if the values are not approximately equal, the values shall be equalized by the payment of funds by the appropriate party.

''(3) EXCHANGES WITH THE UNITED STATES.—

''(A) IN GENERAL.—A land exchange with the United States shall be limited to Federal land within the State that is subject to exchange under the law governing the administration of the Federal land.

''(B) PREVIOUS EXCHANGES.—All land exchanges made with the United States before the date of enactment of this paragraph are approved.

''(d) RESERVATION FOR SCHOOL PURPOSES.—Land granted for educational purposes, whether surveyed or unsurveyed, shall not be subject to preemption, homestead entry, or any other form of entry under the land laws of the United States, but shall be reserved for school purposes only.''.

SEC. 250. TRANSFER OF JURISDICTION OF CERTAIN PROPERTY IN SAN JOAQUIN COUNTY, CALIFORNIA, TO BUREAU OF LAND MANAGEMENT.

(a) TRANSFER.—The property described in subsection (b) is hereby transferred by operation of law upon the enactment of this Act from the administrative jurisdiction of the Federal Bureau of Prisons, United States Department of Justice, to the Bureau of Land Management, United States Department of the Interior. The Attorney General of the United States and the Secretary of the Interior shall take such actions as may be necessary to carry out such transfer.

(b) PROPERTY DESCRIPTION.—The property referred to in subsection (a) is a portion of a 200-acre property located in the San Joaquin Valley, approximately 55 miles east of San Francisco, 2 miles to the west of the City of Tracy, California, municipal limits, approximately 1.25 miles west of Interstate 5 (I–5) and ½ mile southeast of the I–580/I–205 split as indicated by Exhibit I–3, formerly a Federal Aviation Administration (FAA) antenna field, known as the ''Tracy Site''.

SEC. 251. CONVEYANCE, CAMP OWEN AND RELATED PARCELS, KERN COUNTY, CALIFORNIA.

(a) CONVEYANCE REQUIRED.—The Secretary of Agriculture shall convey, without consideration, to Kern County, California, all right, title, and interest of the United States in and to three parcels of land under the jurisdiction of the Forest Service in Kern County, as follows

(1) Approximately 104 acres known as Camp Owen.

(2) Approximately 4 acres known as Wofford Heights Park.

(3) Approximately 3.4 acres known as the French Gulch maintenance yard.

(b) CONDITION ON CONVEYANCE.—The lands conveyed under this section shall be subject to valid existing rights of record.

(c) TIME FOR CONVEYANCE.—The Secretary shall complete the conveyance under this section within three months after the date of the enactment of this Act.

(d) LEGAL DESCRIPTIONS.—The exact acreage and legal description of the lands to be conveyed under this section shall be determined by a survey satisfactory to the Secretary.

SEC. 252. TREATMENT OF CERTAIN LAND ACQUIRED BY EXCHANGE, RED CLIFFS DESERT RESERVE, UTAH.

(a) LIMITATION ON LIABILITY.—In support of the habitat conservation plan of Washington County, Utah, for the protection of the desert tortoise and surrounding habitat, the transfer of the land described in subsection (b) from the city of St. George, Utah, to the United States shall convey no liability on the United States that did not already exist with the United States on the date of the transfer of the land.

(b) DESCRIPTION OF LAND.—The land referred to in subsection (a) is a parcel of approximately 15 acres of land located within the Red Cliffs Desert Reserve in Washington County, Utah, that was formerly used as a landfill by the city of St. George.

TITLE III—HERITAGE AREAS

Subtitle A—Delaware and Lehigh National Heritage Corridor of Pennsylvania

SEC. 301. CHANGE IN NAME OF HERITAGE CORRIDOR.

The Delaware and Lehigh Navigation Canal National Heritage Corridor Act of 1988 (Public Law 100–692; 102 Stat. 4552; 16 U.S.C. 461 note) is amended by striking ''Delaware and Lehigh Navigation Canal National Heritage Corridor'' each place it appears (except section 4(a)) and inserting ''Delaware and Lehigh National Heritage Corridor''.

SEC. 302. PURPOSE.

Section 3(b) of such Act (102 Stat. 4552) is amended as follows:

(1) By inserting after ''subdivisions'' the following: ''in enhancing economic development within the context of preservation and''.

(2) By striking ''and surrounding the Delaware and Lehigh Navigation Canal in the Commonwealth'' and inserting ''the Corridor''.

SEC. 303. CORRIDOR COMMISSION.

(a) MEMBERSHIP.—Section 5(b) of such Act (102 Stat. 4553) is amended as follows:

(1) In the matter preceding paragraph (1), by striking ''appointed not later than 6 months after the date of enactment of this Act''.

(2) By striking paragraph (2) and inserting the following:

''(2) 3 individuals appointed by the Secretary upon consideration of individuals recommended by the governor, of whom—

''(A) 1 shall represent the Pennsylvania Department of Conservation and Natural Resources;

''(B) 1 shall represent the Pennsylvania Department of Community and Economic Development; and

''(C) 1 shall represent the Pennsylvania Historical and Museum Commission.''.

(3) In paragraph (3), by striking ''the Secretary, after receiving recommendations from the Governor, of whom'' and all that follows through ''Delaware Canal region'' and inserting the following: ''the Secretary upon consideration of individuals recommended by the governor, of whom—

''(A) 1 shall represent a city, 1 shall represent a borough, and 1 shall represent a township; and

''(B) 1 shall represent each of the 5 counties of Luzerne, Carbon, Lehigh, Northampton, and Bucks in Pennsylvania''.

(4) In paragraph (4)—

(A) By striking ''8 individuals'' and inserting ''9 individuals''.

(B) By striking ''the Secretary, after receiving recommendations from the Governor, who shall have'' and all that follows through ''Canal region. A vacancy'' and inserting the following: ''the Secretary upon consideration of individuals recommended by the governor, of whom—

''(A) 3 shall represent the northern region of the Corridor;

''(B) 3 shall represent the middle region of the Corridor; and

''(C) 3 shall represent the southern region of the Corridor.

A vacancy''.

(b) TERMS.—Section 5 of such Act (102 Stat. 4553) is amended by striking subsection (c) and inserting the following:

''(c) TERMS.—The following provisions shall apply to a member of the Commission appointed under paragraph (3) or (4) of subsection (b):

''(1) LENGTH OF TERM.—The member shall serve for a term of 3 years.

''(2) CARRYOVER.—The member shall serve until a successor is appointed by the Secretary.

''(3) REPLACEMENT.—If the member resigns or is unable to serve due to incapacity or death, the Secretary shall appoint, not later than 60 days after receiving a nomination of the appointment from the Governor, a new member to serve for the remainder of the term.

''(4) TERM LIMITS.—A member may serve for not more than 6 years.''

SEC. 304. POWERS OF CORRIDOR COMMISSION.

(a) CONVEYANCE OF REAL ESTATE.—Section 7(g)(3) of such Act (102 Stat. 4555) is amended in the first sentence by inserting ''or nonprofit organization'' after ''appropriate public agency''.

(b) COOPERATIVE AGREEMENTS.—Section 7(h) of such Act (102 Stat. 4555) is amended as follows:

(1) In the first sentence, by inserting ''any non-profit organization,'' after ''subdivision of the Commonwealth,''.

(2) In the second sentence, by inserting ''such nonprofit organization,'' after ''such political subdivision,''.

SEC. 305. DUTIES OF CORRIDOR COMMISSION.

Section 8(b) of such Act (102 Stat. 4556) is amended in the matter preceding paragraph (1) by inserting '', cultural, natural, recreational, and scenic'' after ''interpret the historic''.

SEC. 306. TERMINATION OF CORRIDOR COMMISSION.

Section 9(a) of such Act (102 Stat. 4556) is amended by striking ''5 years after the date of enactment of this Act'' and inserting ''5 years after the date of enactment of the Omnibus National Parks and Public Lands Act of 1998''.

SEC. 307. DUTIES OF OTHER FEDERAL ENTITIES.

Section 11 of such Act (102 Stat. 4557) is amended in the matter preceding paragraph (1) by striking ''the flow of the Canal or the natural'' and inserting ''directly affecting the purposes of the Corridor''.

SEC. 308. AUTHORIZATION OF APPROPRIATIONS.

Section 12(a) of such Act (102 Stat. 4558) is amended by striking ''$350,000'' and inserting ''$650.000''.

SEC. 309. LOCAL AUTHORITY AND PRIVATE PROPERTY.

Such Act is further amended—

(1) by redesignating section 13 (102 Stat. 4558) as section 14; and

(2) by inserting after section 12 the following:

''SEC. 13. LOCAL AUTHORITY AND PRIVATE PROPERTY.

''The Commission shall not interfere with—

''(1) the private property rights of any person; or

''(2) any local zoning ordinance or land use plan of the Commonwealth of Pennsylvania or any political subdivision of Pennsylvania.''.

SEC. 310. DUTIES OF THE SECRETARY.

Section 10 of such Act (102 Stat. 4557) is amended by striking subsection (d) and inserting the following:

''(d) TECHNICAL ASSISTANCE AND GRANTS.—The Secretary, upon request of the Commission, is authorized to provide grants and technical assistance to the Commission or units of government, nonprofit organizations, and other persons, for development and implementation of the Plan.''.

Subtitle B—Automobile National Heritage Area of Michigan

SEC. 311. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) the industrial, cultural, and natural heritage legacies of Michigan's automobile industry are nationally significant;

(2) in the areas of Michigan including and in proximity to Detroit, Dearborn, Pontiac, Flint, and Lansing, the design and manufacture of the automobile helped establish and expand the United States industrial power;

(3) the industrial strength of automobile manufacturing was vital to defending freedom and democracy in 2 world wars and played a defining role in American victories;

(4) the economic strength of our Nation is connected integrally to the vitality of the automobile industry, which employs millions of workers and upon which 1 out of 7 United States jobs depends;

(5) the industrial and cultural heritage of the automobile industry in Michigan includes the social history and living cultural traditions of several generations;

(6) the United Auto Workers and other unions played a significant role in the history and progress of the labor movement and the automobile industry;

(7) the Department of the Interior is responsible for protecting and interpreting the Nation's cultural and historic resources, and there are significant examples of these resources within Michigan to merit the involvement of the Federal Government to develop programs and projects in cooperation with the Automobile National Heritage Area Partnership, Incorporated, the State of Michigan, and other local and governmental bodies, to adequately conserve, protect, and interpret this heritage for the educational and recreational benefit of this and future generations of Americans;

(8) the Automobile National Heritage Area Partnership, Incorporated would be an appropriate entity to oversee the development of the Automobile National Heritage Area; and

(9) 2 local studies, ''A Shared Vision for Metropolitan Detroit'' and ''The Machine That Changed the World'', and a National Park Service study, ''Labor History Theme Study: Phase III; Suitability-Feasibility'', demonstrated that sufficient historical resources exist to establish the Automobile National Heritage Area.

(b) PURPOSE.—The purpose of this subtitle is to establish the Automobile National Heritage Area to—

(1) foster a close working relationship with all levels of government, the private sector, and the local communities in Michigan and empower communities in Michigan to conserve their automotive heritage while strengthening future economic opportunities; and

(2) conserve, interpret, and develop the historical, cultural, natural, and recreational resources related to the industrial and cultural heritage of the Automobile National Heritage Area.

SEC. 312. DEFINITIONS.

For purposes of this subtitle:

(1) BOARD.—The term ''Board'' means the Board of Directors of the Partnership.

(2) HERITAGE AREA.—The term ''Heritage Area'' means the Automobile National Heritage Area established by section 313.

(3) PARTNERSHIP.—The term ''Partnership'' means the Automobile National Heritage Area Partnership, Incorporated (a nonprofit corporation established under the laws of the State of Michigan).

(4) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

SEC. 313. AUTOMOBILE NATIONAL HERITAGE AREA.

(a) ESTABLISHMENT.—There is established in the State of Michigan the Automobile National Heritage Area.

(b) BOUNDARIES.—

(1) IN GENERAL.—Subject to paragraph (2), the boundaries of the Heritage Area shall include lands in Michigan that are related to the following corridors:

(A) The Rouge River Corridor.

(B) The Detroit River Corridor.

(C) The Woodward Avenue Corridor.

(D) The Lansing Corridor.

(E) The Flint Corridor.

(F) The Sauk Trail/Chicago Road Corridor.

(2) SPECIFIC BOUNDARIES.—The specific boundaries of the Heritage Area shall be those specified in the management plan approved under section 315.

(3) MAP.—The Secretary shall prepare a map of the Heritage Area which shall be on file and available for public inspection in the office of the Director of the National Park Service.

(4) CONSENT OF LOCAL GOVERNMENTS.—(A) The Partnership shall provide to the government of each city, village, and township that has jurisdiction over property proposed to be included in the Heritage Area written notice of that proposal.

(B) Property may not be included in the Heritage Area if—

(i) the Partnership fails to give notice of the inclusion in accordance with subparagraph (A);

(ii) any local government to which the notice is required to be provided objects to the inclusion, in writing to the Partnership, by not later than the end of the period provided pursuant to clause (iii); or

(iii) fails to provide a period of at least 60 days for objection under clause (ii).

(c) ADMINISTRATION.—The Heritage Area shall be administered in accordance with this subtitle.

(d) ADDITIONS AND DELETIONS OF LANDS.—The Secretary may add or remove lands to or from the Heritage Area in response to a request from the Partnership.

SEC. 314. DESIGNATION OF PARTNERSHIP AS MANAGEMENT ENTITY.

(a) IN GENERAL.—The Partnership shall be the management entity for the Heritage Area.

(b) FEDERAL FUNDING.—

(1) AUTHORIZATION TO RECEIVE FUNDS.—The Partnership may receive amounts appropriated to carry out this subtitle.

(2) DISQUALIFICATION.—If a management plan for the Heritage Area is not submitted to the Secretary as required under section 315 within the time specified in that section, the Partnership shall cease to be authorized to receive Federal funding under this subtitle until such a plan is submitted to the Secretary.

(c) AUTHORITIES OF PARTNERSHIP.—The Partnership may, for purposes of preparing and implementing the management plan for the Heritage Area, use Federal funds made available under this subtitle—

(1) to make grants to the State of Michigan, its political subdivisions, nonprofit organizations, and other persons;

(2) to enter into cooperative agreements with or provide technical assistance to the State of Michigan, its political subdivisions, nonprofit organizations, and other organizations;

(3) to hire and compensate staff;

(4) to obtain money from any source under any program or law requiring the recipient of such money to make a contribution in order to receive such money; and

(5) to contract for goods and services.

(d) PROHIBITION OF ACQUISITION OF REAL PROPERTY.—The Partnership may not use Federal funds received under this subtitle to acquire real property or any interest in real property.

SEC. 315. MANAGEMENT DUTIES OF THE AUTOMOBILE NATIONAL HERITAGE AREA PARTNERSHIP.

(a) HERITAGE AREA MANAGEMENT PLAN.—

(1) SUBMISSION FOR REVIEW BY SECRETARY.—The Board of Directors of the Partnership shall, within 3 years after the date of enactment of this subtitle, develop and submit for review to the Secretary a management plan for the Heritage Area.

(2) PLAN REQUIREMENTS, GENERALLY.—A management plan submitted under this section shall—

(A) present comprehensive recommendations for the conservation, funding, management, and development of the Heritage Area;

(B) be prepared with public participation;

(C) take into consideration existing Federal, State, county, and local plans and involve residents, public agencies, and private organizations in the Heritage Area;

(D) include a description of actions that units of government and private organizations are recommended to take to protect the resources of the Heritage Area; and

(E) specify existing and potential sources of Federal and non-Federal funding for the conservation, management, and development of the Heritage Area.

(3) ADDITIONAL PLAN REQUIREMENTS.—The management plan also shall include the following, as appropriate:

(A) An inventory of resources contained in the Heritage Area, including a list of property in the Heritage Area that should be conserved, restored, managed, developed, or maintained because of the natural, cultural, or historic significance of the property as it relates to the themes of the Heritage Area. The inventory may not include any property that is privately owned unless the owner of the property consents in writing to that inclusion.

(B) A recommendation of policies for resource management that consider and detail the application of appropriate land and water management techniques, including (but not limited to) the development of intergovernmental cooperative agreements to manage the historical, cultural, and natural resources and recreational opportunities of the Heritage Area in a manner consistent with the support of appropriate and compatible economic viability.

(C) A program for implementation of the management plan, including plans for restoration and construction and a description of any commitments that have been made by persons interested in management of the Heritage Area.

(D) An analysis of means by which Federal, State, and local programs may best be coordinated to promote the purposes of this subtitle.

(E) An interpretive plan for the Heritage Area.

(4) APPROVAL AND DISAPPROVAL OF THE MANAGEMENT PLAN.—

(A) IN GENERAL.—Not later than 180 days after submission of the Heritage Area management plan by the Board, the Secretary shall approve or disapprove the plan. If the Secretary has taken no action after 180 days, the plan shall be considered approved.

(B) DISAPPROVAL AND REVISIONS.—If the Secretary disapproves the management plan, the Secretary shall advise the Board, in writing, of the reasons for the disapproval and shall make recommendations for revision of the plan. The Secretary shall approve or disapprove proposed revisions to the plan not later than 60 days after receipt of such revisions from the Board. If the Secretary has taken no action for 60 days after receipt, the plan and revisions shall be considered approved.

(b) PRIORITIES.—The Partnership shall give priority to the implementation of actions, goals, and policies set forth in the management plan for the Heritage Area, including—

(1) assisting units of government, regional planning organizations, and nonprofit organizations—

(A) in conserving the natural and cultural resources in the Heritage Area;

(B) in establishing and maintaining interpretive exhibits in the Heritage Area;

(C) in developing recreational opportunities in the Heritage Area;

(D) in increasing public awareness of and appreciation for the natural, historical, and cultural resources of the Heritage Area;

(E) in the restoration of historic buildings that are located within the boundaries of the Heritage Area and related to the theme of the Heritage Area; and

(F) in ensuring that clear, consistent, and environmentally appropriate signs identifying access points and sites of interest are put in place throughout the Heritage Area; and

(2) consistent with the goals of the management plan, encouraging economic viability in the affected communities by appropriate means.

(c) CONSIDERATION OF INTERESTS OF LOCAL GROUPS.—The Partnership shall, in preparing and implementing the management plan

for the Heritage Area, consider the interest of diverse units of government, businesses, private property owners, and nonprofit groups within the Heritage Area.

(d) PUBLIC MEETINGS.—The Partnership shall conduct public meetings at least annually regarding the implementation of the Heritage Area management plan.

(e) ANNUAL REPORTS.—The Partnership shall, for any fiscal year in which it receives Federal funds under this subtitle or in which a loan made by the Partnership with Federal funds under section 314(c)(1) is outstanding, submit an annual report to the Secretary setting forth its accomplishments, its expenses and income, and the entities to which it made any loans and grants during the year for which the report is made.

(f) COOPERATION WITH AUDITS.—The Partnership shall, for any fiscal year in which it receives Federal funds under this subtitle or in which a loan made by the Partnership with Federal funds under section 314(c)(1) is outstanding, make available for audit by the Congress, the Secretary, and appropriate units of government all records and other information pertaining to the expenditure of such funds and any matching funds, and require, for all agreements authorizing expenditure of Federal funds by other organizations, that the receiving organizations make available for such audit all records and other information pertaining to the expenditure of such funds.

(g) DELEGATION.—The Partnership may delegate the responsibilities and actions under this section for each corridor identified in section 313(b)(1). All delegated actions are subject to review and approval by the Partnership.

SEC. 316. DUTIES AND AUTHORITIES OF FEDERAL AGENCIES.

(a) TECHNICAL ASSISTANCE AND GRANTS.—

(1) IN GENERAL.—The Secretary may provide technical assistance and, subject to the availability of appropriations, grants to units of government, nonprofit organizations, and other persons upon request of the Partnership, and to the Partnership, regarding the management plan and its implementation.

(2) PROHIBITION OF CERTAIN REQUIREMENTS.—The Secretary may not, as a condition of the award of technical assistance or grants under this section, require any recipient of such technical assistance or a grant to enact or modify land use restrictions.

(3) DETERMINATIONS REGARDING ASSISTANCE.—The Secretary shall decide if a unit of government, nonprofit organization, or other person shall be awarded technical assistance or grants and the amount of that assistance. Such decisions shall be based on the relative degree to which the assistance effectively fulfills the objectives contained in the Heritage Area management plan and achieves the purposes of this subtitle. Such decisions shall give consideration to projects which provide a greater leverage of Federal funds.

(b) PROVISION OF INFORMATION.—In cooperation with other Federal agencies, the Secretary shall provide the general public with information regarding the location and character of the Heritage Area.

(c) OTHER ASSISTANCE.—The Secretary may enter into cooperative agreements with public and private organizations for the purposes of implementing this subsection.

(d) DUTIES OF OTHER FEDERAL AGENCIES.—Any Federal entity conducting any activity directly affecting the Heritage Area shall consider the potential effect of the activity on the Heritage Area management plan and shall consult with the Partnership with respect to the activity to minimize the adverse effects of the activity on the Heritage Area.

SEC. 317. LACK OF EFFECT ON LAND USE REGULATION AND PRIVATE PROPERTY.

(a) LACK OF EFFECT ON AUTHORITY OF LOCAL GOVERNMENT.—Nothing in this subtitle shall be construed to modify, enlarge, or diminish any authority of Federal, State, or local governments to regulate any use of land under any other law or regulation.

(b) LACK OF ZONING OR LAND USE POWERS.—Nothing in this subtitle shall be construed to grant powers of zoning or land use control to the Partnership.

(c) LOCAL AUTHORITY AND PRIVATE PROPERTY NOT AFFECTED.—Nothing in this subtitle shall be construed to affect or to authorize the Partnership to interfere with—

(1) the rights of any person with respect to private property; or

(2) any local zoning ordinance or land use plan of the State of Michigan or a political subdivision thereof.

SEC. 318. SUNSET.

The Secretary may not make any grant or provide any assistance under this subtitle after September 30, 2014.

SEC. 319. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated under this subtitle not more than $1,000,000 for any fiscal year. Not more than a total of $10,000,000 may be appropriated for the Heritage Area under this subtitle.

(b) 50 PERCENT MATCH.—Federal funding provided under this subtitle, after the designation of the Heritage Area, may not exceed 50 percent of the total cost of any activity carried out with any financial assistance or grant provided under this subtitle.

Subtitle C—Miscellaneous Provisions

SEC. 321. BLACKSTONE RIVER VALLEY NATIONAL HERITAGE CORRIDOR, MASSACHUSETTS AND RHODE ISLAND.

Section 10(b) of the Act entitled ''An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island'', approved November 10, 1986 (Public Law 99–647; 16 U.S.C. 461 note), is amended by striking ''For fiscal year 1996, 1997, and 1998,'' and inserting ''For fiscal years 1998, 1999, and 2000,''.

SEC. 322. ILLINOIS AND MICHIGAN CANAL NATIONAL HERITAGE CORRIDOR, ILLINOIS.

(a) EXTENSION OF COMMISSION.—Section 111(a) of the Illinois and Michigan Canal National Heritage Corridor Act of 1984 (Public Law 98–398; 98 Stat. 1456; 16 U.S.C. 461 note) is amended by striking ''ten'' and inserting ''20''.

(b) REPEAL OF EXTENSION AUTHORITY.—Section 111 of such Act (16 U.S.C. 461 note) is further amended—

(1) by striking ''(a) TERMINATION.—''; and

(2) by striking subsection (b).

TITLE IV—HISTORIC AREAS

SEC. 401. BATTLE OF MIDWAY NATIONAL MEMORIAL STUDY.

(a) FINDINGS.—The Congress makes the following findings:

(1) September 2, 1998, marked the 53d anniversary of the United States victory over Japan in World War II.

(2) The Battle of Midway proved to be the turning point in the war in the Pacific, as United States Navy forces inflicted such severe losses on the Imperial Japanese Navy during the battle that the Imperial Japanese Navy never again took the offensive against United States or allied forces.

(3) During the Battle of Midway on June 4, 1942, an outnumbered force of the United States Navy, consisting of 29 ships and other units of the Armed Forces under the command of Admiral Nimitz and Admiral Spruance, outmaneuvered and out-fought 350 ships of the Imperial Japanese Navy.

(4) It is in the public interest to study whether Midway Atoll should be established as a national memorial to the Battle of Midway to express the enduring gratitude of the American people for victory in the battle and to inspire future generations of Americans with the heroism and sacrifice of the members of the Armed Forces who achieved that victory.

(5) The historic structures on Midway Atoll should be protected and maintained.

(b) PURPOSE.—The purpose of this section shall be to require a study of the feasibility and suitability of designating the Midway Atoll as a national memorial to the Battle of Midway within the boundaries of the Midway Atoll National Wildlife Refuge. The study of the Midway Atoll and its environs shall include, but not be limited to, identification of interpretive opportunities for the educational and inspirational benefit of present and future generations, and of the unique and significant circumstances involving the defense of the island by the United States in World War II and the Battle of Midway.

(c) STUDY OF THE ESTABLISHMENT OF MIDWAY ATOLL AS A NATIONAL MEMORIAL TO THE BATTLE OF MIDWAY.—

(1) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Secretary of the Interior, acting through the Director of the United States Fish and Wildlife Service, shall carry out a study of the suitability and feasibility of establishing Midway Atoll as a national memorial to the Battle of Midway. The Secretary shall carry out the study in consultation with the Director of the National Park Service, the International Midway Memorial Foundation, Inc. (referred to in this section as the ''Foundation''), the Veterans of Foreign Wars, the Battle of Coral Sea Association, the American Legion, or other appropriate veterans group, respectively, and the Midway Phoenix Corporation.

(2) CONSIDERATIONS.—In studying the establishment of Midway Atoll as a national memorial to the Battle of Midway under paragraph (1), the Secretary shall address the following:

(A) The appropriate Federal agency to manage such a memorial, and whether and under what conditions to lease or otherwise allow the Foundation or another appropriate entity to administer, maintain, and fully utilize for use as a national memorial to the Battle of Midway the lands (including any equipment, facilities, infrastructure, and other improvements) and waters of Midway Atoll if designated as a national memorial.

(B) Whether designation as a national memorial would conflict with current management of Midway Atoll as a wildlife refuge and whether, and under what circumstances, the needs and requirements of the wildlife refuge should take precedence over the needs and requirements of a national memorial on Midway Atoll.

(C) Whether, and under what conditions, to permit the use of the facilities on Sand Island for purposes other than a wildlife refuge or a national memorial.

(D) Whether to impose conditions on public access to Midway Atoll if designated as a national memorial.

(d) REPORT.—Upon completion of the study required under paragraph (1), the Secretary shall submit to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report on the study, which shall include any recommendations for further legislative action. The report shall also include an inventory of all known past and present facilities and structures of historical significance on Midway Atoll and its environs. The report shall include a description of each historic facility and structure and a

discussion of how each will contribute to the designation and interpretation of the proposed national memorial.

(e) CONTINUING DISCUSSIONS.—Nothing in this section shall be construed to delay or prohibit discussions or agreements between the Foundation, the Veterans of Foreign Wars, the Battle of Coral Sea Association, the American Legion, or any other appropriate veterans group, or the Midway Phoenix Corporation and the United States Fish and Wildlife Service or any other Government entity regarding the future role of the Foundation or the Midway Phoenix Corporation on Midway Atoll.

(f) EXISTING AGREEMENT.—This section shall not affect any agreement in effect on the date of the enactment of this Act between the United States Fish and Wildlife Service and Midway Phoenix Corporation.

(g) AUTHORIZATION.—There are authorized to be appropriated to carry out this section not more than $100,000.

SEC. 402. HISTORIC LIGHTHOUSE PRESERVATION.

(a) PRESERVATION OF HISTORIC LIGHT STATIONS.—Title III of the National Historic Preservation Act (16 U.S.C. 470w–470w–6) is amended by adding the following new section after section 307:

''SEC. 308. HISTORIC LIGHTHOUSE PRESERVATION.

''(a) IN GENERAL.—In order to provide a national historic light station program, the Secretary shall—

''(1) collect and disseminate information concerning historic light stations, including historic lighthouses and associated structures;

''(2) foster educational programs relating to the history, practice, and contribution to society of historic light stations;

''(3) sponsor or conduct research and study into the history of light stations;

''(4) maintain a listing of historic light stations; and

''(5) assess the effectiveness of the program established by this section regarding the conveyance of historic light stations.

''(b) CONVEYANCE OF HISTORIC LIGHT STATIONS.—

''(1) Within one year of the date of enactment of this section, the Secretary and the Administrator of General Services shall establish a process for identifying, and selecting, an eligible entity to which a historic light station could be conveyed for education, park, recreation, cultural, or historic preservation purposes.

''(2) The Secretary shall review all applicants for the conveyance of a historic light station, when the historic light station has been identified as excess to the needs of the agency with administrative jurisdiction over the historic light station, and forward to the Administrator a single approved application for the conveyance of the historic light station. When selecting an eligible entity, the Secretary may consult with the State Historic Preservation Officer of the state in which the historic light station is located. A priority of consideration shall be afforded public entities that submit applications in which the public entity enters into a partnership with a nonprofit organization whose primary mission is historic light station preservation.

''(3)(A) Except as provided in paragraph (B), the Administrator shall convey, by quitclaim deed, without consideration, all right, title, and interest of the United States in and to the historic light station, subject to the conditions set forth in subsection (c). The conveyance of a historic light station under this section shall not be subject to the provisions of 42 U.S.C. 11301 et seq.

''(B)(i) Historic light stations located within the exterior boundaries of a unit of the National Park System or a refuge within the National Wildlife Refuge System shall be conveyed or sold only with the approval of the Secretary.

''(ii) If the Secretary approves the conveyance or sale of a historic light station referenced in this paragraph, such conveyance or sale shall be subject to the conditions set forth in subsection (c) and any other terms or conditions the Secretary considers necessary to protect the resources of the park unit or wildlife refuge.

''(iii) For those historic light stations referenced in this paragraph, the Secretary is encouraged to enter cooperative agreements with appropriate eligible entities, as provided in this Act, to the extent such cooperative agreements are consistent with the Secretary's responsibilities to manage and administer the park unit or wildlife refuge, as appropriate.

''(c) TERMS OF CONVEYANCE.—

''(1) The conveyance of a historic light station shall be made subject to any conditions the Administrator considers necessary to ensure that—

''(A) the lights, antennas, sound signal, electronic navigation equipment, and associated light station equipment located at the historic light station, which are active aids to navigation, shall continue to be operated and maintained by the United States for as long as needed for this purpose;

''(B) the eligible entity to which the historic light station is conveyed under this section shall not interfere or allow interference in any manner with aids to navigation without the express written permission of the head of the agency responsible for maintaining the aids to navigation;

''(C) there is reserved to the United States the right to relocate, replace, or add any aid to navigation located at the historic light station as may be necessary for navigation purposes;

''(D) the eligible entity to which the historic light station is conveyed under this section shall maintain the historic light station in accordance with this Act, the Secretary's Standards for the Treatment of Historic Properties, and other applicable laws;

''(E) the eligible entity to which the historic light station is conveyed under this section shall make the historic light station available for education, park, recreation, cultural or historic preservation purposes for the general public at reasonable times and under reasonable conditions; and

''(F) the United States shall have the right, at any time, to enter the historic light station without notice for purposes of maintaining and inspecting aids to navigation and ensuring compliance with paragraph (C), to the extent that it is not possible to provide advance notice.

''(2) The Secretary, the Administrator, and any eligible entity to which a historic light station is conveyed under this section, shall not be required to maintain any active aids to navigation associated with a historic light station.

''(3) In addition to any term or condition established pursuant to this subsection, the conveyance of a historic light station shall include a condition that the historic light station in its existing condition, at the option of the Administrator, revert to the United States if—

''(A) the historic light station or any part of the historic light station ceases to be available for education, park, recreation, cultural, or historic preservation purposes for the general public at reasonable times and under reasonable conditions which shall be set forth in the eligible entity's application;

''(B) the historic light station or any part of the historic light station ceases to be maintained in a manner that ensures its present or future use as an aid to navigation or compliance with this Act, the Secretary's Standards for the Treatment of Historic Properties, and other applicable laws; or

''(C) at least 30 days before the reversion, the Administrator provides written notice to the owner that the historic light station is needed for national security purposes.

''(d) DESCRIPTION OF PROPERTY.—The Administrator shall prepare the legal description of any historic light station conveyed under this section. The Administrator may retain all right, title, and interest of the United States in and to any historical artifact, including any lens or lantern, that is associated with the historic light station and located at the light station at the time of conveyance. All conditions placed with the deed of title to the historic light station shall be construed as covenants running with the land. No submerged lands shall be conveyed to non-Federal entities.

''(e) RESPONSIBILITIES OF CONVEYEES.—Each eligible entity to which a historic light station is conveyed under this section shall use and maintain the historic light station in accordance with this section, and have such conditions recorded with the deed of title to the historic light station.

''(f) DEFINITIONS.—For purposes of this section and sections 309 and 310:

''(1) HISTORIC LIGHT STATION.—The term 'historic light station' includes the light tower, lighthouse, keepers dwelling, garages, storage sheds, oil house, fog signal building, boat house, barn, pumphouse, tramhouse support structures, piers, walkways, and related real property and improvements associated therewith; provided that the light tower or lighthouse shall be included in or eligible for inclusion in the National Register of Historic Places.

''(2) ELIGIBLE ENTITY.—The term 'eligible entity' shall mean—

''(A) any department or agency of the Federal government; or

''(B) any department or agency of the state in which the historic light station is located, the local government of the community in which the historic light station is located, nonprofit corporation, educational agency, or community development organization that—

''(i) has agreed to comply with the conditions set forth in subsection (c) and to have such conditions recorded with the deed of title to the historic light station;

''(ii) is financially able to maintain the historic light station in accordance with the conditions set forth in subsection (c); and

''(iii) can indemnify the Federal government to cover any loss in connection with the historic light station, or any expenses incurred due to reversion.

''(3) ADMINISTRATOR.—The term 'Administrator' means the Administrator of General Services.''.

(b) SALE OF EXCESS LIGHT STATIONS.—Title III of the National Historic Preservation Act (16 U.S.C. 470w–470w–6) is amended by adding the following new section after section 308:

''SEC. 309. HISTORIC LIGHT STATION SALES.

''In the event no applicants are approved for the conveyance of a historic light station pursuant to section 308, the historic light station shall be offered for sale. Terms of such sales shall be developed by the Administrator. Conveyance documents shall include all necessary covenants to protect the historical integrity of the historic light station and ensure that any active aids to navigation located at the historic light station are operated and maintained by the United States for as long as needed for that purpose. Net sale proceeds shall be transferred to the National Maritime Heritage Grant Program,

established by section 4 of the National Maritime Heritage Act of 1994 (Public Law 103–451; 16 U.S.C. 5403), within the Department of the Interior.''.

(c) TRANSFER OF HISTORIC LIGHT STATIONS TO FEDERAL AGENCIES.—Title III of the National Historic Preservation Act (16 U.S.C. 470w–470w–6) is amended by adding the following new section after section 309:

''SEC. 310. TRANSFER OF HISTORIC LIGHT STATIONS TO FEDERAL AGENCIES.

''After the date of enactment of this section, any department or agency of the Federal government, to which a historic light station is conveyed, shall maintain the historic light station in accordance with this Act, the Secretary's Standards for the Treatment of Historic Properties, and other applicable laws.''.

(d) FUNDING.—There are hereby authorized to be appropriated to the Secretary of the Interior such sums as may be necessary to carry out this section.

SEC. 403. THOMAS COLE NATIONAL HISTORIC SITE, NEW YORK.

(a) DEFINITIONS.—As used in this section:

(1) The term ''historic site'' means the Thomas Cole National Historic Site established by subsection (c).

(2) The term ''Hudson River artists'' means artists who were associated with the Hudson River school of landscape painting.

(3) The term ''plan'' means the general management plan developed pursuant to subsection (e)(4).

(4) The term ''Secretary'' means the Secretary of the Interior.

(5) The term ''Society'' means the Greene County Historical Society of Greene County, New York, which owns the Thomas Cole home, studio, and other property comprising the historic site.

(b) FINDINGS AND PURPOSES.—

(1) FINDINGS.—Congress finds the following:

(A) The Hudson River school of landscape painting was inspired by Thomas Cole and was characterized by a group of 19th century landscape artists who recorded and celebrated the landscape and wilderness of America, particularly in the Hudson River Valley region in the State of New York.

(B) Thomas Cole is recognized as America's most prominent landscape and allegorical painter of the mid-19th century.

(C) Located in Greene County, New York, the Thomas Cole House, also known as Thomas Cole's Cedar Grove, is listed on the National Register of Historic Places and has been designated as a National Historic Landmark.

(D) Within a 15 mile radius of the Thomas Cole House, an area that forms a key part of the rich cultural and natural heritage of the Hudson River Valley region, significant landscapes and scenes painted by Thomas Cole and other Hudson River artists, such as Frederic Church, survive intact.

(E) The State of New York has established the Hudson River Valley Greenway to promote the preservation, public use, and enjoyment of the natural and cultural resources of the Hudson River Valley region.

(F) Establishment of the Thomas Cole National Historic Site will provide opportunities for the illustration and interpretation of cultural themes of the heritage of the United States and unique opportunities for education, public use, and enjoyment.

(2) PURPOSES.—The purposes of this section are—

(A) to preserve and interpret the home and studio of Thomas Cole for the benefit, inspiration, and education of the people of the United States;

(B) to help maintain the integrity of the setting in the Hudson River Valley region that inspired artistic expression;

(C) to coordinate the interpretive, preservation, and recreational efforts of Federal, State, and other entities in the Hudson Valley region in order to enhance opportunities for education, public use, and enjoyment; and

(D) to broaden understanding of the Hudson River Valley region and its role in American history and culture.

(c) ESTABLISHMENT OF THOMAS COLE NATIONAL HISTORIC SITE.—

(1) ESTABLISHMENT.—There is established, as an affiliated area of the National Park System, the Thomas Cole National Historic Site in the State of New York.

(2) DESCRIPTION.—The historic site shall consist of the home and studio of Thomas Cole, comprising approximately 3.4 acres, located at 218 Spring Street, in the village of Catskill, New York, as generally depicted on the boundary map numbered TCH/80002, and dated March 1992.

(d) RETENTION OF OWNERSHIP AND MANAGEMENT OF HISTORIC SITE BY GREENE COUNTY HISTORICAL SOCIETY.—The Greene County Historical Society of Greene County, New York, shall continue to own, manage, and operate the historic site.

(e) ADMINISTRATION OF HISTORIC SITE.—

(1) APPLICABILITY OF NATIONAL PARK SYSTEM LAWS.—The historic site shall be administered by the Society in a manner consistent with this Act and all laws generally applicable to units of the National Park System, including the Act of August 25, 1916 (16 U.S.C. 1 et seq.; commonly known as the National Park Service Organic Act), and the Act of August 21, 1935 (16 U.S.C. 461 et seq.; commonly known as the Historic Sites, Buildings, and Antiquities Act).

(2) COOPERATIVE AGREEMENTS.—

(A) ASSISTANCE TO SOCIETY.—The Secretary may enter into cooperative agreements with the Society to preserve the Thomas Cole House and other structures in the historic site and to assist with education programs and research and interpretation of the Thomas Cole House and associated landscapes.

(B) OTHER ASSISTANCE.—To further the purposes of this section, the Secretary may enter into cooperative agreements with the State of New York, the Society, the Thomas Cole Foundation, and other public and private entities to facilitate public understanding and enjoyment of the lives and works of the Hudson River artists through the provision of assistance to develop, present, and fund art exhibits, resident artist programs, and other appropriate activities related to the preservation, interpretation, and use of the historic site.

(3) ARTIFACTS AND PROPERTY.—

(A) PERSONAL PROPERTY GENERALLY.—The Secretary may acquire personal property associated with, and appropriate for, the interpretation of the historic site.

(B) WORKS OF ART.—The Secretary may acquire works of art associated with Thomas Cole and other Hudson River artists for the purpose of display at the historic site.

(4) GENERAL MANAGEMENT PLAN.—Within two complete fiscal years after the date of the enactment of this Act, the Secretary shall develop a general management plan for the historic site with the cooperation of the Society. Upon the completion of the plan, the Secretary shall provide a copy of the plan to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate. The plan shall include recommendations for regional wayside exhibits, to be carried out through cooperative agreements with the State of New York and other public and private entitles. The plan shall be prepared in accordance with section 12(b) of Public Law 91–383 (16 U.S.C. 1a–1 et seq.; commonly known as the National Park System General Authorities Act).

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 404. ADDITION OF THE PAOLI BATTLEFIELD TO THE VALLEY FORGE NATIONAL HISTORICAL PARK.

(a) BOUNDARY MODIFICATION.—Section 2(a) of the Act of July 4, 1976 (Public Law 94–337; 90 Stat. 796; 16 U.S.C. 410aa–1), is amended by adding the following after the first sentence thereof: ''The park shall also include the Paoli Battlefield, located in the Borough of Malvern, Pennsylvania, as depicted on the map numbered ——— and dated ——— (hereinafter in this Act referred to as the 'Paoli Battlefield Addition').''

(b) ACQUISITION OF LANDS.—Section 4(a) of the Act of July 4, 1976 (Public Law 94–337; 90 Stat. 796; 16 U.S.C. 410aa–3), is amended by adding the following before the period at the end thereof: '', except that there is authorized to be appropriated an additional amount of not more than $2,500,000 for the acquisition of property within the Paoli Battlefield Addition if non-Federal monies in the amount of not less than $1,000,000 are available for the acquisition (and subsequent donation to the National Park Service) of such property''.

(c) COOPERATIVE MANAGEMENT.—Section 3 of the Act of July 4, 1976 (Public Law 94–337; 90 Stat. 796; 16 U.S.C. 410aa–2), is amended by adding the following at the end thereof: ''The Secretary may enter into a cooperative agreement with the Borough of Malvern for the management by the Borough of the Paoli Battlefield Addition.''.

SEC. 405. CASA MALPAIS NATIONAL HISTORIC LANDMARK, ARIZONA.

(a) FINDINGS.—The Congress finds and declares that—

(1) the Casa Malpais National Historic Landmark was occupied by one of the largest and most sophisticated Mogollon communities in the United States;

(2) the landmark includes a 58-room masonry pueblo, including stairways, Great Kiva complex, and fortification walls, a prehistoric trail, and catacomb chambers where the deceased were placed;

(3) the Casa Malpais was designated as a national historic landmark by the Secretary of the Interior in 1964; and

(4) the State of Arizona and the community of Springerville are undertaking a program of interpretation and preservation of the landmark.

(b) PURPOSE.—It is the purpose of this section to assist in the preservation and interpretation of the Casa Malpais National Historic Landmark for the benefit of the public.

(c) COOPERATIVE AGREEMENTS.—

(1) IN GENERAL.—In furtherance of the purpose of this section, the Secretary of the Interior is authorized to enter into cooperative agreements with the State of Arizona and the town of Springerville, Arizona, pursuant to which the Secretary may provide technical assistance to interpret, operate, and maintain the Casa Malpais National Historic Landmark and may also provide financial assistance for planning, staff training, and development of the Casa Malpais National Historic Landmark, but not including other routine operations.

(2) ADDITIONAL PROVISIONS.—Any such agreement may also contain provisions that—

(A) the Secretary, acting through the Director of the National Park Service, shall have right to access at all reasonable times to all public portions of the property covered by such agreement for the purpose of interpreting the landmark; and

(B) no changes or alterations shall be made in the landmark except by mutual agreement between the Secretary and the other parties to all such agreements.

(d) APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to provide financial assistance in accordance with this section.

SEC. 406. LOWER EAST SIDE TENEMENT NATIONAL HISTORIC SITE, NEW YORK.

(a) FINDINGS.—Congress finds that—

(1) immigration, and the resulting diversity of cultural influences, is a key factor in defining American identity; the majority of United States citizens trace their ancestry to persons born in nations other than the United States;

(2) the latter part of the 19th century and the early part of the 20th century marked a period in which the volume of immigrants coming to the United States far exceeded that of any time prior to or since that period;

(3) no single identifiable neighborhood in the United States absorbed a comparable number of immigrants than the Lower East Side neighborhood of Manhattan in New York City;

(4) the Lower East Side Tenement at 97 Orchard Street in New York City is an outstanding survivor of the vast number of humble buildings that housed immigrants to New York City during the greatest wave of immigration in American history;

(5) the Lower East Side Tenement is owned and operated as a museum by the Lower East Side Tenement Museum;

(6) the Lower East Side Tenement Museum is dedicated to interpreting immigrant life within a neighborhood long associated with the immigrant experience in the United States, New York's Lower East Side, and its importance to United States history; and

(7) the National Park Service found the Lower East Side Tenement at 97 Orchard Street to be nationally significant; the Secretary of the Interior declared it a National Historic Landmark on April 19, 1994, and the National Park Service through a special resource study found the Lower East Side Tenement suitable and feasible for inclusion in the National Park System.

(b) PURPOSES.—The purposes of this section are—

(1) to ensure the preservation, maintenance, and interpretation of this site and to interpret at the site the themes of immigration, tenement life in the later half of the 19th century and the first half of the 20th century, the housing reform movement, and tenement architecture in the United States;

(2) to ensure continued interpretation of the nationally significant immigrant phenomenon associated with New York City's Lower East Side and its role in the history of immigration to the United States; and

(3) to enhance the interpretation of the Castle Clinton, Ellis Island, and Statue of Liberty National Monuments.

(c) DEFINITIONS.—As used in this section:

(1) HISTORIC SITE.—The term ''historic site'' means the Lower East Side Tenement at 97 Orchard Street on Manhattan Island in New York City, New York, and designated as a national historic site by subsection (d)(1).

(2) LOWER EAST SIDE TENEMENT MUSEUM.—The term ''Lower East Side Tenement Museum'' means the Lower East Side Tenement Museum, a nonprofit organization established in New York City, which owns and operates the tenement building at 97 Orchard Street and manages other properties in the vicinity of 97 Orchard Street as administrative and program support facilities for 97 Orchard Street.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(d) ESTABLISHMENT OF HISTORIC SITE.—

(1) DESIGNATION.—To further the purposes of this section and the Act entitled ''An Act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes'', approved August 21, 1935 (16 U.S.C. 461 et seq.), the Lower East Side Tenement at 97 Orchard Street, in the City of New York, State of New York, is designated a national historic site to be known as ''Lower East Side Tenement National Historic Site''.

(2) STATUS AS AFFILIATED SITE.—The Lower East Side Tenement National Historic Site shall be an affiliated site of the National Park System. The Secretary shall coordinate the operation and interpretation of the historic site with that of the Lower East Side Tenement Historic Site and the Statue of Liberty, Ellis Island, and Castle Clinton National Monument, as the historic site's story and interpretation of the immigrant experience in the United States is directly related to the themes and purposes of these national monuments.

(3) OWNERSHIP AND OPERATION.—The Lower East Side Tenement National Historic Site shall continue to be owned, operated, and managed by the Lower East Side Tenement Museum.

(e) MANAGEMENT OF HISTORIC SITE.—

(1) COOPERATIVE AGREEMENT.—The Secretary is authorized to enter into a cooperative agreement with the Lower East Side Tenement Museum to ensure the marking, interpretation, and preservation of the historic site.

(2) ASSISTANCE.—The Secretary is authorized to provide technical and financial assistance to the Lower East Side Tenement Museum to mark, interpret, and preserve the historic site, including the making of preservation-related capital improvements and repairs.

(3) MANAGEMENT PLAN.—The Secretary shall, working with the Lower East Side Tenement Museum, develop a general management plan for the historic site to define the National Park Service's roles and responsibilities with regard to the interpretation and the preservation of the historic site. The plan shall also outline how interpretation and programming for the Lower East Side Tenement National Historic Site and the Statue of Liberty, Ellis Island, and Castle Clinton national monuments will be integrated and coordinated so as to enhance the stories at each of the 4 sites. Such plan shall be completed within 2 years after the enactment of this Act.

(4) SAVINGS CLAUSE.—Nothing in this section authorizes the Secretary to acquire the property at 97 Orchard Street or to assume overall financial responsibility for the operation, maintenance, or management of the Lower East Side Tenement National Historic Site.

(f) APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 407. GATEWAY VISITOR CENTER AUTHORIZATION, INDEPENDENCE NATIONAL HISTORICAL PARK.

(a) FINDINGS AND PURPOSE.—

(1) FINDINGS.—The Congress finds the following:

(A) The National Park Service completed and approved in 1997 a general management plan for Independence National Historical Park that establishes goals and priorities for the park's future.

(B) The general management plan for Independence National Historical Park calls for the revitalization of Independence Mall and recommends as a critical component of the Independence Mall's revitalization the development of a new ''Gateway Visitor Center''.

(C) Such a visitor center would replace the existing park visitor center and would serve as an orientation center for visitors to the park and to city and regional attractions.

(D) Subsequent to the completion of the general management plan, the National Park Service undertook and completed a design project and master plan for Independence Mall which includes the Gateway Visitor Center.

(E) Plans for the Gateway Visitor Center call for it to be developed and managed, in cooperation with the Secretary of the Interior, by a nonprofit organization which represents the various public and civic interests of the greater Philadelphia metropolitan area.

(F) The Gateway Visitor Center Corporation, a nonprofit organization, has been established to raise funds for and cooperate in a program to design, develop, construct, and operate the proposed Gateway Visitor Center.

(2) PURPOSE.—The purpose of this section is to authorize the Secretary of the Interior to enter into a cooperative agreement with the Gateway Visitor Center Corporation to construct and operate a regional visitor center on Independence Mall.

(b) GATEWAY VISITOR CENTER AUTHORIZATION.—

(1) AGREEMENT.—The Secretary of the Interior, in administering the Independence National Historical Park, may enter into an agreement under appropriate terms and conditions with the Gateway Visitor Center Corporation (a nonprofit corporation established under the laws of the State of Pennsylvania) to facilitate the construction and operation of a regional Gateway Visitor Center on Independence Mall.

(2) OPERATIONS OF CENTER.—The Agreement shall authorize the Corporation to operate the Center in cooperation with the Secretary and to provide at the Center information, interpretation, facilities, and services to visitors to Independence National Historical Park, its surrounding historic sites, the city of Philadelphia, and the region, in order to assist in their enjoyment of the historic, cultural, educational, and recreational resources of the greater Philadelphia area.

(3) MANAGEMENT-RELATED ACTIVITIES.—The Agreement shall authorize the Secretary to undertake at the Center activities related to the management of Independence National Historical Park, including, but not limited to, provision of appropriate visitor information and interpretive facilities and programs related to Independence National Historical Park.

(4) ACTIVITIES OF CORPORATION.—The Agreement shall authorize the Corporation, acting as a private nonprofit organization, to engage in activities appropriate for operation of a regional visitor center that may include, but are not limited to, charging fees, conducting events, and selling merchandise, tickets, and food to visitors to the Center.

(5) USE OF REVENUES.—Revenues from activities engaged in by the Corporation shall be used for the operation and administration of the Center.

(6) PROTECTION OF PARK.—Nothing in this section authorizes the Secretary or the Corporation to take any actions in derogation of the preservation and protection of the values and resources of Independence National Historical Park.

(7) DEFINITIONS.—In this subsection:

(A) AGREEMENT.—The term ''Agreement'' means an agreement under this section between the Secretary and the Corporation.

(B) CENTER.—The term ''Center'' means a Gateway Visitor Center constructed and operated in accordance with the Agreement.

(C) CORPORATION.—The term ''Corporation'' means the Gateway Visitor Center Corporation (a nonprofit corporation established under the laws of the State of Pennsylvania).

(D) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

SEC. 408. TUSKEGEE AIRMEN NATIONAL HISTORIC SITE, ALABAMA.

(a) DEFINITIONS.—As used in this section:

(1) HISTORIC SITE.—The term ''historic site'' means the Tuskegee Airmen National Historic Site as established by subsection (d).

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(3) TUSKEGEE AIRMEN.—The term ''Tuskegee Airmen'' means the thousands of men and women who served in America's African-American Air Force units of World War II and shared in the Tuskegee Experience.

(4) TUSKEGEE UNIVERSITY.—The term ''Tuskegee University'' means the institution of higher education by that name located in the State of Alabama and founded by Booker T. Washington in 1881, formerly named Tuskegee Institute.

(b) FINDINGS.—The Congress finds the following:

(1) The struggle of African-Americans for greater roles in North American military conflicts spans the 17th, 18th, 19th, and 20th centuries. Opportunities for African-American participation in the United States military were always very limited and controversial. Quotas, exclusion, and racial discrimination were based on the prevailing attitude in the United States, particularly on the part of the United States military, that African-Americans did not possess the intellectual capacity, aptitude, and skills to be successful fighters.

(2) By the early 1940's these perceptions continued within the United States military. Key leaders within the United States Army Air Corps did not believe that African-Americans possessed the capacity to become successful military pilots. After succumbing to pressure exerted by civil rights groups and the black press, the Army decided to train a small number of African-American pilot cadets under special conditions. Although prejudice and discrimination against African-Americans was a national phenomenon, not just a southern trait, it was more intense in the South where it had hardened into rigidly enforced patterns of segregation. Such was the environment where the military chose to locate the training of the Tuskegee Airmen.

(3) The military selected Tuskegee Institute (now known as Tuskegee University) as a civilian contractor for a variety of reasons. These included the school's existing facilities, engineering and technical instructors, and a climate with ideal flying conditions year round. Tuskegee Institute's strong interest in providing aeronautical training for African-American youths was also an important factor. Students from the school's civilian pilot training program had some of the best test scores when compared to other students from programs across the Southeast.

(4) In 1941 the United States Army Air Corps awarded a contract to Tuskegee Institute to operate a primary flight school at Moton Field. Tuskegee Institute (now known as Tuskegee University) chose an African-American contractor who designed and constructed Moton Field, with the assistance of its faculty and students, as the site for its military pilot training program. The field was named for the school's second president, Robert Russa Moton. Consequently, Tuskegee Institute was one of a very few American institutions (and the only African-American institution) to own, develop, and control facilities for military flight instruction.

(5) Moton Field, also known as the Primary Flying Field or Airport Number 2, was the only primary flight training facility for African-American pilot candidates in the United States Army Air Corps during World War II. The facility symbolizes the entrance of African-American pilots into the United States Army Air Corps, although on the basis of a policy of segregation that was mandated by the military and institutionalized in the South. The facility also symbolizes the singular role of Tuskegee Institute (Tuskegee University) in providing leadership as well as economic and educational resources to make that entry possible.

(6) The Tuskegee Airmen were the first African-American soldiers to complete their training successfully and to enter the United States Army Air Corps. Almost 1,000 aviators were trained as America's first African-American military pilots. In addition, more than 10,000 military and civilian African-American men and women served as flight instructors, officers, bombardiers, navigators, radio technicians, mechanics, air traffic controllers, parachute riggers, electrical and communications specialists, medical professionals, laboratory assistants, cooks, musicians, supply, firefighting, and transportation personnel.

(7) Although military leaders were hesitant to use the Tuskegee Airmen in combat, the Airmen eventually saw considerable action in North Africa and Europe. Acceptance from United States Army Air Corps units came slowly, but their courageous and, in many cases, heroic performance earned them increased combat opportunities and respect.

(8) The successes of the Tuskegee Airmen proved to the American public that African-Americans, when given the opportunity, could become effective military leaders and pilots. This helped pave the way for desegregation of the military, beginning with President Harry S Truman's Executive Order 9981 in 1948. The Tuskegee Airmen's success also helped set the stage for civil rights advocates to continue the struggle to end racial discrimination during the civil rights movement of the 1950's and 1960's.

(9) The story of the Tuskegee Airmen also reflects the struggle of African-Americans to achieve equal rights, not only through legal attacks on the system of segregation, but also through the techniques of nonviolent direct action. The members of the 477th Bombardment Group, who staged a nonviolent demonstration to desegregate the officer's club at Freeman Field, Indiana, helped set the pattern for direct action protests popularized by civil rights activists in later decades.

(c) PURPOSES.—The purposes of this section are the following:

(1) To benefit and inspire present and future generations to understand and appreciate the heroic legacy of the Tuskegee Airmen, through interpretation and education, and the preservation of cultural resources at Moton Field, which was the site of primary flight training.

(2) To commemorate and interpret the impact of the Tuskegee Airmen during World War II; the training process for the Tuskegee Airmen including the roles played by Moton Field, other training facilities, and related sites; the strategic role of Tuskegee Institute (Tuskegee University) in the training; the African-American struggle for greater participation in the United States military and more significant roles in defending their country; the significance of successes of the Tuskegee Airmen in leading to desegregation of the United States military shortly after World War II; and the impacts of Tuskegee Airmen accomplishments on subsequent civil rights advances of the 1950's and 1960's.

(d) ESTABLISHMENT OF THE TUSKEGEE AIRMEN NATIONAL HISTORIC SITE.

(1) IN GENERAL.—There is hereby established as a unit of the National Park System the Tuskegee Airmen National Historic Site, in association with Tuskegee University, in the State of Alabama.

(2) DESCRIPTION.—The total historic site, after the conditions are met for its full development and management, and subsequent to agreements to donate land by Tuskegee University and the city of Tuskegee, shall consist of approximately 90 acres, known as Moton Field, in Macon County, Alabama, as generally depicted on a map entitled ''Alternative C, Living History: Tuskegee Airmen Experience'', dated June 1998. Such map shall be on file and available for public inspection in the appropriate offices of the National Park Service.

(e) PROPERTY ACQUISITION.—The Secretary may acquire by donation, exchange, or purchase with donated or appropriated funds the real property described in subsection (d)(2), except that any property owned by the State of Alabama or any political subdivision thereof or Tuskegee University may be acquired only by donation. It is understood that property donated by Tuskegee University shall be used only for purposes consistent with this Act in commemorating the Tuskegee Airmen. The initial donation of land by Tuskegee University shall consist of approximately 35 acres with the remainder of the acreage to be donated by Tuskegee University after agreement is reached regarding the development and management of the Tuskegee Airmen National Center. The Secretary may also acquire by the same methods personal property associated with, and appropriate for, the interpretation of the historic site.

(f) ADMINISTRATION OF HISTORIC SITE.—

(1) IN GENERAL.—The Secretary shall administer the historic site in accordance with this section and the laws generally applicable to units of the National Park System, including the Act of August 25, 1916 (39 Stat. 535), and the Act of August 21, 1935 (49 Stat. 666).

(2) ROLE OF TUSKEGEE INSTITUTE NATIONAL HISTORIC SITE.—Tuskegee Institute National Historic Site shall serve as the principal administrative facility for the historic site.

(3) ROLE OF TUSKEGEE UNIVERSITY.—Tuskegee University shall serve as the principal partner with the National Park Service, and other Federal agencies mutually agreed upon, for the leadership, organization, development, and management of the historic site.

(4) ROLE OF TUSKEGEE AIRMEN.—The Tuskegee Airmen shall assist the principal partners for the historic site in fundraising for the development of visitor facilities and programs, and provide artifacts, memorabilia, and historical research for interpretive exhibits.

(5) DEVELOPMENT.—The general management plan for the operation and development of the historic site shall reflect Alternative C, Living History: The Tuskegee Airmen Experience, as expressed in the draft special resource study entitled ''Moton Field/Tuskegee Airmen Special Resource Study'', dated June 1998. Subsequent development of the historic site, with the approval of Tuskegee University, shall reflect Alternative D.

(6) COOPERATIVE AGREEMENTS.—

(A) IN GENERAL.—The Secretary may enter into cooperative agreements with Tuskegee University, other nonhigher educational institutions, the Tuskegee Airmen, individuals, private and public organizations, and other Federal agencies in furtherance of the purposes of this Act. The Secretary shall recognize the concern of Tuskegee University

for the wise management, use, and development of the historic site, and shall consult with Tuskegee University in the formulation of any cooperative agreement that may affect the historic site.

(B) TUSKEGEE AIRMEN NATIONAL CENTER.—The Secretary may enter into a cooperative agreement with Tuskegee University to define and implement the public/private partnership needed to develop the historic site, including the Tuskegee Airmen National Center on the grounds of the historic site. The purpose of the center shall be to extend the ability to relate more fully the story of the Tuskegee Airmen at Moton Field. The center shall house a Tuskegee Airmen Memorial and provide large exhibit space for the display of period aircraft and equipment used by the Tuskegee Airmen and a Tuskegee University Department of Aviation Science. It is the intent of the Congress that interpretive programs for visitors benefit from the school's active pilot training instruction program, and that the training program will provide a historical continuum of flight training in the tradition of the Tuskegee Airmen. The Tuskegee University Department of Aviation Science may be located in historic buildings within the Moton Field complex until the Tuskegee Airmen National Center has been completed.

(C) REPORT.—Within one year after the date of the enactment of this Act, the Secretary and Tuskegee University, in consultation with the Tuskegee Airmen, shall prepare a report on the partnership needed to develop and operate the Tuskegee Airmen National Center, and submit the report to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate. Subject to the approval of the Congress, the Secretary and Tuskegee University may enter into a cooperative agreement to permit the development of the Center. Before the balance of the land is donated and before the development of the Tuskegee Airmen National Center can proceed, a cooperative agreement acceptable to the Secretary and Tuskegee University must be executed.

(7) GENERAL MANAGEMENT PLAN.—Within 2 complete fiscal years after funds are first made available to carry out this section, the Secretary shall prepare, with the full participation of Tuskegee University, a general management plan for the historic site and submit the plan to the Committee on Resources of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 409. LITTLE ROCK CENTRAL HIGH SCHOOL NATIONAL HISTORIC SITE, ARKANSAS.

(a) FINDINGS.—The Congress finds that—

(1) the 1954 United States Supreme Court decision of Brown v. Board of Education, which mandated an end to the segregation of public schools, was one of the most significant court decisions in the history of the United States;

(2) the admission of 9 African-American students, known as the ''Little Rock Nine'', to Little Rock's Central high School as a result of the Brown decision, was the most prominent national example of the implementation of the Brown decision, and served as a catalyst for the integration of other, previously segregated public schools in the United States;

(3) 1997 marked the 70th anniversary of the construction of Central High School, which has been named by the American Institute of Architects as ''the most beautiful high school building in America'';

(4) Central High School was included on the National Register of Historic Places in 1977 and designated by the Secretary of the Interior as a national historic landmark in 1982 in recognition of its national significance in the development of the civil rights movement in the United States; and

(5) the designation of Little Rock Central High School as a unit of the National Park System will recognize the significant role the school played in the desegregation of public schools in the South and will interpret for future generations the events associated with early desegregation of Southern schools.

(b) PURPOSE.—The purpose of this section is to preserve, protect, and interpret for the benefit, education, and inspiration of present and future generations, Central High School in Little Rock, Arkansas, and its role in the integration of public schools and the development of the civil rights movement in the United States.

(c) ESTABLISHMENT OF CENTRAL HIGH SCHOOL NATIONAL HISTORIC SITE.—

(1) ESTABLISHMENT.—The Little Rock Central High School national historic site in the State or Arkansas (referred to in this section as the ''historic site'') is hereby established as a unit of the National Park System. The historic site shall consist of lands and interests therein comprising the Central High School campus in Little Rock, Arkansas, as generally depicted on a map entitled _____ and dated June 1998. Such map shall be on file and available for public inspection in the appropriate offices of the National Park Service.

(2) ADMINISTRATION OF HISTORIC SITE.—The Secretary of the Interior (referred to in this section as the ''Secretary'') shall administer the historic site in accordance with this section and the laws generally applicable to units of the National Park System, including the Act of August 25, 1916 (16 U.S.C. 1, 2–4) and the Act of August 21, 1935 (16 U.S.C. 461–467): *Provided*, That nothing in this section shall affect the authority of the Little Rock School District to administer Little Rock Central High School.

(3) COOPERATIVE AGREEMENTS.—(A) The Secretary may enter into cooperative agreements with appropriate public and private agencies, organizations, and institutions (including, but not limited to, the State of Arkansas, the city of Little Rock, the Little Rock School District, Central High Museum, Inc., Central High Neighborhood, Inc., or the University of Arkansas) in furtherance of the purposes of this Act.

(B) The Secretary shall coordinate visitor interpretation of the historic site with the Little Rock School District and the Central High School Museum, Inc.

(4) GENERAL MANAGEMENT PLAN.—Within 2 years after the date funds are made available, the Secretary shall prepare a general management plan for the historic site.

(5) CONTINUING EDUCATIONAL USE.—The Secretary shall consult and coordinate with the Little Rock School District in the development of the general management plan and in the administration of the historic site so as to not interfere with the continuing use of Central High School as an educational institution.

(6) ACQUISITION OF PROPERTY.—The Secretary is authorized to acquire by purchase with donated or appropriated funds, by exchange, or donation the lands and interests therein located within the boundaries of the historic site, except that the Secretary may only acquire lands or interests therein with the consent of the owner thereof and lands or interests therein owned by the State of Arkansas or a political subdivision thereof, may only be acquired by donation or exchange.

(d) DESEGREGATION IN PUBLIC EDUCATION THEME STUDY.—

(1) THEME STUDY.—Within 2 years after the date funds are made available, the Secretary shall prepare and transmit to the Committee on Resources of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate a national historic landmark theme study (hereinafter referred to as the ''theme study'') on the history of desegregation in public education. The purpose of the theme study shall be to identify sites, districts, buildings, structures, and landscapes that best illustrate or commemorate key events or decisions in the historical movement to provide for racial desegregation in public education. On the basis of the theme study, the Secretary shall identify possible new national historic landmarks appropriate to this theme and prepare a list in order of importance or merit of the most appropriate sites for national historic landmark designation.

(2) OPPORTUNITIES FOR EDUCATION AND RESEARCH.—The theme study shall identify appropriate means to establish linkages between sites identified in paragraph (1) and between those sites and the Central High School National Historic Site established in this section and with other existing units of the National Park System to maximize opportunities for public education and scholarly research on desegregation in public education. The theme study also shall recommend opportunities for cooperative arrangements with State and local governments, educational institutions, local historical organizations, and other appropriate entities to preserve and interpret key sites in the history of desegregation in public education.

(3) COOPERATIVE AGREEMENTS.—The Secretary may enter into cooperative agreements with 1 or more major educational institutions, public history organizations, or civil rights organizations knowledgeable about desegregation in public education to prepare the theme study and to ensure that the theme study meets scholarly standards.

(4) THEME STUDY COORDINATION WITH GENERAL MANAGEMENT PLAN.—The theme study shall be prepared as part of the preparation and development of the general management plan for the Little Rock Central High School National Historic Site established in this section.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 410. SAND CREEK MASSACRE NATIONAL HISTORIC SITE STUDY.

(a) FINDINGS.—Congress finds that—

(1) on November 29, 1864, Colonel John M. Chivington led a group of 700 armed soldiers to a peaceful Cheyenne village of more than 100 lodges on the Big Sandy, also known as Sand Creek, located within the Territory of Colorado, and in a running fight that ranged several miles upstream along the Big Sandy, slaughtered several hundred Indians in Chief Black Kettle's village, the majority of whom were women and children;

(2) the incident was quickly recognized as a national disgrace and investigated and condemned by 2 congressional committees and a military commission;

(3) although the United States admitted guilt and reparations were provided for in article VI of the Treaty of Little Arkansas of October 14, 1865 (14 Stat. 703) between the United States and the Cheyenne and Arapaho Tribes of Indians, those treaty obligations remain unfulfilled;

(4) land at or near the site of the Sand Creek Massacre may be available for purchase from a willing seller; and

(5) the site is of great significance to the Cheyenne and Arapaho Indian descendants of those who lost their lives at the incident at Sand Creek and to their tribes, and those descendants and tribes deserve the right of open access to visit the site and rights of cultural and historical observance at the site.

(b) DEFINITIONS.—For purposes of this section:

(1) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior acting through the Director of the National Park Service.

(2) SITE.—The term ''site'' means the Sand Creek massacre site described in subsection (a).

(3) TRIBES.—The term ''Tribes'' means—

(A) the Cheyenne and Arapaho Tribe of Oklahoma;

(B) the Northern Cheyenne Tribe; and

(C) the Northern Arapaho Tribe.

(c) STUDY.—

(1) IN GENERAL.—Not later than 18 months after the date on which funds are made available for the purpose of this section, the Secretary, in consultation with the Tribes and the State of Colorado, shall submit to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a resource study of the site.

(2) CONTENTS.—The study under paragraph (1) shall—

(A) identify the location and extent of the massacre area and the suitability and feasibility of designating the site as a unit of the National Park System; and

(B) include cost estimates for any necessary acquisition, development, operation and maintenance, and identification of alternatives for the management, administration, and protection of the area.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 411. CHESAPEAKE AND OHIO CANAL NATIONAL HISTORICAL PARK ENHANCEMENT AND PROTECTION.

(a) FINDINGS.—The Congress finds the following:

(1) The National Park Service has insufficient funds for the operation, maintenance, and rehabilitation of certain units of the National Park System.

(2) Federal full fee ownership of structures and lands that are not consistent with the purposes for which a national historical park was established and that are essential only to the protection of such a park is not always required to preserve the aesthetic, natural, cultural, and historical values of national historical parks.

(3) The sale or lease, or any extension of a sale or lease, of secondary structures and surplus lands of national historical parks that are not consistent with the purposes for which the parks were established and that are essential only to the protection of such parks, could generate needed funds while preserving the values for which the parks were established, if adequate protection of natural, aesthetic, recreational, cultural, and historical values is assured by appropriate terms, covenants, conditions, or reservations.

(4) There are some secondary structures and surplus lands of the Chesapeake and Ohio Canal National Historical Park that need not be owned by the Federal Government in fee simple to achieve the benefits for which the park was established.

(b) DEFINITIONS.—In this section:

(1) SURPLUS LAND.—The term ''surplus land'' means land owned by the United States that—

(A) is controlled by the Secretary, is administered as part of the Chesapeake and Ohio Canal National Historical Park, and was first included in the park in the period beginning January 1, 1972, and ending December 31, 1983;

(B) is not consistent with the purposes for which the park was established; and

(C) is determined by the Secretary to be surplus to the purposes of national historical parks.

(2) SECONDARY STRUCTURES.—The term ''secondary structure''—

(A) except as provided in subparagraph (B), means a structure (including associated land) that—

(i) is controlled by the Secretary and administered as part of the Chesapeake and Ohio Canal National Historical Park, and was first included in the park in the period beginning January 1, 1972, and ending December 31, 1983;

(ii) is not historic under National Register on Historic Places criteria; and

(iii) is determined by the Secretary to be surplus to the purposes of national historical parks; and

(B) does not include any structure or land that is determined by the Secretary to be part of the essence of the Chesapeake and Ohio Canal National Historical Park.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(c) ALLOWING PRIVATE ACQUISITION OR USE OF SECONDARY STRUCTURES AND SURPLUS LAND.—

(1) DETERMINATION OF SECONDARY STRUCTURES AND SURPLUS LAND.—The Secretary shall review the lands and structures that are controlled by the Secretary and administered as part of the Chesapeake and Ohio Canal National Historical Park and determine whether any of those lands or structures are secondary structures or surplus lands, respectively.

(2) ALLOWING PRIVATE ACQUISITION OR USE.—The Secretary, after determining it to be in the public interest and after publication of notice in the Federal Register and 30 days for public comment, may in accordance with this section sell, lease, permit the use of, or extend a lease or use permit for, any land and structure determined by the Secretary to be a secondary structure or surplus land, respectively.

(d) REQUIREMENTS.—

(1) COMPETITION.—Except as provided in paragraph (3), any sale or lease of property under this section shall be made under full and open competition.

(2) COSTS.—The Secretary shall ensure that the terms of any sale, lease, or use permit under this section are sufficient to recover the costs to the United States of awarding and administering the sale, lease, or permit. The Secretary shall require that a person acquiring, leasing, or using property under this section shall bear all reasonable costs of appraisal incidental to such conveyance, lease, or use, as determined by the Secretary.

(3) REACQUISITION BY ORIGINAL OWNER.—Before disposing of any secondary structure or surplus land under this section, the Secretary shall, to the extent possible, provide the person or persons from whom the structure or land was acquired by the United States, or their heirs, as determined from the deed and land records for the property, an opportunity to reacquire the structure or land by negotiated sale, lease, or use permit. The Secretary shall publish a notice in an appropriate regional or local newspaper in an attempt to locate such persons.

(4) NOTICE TO CONGRESS.—The Secretary shall report to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate each conveyance, lease, or issuance of a use permit for property under this section having a total value greater than $150,000, at least 30 days prior to consummation of the transaction.

(e) PROTECTION OF HISTORICAL INTEGRITY OF PARK.—In order to protect the natural, aesthetic, recreational, cultural, or historic values of the Chesapeake and Ohio Canal National Historical Park, the Secretary shall include in any sale, lease, or use permit under this section any terms, covenants, conditions, or reservations necessary to ensure preservation of the public interest and uses consistent with the purposes for which the park was established.

(f) USE OF REVENUES.—Amounts received by the United States as proceeds from any sale, lease, or use of a secondary structure or surplus land under this section in excess of the administrative cost of the sale, lease, or use—

(1) shall be deposited in a special fund in the Treasury; and

(2) shall be available to the Secretary, without further appropriation, for operation, maintenance, or improvement of, or for the acquisition of land or interests therein for, the Chesapeake and Ohio Canal National Historical Park.

TITLE V—SAN RAFAEL SWELL

SEC. 501. SHORT TITLE.

This title may be cited as the ''San Rafael Swell National Heritage and Conservation Act''.

SEC. 502. DEFINITIONS.

In this title:

(1) ADVISORY COUNCIL.—The term ''Advisory Council'' means the San Rafael Swell National Conservation Area Advisory Council established under section 525.

(2) CONSERVATION AREA.—The term ''conservation area'' means the San Rafael Swell National Conservation Area established by section 522.

(3) DIRECTOR.—The term ''Director'' means the Director of the Bureau of Land Management.

(4) NATIONAL HERITAGE AREA.—The term ''national heritage area'' means the San Rafael Swell National Heritage Area established by section 513.

(5) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior, acting through the Director of the Bureau of Land Management.

(6) SEMI-PRIMITIVE AREA.—The term ''semi-primitive area'' means any area designated as a semi-primitive nonmotorized use area under section 542.

Subtitle A—San Rafael Swell National Heritage Area

SEC. 511. SHORT TITLE; FINDINGS; PURPOSES.

(a) SHORT TITLE.—This subtitle may be cited as the ''San Rafael Swell National Heritage Area Act''.

(b) FINDINGS.—Congress finds the following:

(1) The history of the American West is one of the most significant chapters of United States history, and the major themes and images of the history of the American West provide a legacy that has done much to shape the contemporary culture, attitudes, and values of the American West and the United States.

(2) The San Rafael Swell region of the State of Utah was one of the country's last frontiers and possesses important historical, cultural, and natural resources that are representative of the central themes associated with the history of the American West, including themes of pre-Columbian and Native American culture, exploration, pioneering,

settlement, ranching, outlaws, prospecting and mining, water development and irrigation, railroad building, industrial development, and the utilization and conservation of natural resources.

(3) The San Rafael Swell region contains important historical sites, including sections of the Old Spanish Trail, the Outlaw Trail, the Green River Crossing, and numerous sites associated with cowboy, pioneer, and mining history.

(4) The heritage of the San Rafael Swell region includes the activities of many prominent historical figures of the old American West, such as Chief Walker, John Wesley Powell, Kit Carson, John C. Fremont, John W. Gunnison, Butch Cassidy, John W. Taylor, and the Swasey brothers.

(5) The San Rafael Swell region has a notable history of coal and uranium mining, and a rich cultural heritage of activities associated with mining, such as prospecting, railroad building, immigrant workers, coal camps, labor union movements, and mining disasters.

(6) The San Rafael Swell region is widely recognized for its significant paleontological resources and dinosaur bone quarries, including the Cleveland Lloyd Dinosaur Quarry which was designated as a National Natural Landmark in 1966.

(7) The beautiful rural landscapes, historic and cultural landscapes, and spectacular scenic vistas of the San Rafael Swell region contain significant undeveloped recreational opportunities for people throughout the United States.

(8) Museums and visitor centers have already been constructed in the San Rafael Swell region, including the John Wesley Powell River History Museum, the College of Eastern Utah Prehistoric Museum, the Museum of the San Rafael, the Western Mining and Railroad Museum, the Emery County Pioneer Museum, and the Cleveland Lloyd Dinosaur Quarry, and these museums are available to interpret the themes of the national heritage area established by this title and to coordinate the interpretive and preservation activities of the area.

(9) Despite the efforts of the State of Utah, political subdivisions of the State, volunteer organizations, and private businesses, the cultural, historical, natural, and recreational resources of the San Rafael Swell region have not realized their full potential and may be lost without assistance from the Federal Government.

(10) Many of the historical, cultural, and scientific sites of the San Rafael Swell region are located on lands owned by the Federal Government and are managed by the Bureau of Land Management or the United States Forest Service.

(11) The preservation of the cultural, historical, natural, and recreational resources of the San Rafael Swell region within a regional framework requires cooperation among local property owners and Federal, State, and local government entities.

(12) Partnerships between Federal, State, and local governments, local and regional entities of these governments, and the private sector offer the most effective opportunities for the enhancement and management of the cultural, historical, natural, and recreational resources of the San Rafael Swell region.

(c) PURPOSES.—The purposes of this subtitle are—

(1) to establish the San Rafael Swell National Heritage Area to promote the preservation, conservation, interpretation, and development of the historical, cultural, natural, and recreational resources related to the historical, cultural, and industrial heritage of the San Rafael Swell region of the State of Utah, which includes the counties of Carbon and Emery, and portions of the county of Sanpete;

(2) to encourage within the national heritage area a broad range of economic and recreational opportunities to enhance the quality of life for present and future generations;

(3) to assist the State of Utah, political subdivisions of the State and their local and regional entities, and nonprofit organizations, or combinations thereof, in preparing and implementing a heritage plan for the national heritage area and in developing policies and programs that will preserve, enhance, and interpret the cultural, historical, natural, recreational, and scenic resources of the heritage area; and

(4) to authorize the Secretary of the Interior to provide financial assistance and technical assistance to support the preparation and implementation of the heritage plan for the national heritage area.

SEC. 512. DESIGNATION.

There is hereby designated the San Rafael Swell National Heritage Area.

SEC. 513. DEFINITIONS.

For purposes of this subtitle:

(1) COMPACT.—The term ''compact'' means an agreement described in section 515(a).

(2) FINANCIAL ASSISTANCE.—The term ''financial assistance'' means funds appropriated by the Congress and made available to the Heritage Council for the purposes of preparing and implementing a heritage plan.

(3) HERITAGE AREA.—The term ''Heritage Area'' means the San Rafael Swell National Heritage Area established by this subtitle.

(4) HERITAGE PLAN.—The term ''heritage plan'' means a plan described in section 515(b).

(5) HERITAGE COUNCIL.—The term ''Heritage Council'' means the entity designated in the compact for a National Heritage Area and described in section 516(a).

(6) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(7) TECHNICAL ASSISTANCE.—The term ''technical assistance'' includes—

(A) assistance by the Secretary in the preparation of any heritage plan, compact, or resource inventory; and

(B) professional guidance provided by the Secretary.

(8) UNIT OF GOVERNMENT.—The term ''unit of government'' means the government of a State, a political subdivision of a State, or an Indian tribe.

SEC. 514. GRANTS, TECHNICAL ASSISTANCE, AND OTHER DUTIES AND AUTHORITIES OF FEDERAL AGENCIES.

(a) GRANTS.—

(1) IN GENERAL.—The Secretary may make grants for the purposes of this subtitle to any unit of government or to the Heritage Council.

(2) PERMITTED AND PROHIBITED USES OF GRANTS.—

(A) PERMITTED USES.—Grants made under this section may be used for reports, studies, interpretive exhibits, historic preservation projects, construction of cultural, recreational, and interpretive facilities that are open to the public, and such other expenditures as are consistent with this subtitle.

(B) PROHIBITED USES.—Grants made under this section may not be used for acquisition of real property or any interest in real property.

(3) APPLICABILITY OF RESTRICTIONS TO SUBGRANTS.—For purposes of paragraph (2), any subgrant made from funds received as a grant (or subgrant) made under this section shall be treated as a grant made under this section.

(4) PROTECTION OF FEDERAL INVESTMENT.—Any grant made under this section shall be subject to an agreement that conversion, use, or disposal of the project so assisted for purposes contrary to the purposes of this subtitle, as determined by the Secretary, shall result in a right of the United States to compensation equal to the greater of—

(A) all Federal funds made available to such project under this subtitle; or

(B) the proportion of the increased value of the project attributable to such funds, as determined at the time of such conversion, use, or disposal.

(b) TECHNICAL ASSISTANCE.—The Secretary may provide technical assistance with respect to this subtitle.

(c) DURATION OF ELIGIBILITY FOR GRANTS AND TECHNICAL ASSISTANCE.—The Secretary may not provide any grant, and may provide only limited technical assistance, under this subtitle after the expiration of the 10-year period beginning on the date of the designation of the National Heritage Area.

(d) DISQUALIFICATION FOR FEDERAL FUNDING.—If a heritage plan meeting the requirements of section 515(b) is not forwarded to the Secretary as required under section 516(b)(1) within the time specified in section 516(b)(1), the Secretary may not, after such time, provide technical assistance or grants under this subtitle until such a heritage plan for the National Heritage Area is developed and forwarded to the Secretary.

(e) OTHER DUTIES AND AUTHORITIES OF SECRETARY.—

(1) SIGNING OF COMPACT.—The Secretary shall sign or withhold signature on any proposed compact submitted under this subtitle not later than 90 days after receiving the proposed compact. If the Secretary withholds signature on the proposed compact, the Secretary shall advise the submitter, in writing, of the reasons. The Secretary shall sign or withhold signature on each proposed revision to the proposed compact not later than 90 days after receiving the proposed revision. A submitter shall hold a public meeting in the immediate vicinity of the proposed National Heritage Area before making any major revisions in any proposed compact submitted under this subtitle.

(2) MONITORING OF NATIONAL HERITAGE AREA.—The Secretary shall monitor the National Heritage Area. Monitoring of the National Heritage Area shall include monitoring to ensure compliance with the terms of the compact for the area.

(f) DUTIES OF FEDERAL ENTITIES.—Any Federal entity conducting or supporting activities within the National Heritage Area, and any unit of government acting pursuant to a grant of Federal funds or a Federal permit or agreement and conducting or supporting such activities, shall, to the maximum extent practicable—

(1) consult with the Secretary and the Heritage Council for the National Heritage Area with respect to such activities; and

(2) cooperate with the Secretary and the Heritage Council in the carrying out of the duties of the Secretary and the Heritage Council under this subtitle, and coordinate such activities to minimize any real or potential adverse impact on the National Heritage Area.

(g) PROHIBITION OF CERTAIN REQUIREMENTS.—The Secretary may not, as a condition of the award of technical assistance or financial assistance under this section, require any recipient of such assistance to enact or modify land use restrictions.

SEC. 515. COMPACT AND HERITAGE PLAN.

(a) COMPACT.—

(1) IN GENERAL.—The compact submitted under this subtitle with respect to the National Heritage Area shall consist of an agreement entered into by the Secretary, the Secretary of Agriculture, and the Governor of Utah or a designee of the Governor, in coordination with the Heritage Council. Such

agreement shall define the area, describe anticipated programs for the area, and include information relating to the objectives and management of the area. Such information shall include, but need not be limited to, each of the following:

(A) BOUNDARIES.—A delineation of the boundaries of the National Heritage Area. Such boundaries shall include the land generally depicted on the map entitled San Rafael Swell National Heritage-Conservation Area Proposed, dated June 12, 1998, which shall be on file and available for public inspection in the office of the Director of the Bureau of Land Management.

(B) MANAGEMENT ENTITY.—An identification and description of the Heritage Council.

(C) NON-FEDERAL PARTICIPANTS.—A list of the initial participants to be involved in developing and implementing the heritage plan and a statement of the financial commitment of those participants.

(D) GOALS, OBJECTIVES, AND CONCEPTUAL FRAMEWORK.—A discussion of the goals, objectives, and cost of the National Heritage Area, including an explanation of—

(i) the conceptual framework, proposed by the partners referred to in subparagraph (C), for development and implementation of the heritage plan for the National Heritage Area; and

(ii) the costs associated with the conceptual framework.

(E) ROLE OF STATE.—A description of the role of the State of Utah.

(2) CONSISTENCY WITH ECONOMIC VIABILITY.—The compact submitted under this subtitle shall be consistent with continued economic viability in the communities within the National Heritage Area.

(3) INITIATION OF ACTIONS.—Actions called for in the compact shall be initiated within a reasonable time after designation of the National Heritage Area and shall ensure effective implementation of the State and local aspects of the compact.

(b) HERITAGE PLAN.—

(1) IN GENERAL.—The heritage plan forwarded to the Secretary under this subtitle shall be a plan which sets forth the strategy to implement the goals and objectives of the National Heritage Area. The heritage plan shall—

(A) present comprehensive recommendations for the conservation, funding, management, and development of the area;

(B) be prepared with public participation;

(C) take into consideration existing Federal, State, county, and local plans and involve residents, private property owners, public agencies, and private organizations in the area;

(D) include a description of actions that units of government and private organizations could take to protect the resources of the area; and

(E) specify existing and potential sources of funding for the conservation, management, and development of the area.

(2) ADDITIONAL INFORMATION.—The heritage plan forwarded to the Secretary under this subtitle also shall include the following, as appropriate:

(A) INVENTORY OF RESOURCES.—An inventory of important natural, cultural, or historic resources which illustrate the themes of the National Heritage Area.

(B) RECOMMENDATIONS FOR MANAGEMENT.—A recommendation of policies for management of the historical, cultural, and natural resources and the recreational and educational opportunities of the area in a manner consistent with the support of appropriate and compatible economic viability.

(C) PROGRAM AND COMMITMENTS.—A program for implementation of the heritage plan by the Heritage Council and specific commitments, for the first 5 years of operation of the heritage plan, by the partners identified in the compact.

(D) ANALYSIS OF COORDINATION.—An analysis of means by which Federal, State, and local programs may best be coordinated to promote the purposes of this subtitle.

(E) INTERPRETIVE PLAN.—An interpretive plan for the National Heritage Area.

(3) RELATIONSHIP TO CONSERVATION AREA MANAGEMENT PLAN.—The heritage plan and the conservation area management plan shall not be inconsistent. However, nothing in the heritage plan may supersede the management plan for the conservation area under section 533, with respect to the application of the management plan to the conservation area.

SEC. 516. HERITAGE COUNCIL.

(a) IN GENERAL.—The management entity for the National Heritage Area shall be known as the ''Heritage Council''. The Heritage Council shall be an entity that reflects a broad cross-section of interests within the National Heritage Area and shall include—

(1) at least 1 representative of one or more units of government in the State of Utah;

(2) representatives of interested or affected groups; and

(3) private property owners who reside within the National Heritage Area.

(b) DUTIES.—The Heritage Council shall fulfill each of the following requirements:

(1) HERITAGE PLAN.—Not later than 3 years after the date of the designation of the National Heritage Area, the Heritage Council shall develop and forward to the Secretary and to the Governor of Utah a heritage plan in accordance with the compact under subsection (a).

(2) PRIORITIES.—The Heritage Council shall give priority to the implementation of actions, goals, and policies set forth in the compact and heritage plan for the National Heritage Area, including assisting units of government and others in—

(A) carrying out programs which recognize important resource values within the National Heritage Area;

(B) encouraging economic viability in the affected communities;

(C) establishing and maintaining interpretive exhibits in the area;

(D) developing recreational and educational opportunities in the area;

(E) increasing public awareness of and appreciation for the natural, historical, and cultural resources of the area;

(F) restoring historic buildings that are located within the boundaries of the area and relate to the theme of the area; and

(G) ensuring that clear, consistent, and appropriate signs identifying public access points and sites of interest are put in place throughout the area.

(3) CONSIDERATION OF INTERESTS OF LOCAL GROUPS.—The Heritage Council shall, in developing and implementing the heritage plan for the National Heritage Area, consider the interests of diverse units of government, businesses, private property owners, and nonprofit groups within the geographic area.

(4) PUBLIC MEETINGS.—The Heritage Council shall conduct public meetings at least annually regarding the implementation of the heritage plan for the National Heritage Area. The Heritage Council shall place a notice of each such meeting in a newspaper of general circulation in the area and shall make the minutes of the meeting available to the public.

SEC. 517. LACK OF EFFECT ON LAND USE REGULATION.

(a) LACK OF EFFECT ON AUTHORITY OF GOVERNMENTS.—Nothing in this subtitle shall be construed to modify, enlarge, or diminish any authority of Federal, State, and local governments to regulate any use of land as provided for by law or regulation.

(b) LACK OF ZONING OR LAND USE POWERS OF ENTITY.—Nothing in this subtitle shall be construed to grant powers of zoning or land use to the management entity for the National Heritage Area.

(c) BLM AUTHORITY.—

(1) IN GENERAL.—Nothing in this subtitle shall be construed to modify, enlarge, or diminish the authority of the Secretary or the Bureau of Land Management with respect to lands under the administrative jurisdiction of the Bureau.

(2) COOPERATION.—In carrying out this subtitle, the Secretary shall work cooperatively under the Federal Land Policy and Management Act of 1976 with the Forest Service, the Heritage Council under section 516, State and local governments, and private entities.

SEC. 518. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated for grants made and technical assistance provided under subsections (a) and (b), respectively, of section 514, and the administration of such grants and assistance, not more than $1,000,000 annually, to remain available until expended.

(b) ANNUAL ALLOCATION FOR GRANTS.—In any fiscal year, not less than 70 percent of the funds obligated under this subtitle shall be used for grants made under section 514(a).

(c) LIMITATION ON PERCENT OF COST.—

(1) IN GENERAL.—Federal funding provided under this subtitle, after the designation of the National Heritage Area, for any technical assistance or grant with respect to the area may not exceed 50 percent of the total cost of the assistance or grant. Federal funding provided under this subtitle with respect to an area before the designation of the area as the National Heritage Area may not exceed an amount proportionate to the level of local support of and commitment to the designation of the area.

(2) TREATMENT OF DONATIONS.—The value of property or services donated by non-Federal sources and used for management of the National Heritage Area shall be treated as non-Federal funding for purposes of paragraph (1).

(d) LIMITATION ON TOTAL FUNDING.—Not more than a total of $10,000,000 may be made available under this section with respect to the National Heritage Area.

(e) ALLOCATION OF APPROPRIATIONS.—Notwithstanding any other provision of law, no funds appropriated or otherwise made available to the Secretary to carry out this subtitle—

(1) may be obligated or expended by any person unless the appropriation of such funds has been allocated in the manner prescribed by this subtitle; or

(2) may be obligated or expended by any person in excess of the amount prescribed by this subtitle.

Subtitle B—San Rafael Swell National Conservation Area

SEC. 521. DEFINITION OF PLAN.

In this subtitle, the term ''plan'' means the comprehensive management plan developed for the national conservation area under section 523, including such revisions thereto as may be required in order to implement this subtitle.

SEC. 522. ESTABLISHMENT OF NATIONAL CONSERVATION AREA.

(a) ESTABLISHMENT.—In order to preserve and maintain heritage, tourism, recreational, historical, scenic, archaeological, paleontological, biological, cultural, scientific, educational, and economic resources, there is hereby established the San Rafael Swell National Conservation Area.

(b) AREA INCLUDED.—The conservation area shall consist of all public lands within the exterior boundaries of the conservation area, comprised of approximately 630,000 acres, as

generally depicted on the map entitled ''San Rafael Swell National Heritage/Conservation Area Proposed'', dated June 12, 1998, including areas depicted within those boundaries on that map as ''Proposed Wilderness'', ''Proposed Bighorn Sheep Management Area'', ''Scenic Visual Area of Critical Environmental Concern'', and ''Semi-Primitive Non-Motorized Use Areas''.

(c) MAP AND LEGAL DESCRIPTION.—As soon as is practicable after enactment of this Act, the map referred to in subsection (b) and a legal description of the conservation area shall be filed by the Secretary with the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate. Such map and description shall have the same force and effect as if included in this title, except that the Secretary may correct clerical and typographical errors in such map and legal description. Such map and description shall be on file and available for public inspection in the office of the Director and the Utah State Director of the Bureau of Land Management of the Department of the Interior.

(d) WITHDRAWALS.—Subject to valid existing rights, the Federal lands within the conservation area are hereby withdrawn from all forms of entry, appropriation, or disposal under the public land laws; and from entry, application, and selection under the Act of March 3, 1877 (Ch. 107, 19 Stat. 377, 43 U.S.C. 321 et seq.; commonly referred to as the ''Desert Lands Act''), section 4 of the Act of August 18, 1894 (Ch. 301, 28 Stat. 422; 43 U.S.C. 641; commonly referred to as the ''Carey Act''), section 2275 of the Revised Statutes, as amended (43 U.S.C. 851), and section 2276 of the Revised Statutes (43 U.S.C. 852). The Secretary shall return to the applicants any such applications pending on the date of enactment of this Act, without further action. Subject to valid existing rights, as of the date of enactment of this Act, lands within the conservation area are withdrawn from location under the general mining laws, the operation of the mineral and geothermal leasing laws, and the mineral material disposal laws, except that mineral materials subject to disposal may be made available from existing sites to the extent compatible with the purposes for which the conservation area is established.

(e) CLOSURE TO FORESTRY.—The Secretary shall prohibit all commercial sale of trees, portions of trees, and forest products located in the conservation area.

SEC. 523. MANAGEMENT.

(a) IN GENERAL.—The Secretary shall, in consultation with the Advisory Council and subject to valid existing rights, manage the conservation area to conserve, protect, and enhance the resources of the conservation area referred to in section 522(a), the Federal Land Policy and Management Act of 1976, and other applicable laws.

(b) USES.—The Secretary shall allow such uses of the conservation area as are specified in the management plan developed under subsection (b) and that the Secretary finds will further the conservation, protection, enhancement, public use, and enjoyment of the resource values referred to in section 522(a). Except when needed for administrative and emergency purposes, the uses of motorized vehicles in the conservation area shall be permitted only on roads and trails specifically designated for such use as part of the management plan prepared pursuant to subsection (c).

(c) MANAGEMENT PLAN.—No later than 3 years after the date of enactment of this Act, the Secretary, in cooperation with the Advisory Council, shall develop a comprehensive plan for the long-range management and protection of the conservation area. The plan shall be developed with full opportunity for public participation and comment, and shall contain provisions designed to assure access to an protection of the heritage, tourism, recreational, historical, scenic, archaeological, paleontological, biological, cultural, scientific, educational, and economic resources and values of the conservation area.

(d) VISITORS.—

(1) VISITORS CENTER.—The Secretary may establish, in cooperation with the Advisory Council and other public or private entities as the Secretary considers appropriate, a visitors center designed to interpret the history and the geological, ecological, natural, cultural, and other resources of the conservation area.

(2) VISITORS USE OF AREA.—In addition to the Visitors Center, the Secretary may provide for visitor use of the public lands in the conservation area to such extent and in such manner as the Secretary considers consistent with the purposes for which the conservation area is established. To the extent practicable, the Secretary shall make available to visitors and other members of the public a map of the conservation area and such other educational and interpretive materials as may be appropriate.

(e) COOPERATIVE AGREEMENTS.—The Secretary may provide technical assistance to, and enter into such cooperative agreements and contracts with, the State of Utah and with local governments and private entities as the Secretary deems necessary or desirable to carry out the purposes and policies of this subtitle.

SEC. 524. ADDITIONS.

(a) ADDITION TO CONSERVATION AREA.—Any lands located within the boundaries of the conservation area that are acquired by the United States on or after the date of enactment of this Act shall become a part of the conservation area and shall be subject to this subtitle.

(b) LAND EXCHANGES TO RESOLVE CONFLICTS.—The Secretary shall, within 4 years after the date of enactment of this Act, study, identify, and initiate voluntary land exchanges which would resolve ownership-related land use conflicts within the conservation area. Lands may be acquired under this subsection only from willing sellers.

SEC. 525. ADVISORY COUNCIL.

(a) ESTABLISHMENT.—There is established the San Rafael Swell National Conservation Area Advisory Council. The Advisory Council shall advise the Secretary regarding management of the conservation area.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Advisory Council shall consist of 11 members appointed by the Secretary from among persons who are representative of the various major citizen's interests concerned with the management of the public lands located in the conservation area. Of the members—

(A) 2 shall be appointed from individuals recommended by the Governor of the State of Utah;

(B) 4 shall be appointed from individuals recommended by the Board of Commissioners of Emery County, Utah, and shall include a representative of each of the Emery County Public Lands Council and the San Rafael Regional Heritage Council recognized under section 514(a);

(C) 1 shall be the Director of the Bureau of Land Management in the State of Utah, or his or her designee; and

(D) 4 shall be selected by the Secretary.

(2) APPOINTMENT PROCESS.—The Secretary shall appoint the members of the Advisory Council in accordance with rules prescribed by the Secretary.

(3) TERMS.—(A) The term of members of the Advisory Council shall be a period established by the Secretary, which may not exceed 4 years and which, except as provided by subparagraph (B), shall be the same for all members.

(B) In appointing the initial members of the Advisory Council, the Secretary shall, for a portion of the members, specify terms that are shorter than the period established under subparagraph (A), as necessary to achieve staggering of terms.

(c) CHAIRPERSON.—The Advisory Council shall have a Chairperson, who shall be selected by the Advisory Council from among its members.

(d) MEETINGS.—The Advisory Council shall meet at least twice each year, at the call of the Secretary or the Chairperson.

(e) PAY AND EXPENSES.—Members of the Advisory Council shall serve without pay, except travel and per diem shall be paid to each member for meetings called by the Secretary or the Chairperson.

(f) FURNISHING ADVICE.—The Advisory Council may furnish advice to the Secretary with respect to the planning and management of the public lands within the conservation area and such other matters as may be referred to it by the Secretary.

(g) TERMINATION.—The Advisory Council shall terminate 10 years after the date of the enactment of this Act, unless otherwise extended by law.

SEC. 526. RELATIONSHIP TO OTHER LAWS AND ADMINISTRATIVE PROVISIONS.

(a) PUBLIC LAND LAWS.—Except as otherwise specifically provided in this title, nothing in this subtitle shall be construed as limiting the applicability to lands in the conservation area of laws applicable to public lands generally, including but not limited to the National Historic Preservation Act (16 U.S.C. 470 et seq.), the Archaeological Resources Protection Act of 1979 (16 U.S.C. 470aa et seq.), or the Native American Graves Protection and Repatriation Act (25 U.S.C. 3001 et seq.).

(b) NON-BLM LAND.—Nothing in this subtitle shall be construed as by itself altering the status of any lands that on the date of enactment of this Act were not managed by the Bureau of Land Management.

SEC. 527. COMMUNICATIONS EQUIPMENT.

Nothing in this title shall be construed to prohibit the Secretary from authorizing the installation of communications equipment in the conservation area for public safety purposes, other than within areas designated as wilderness, to the highest practicable degree consistent with requirements and restrictions otherwise applicable to the conservation area.

Subtitle C—Wilderness Areas Within Conservation Area

SEC. 531. DESIGNATION OF WILDERNESS.

(a) DESIGNATION.—In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131 et seq.), the following lands in the conservation area, as generally depicted on the map entitled ''San Rafael Swell National Heritage/Conservation Area Proposed'', dated June 12, 1998, are hereby designated as wilderness and therefore as components of the National Wilderness Preservation System:

(1) Crack Canyon Wilderness Area, consisting of approximately 25,624 acres.

(2) Mexican Mountain Wilderness Area, consisting of approximately 27,257 acres.

(3) Muddy Creek Wilderness Area, consisting of approximately 39,348 acres.

(4) San Rafael Reef Wilderness Area, consisting of approximately 48,227 acres.

(b) MAP AND DESCRIPTION.—As soon as practicable after the date of the enactment of this Act, the Secretary shall file a map and a legal description of each area designated as wilderness by subsection (a) with

the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate. Each map and description shall have the same force and effect as if included in this title, except that the Secretary may correct clerical and typographical errors in such maps and legal descriptions. Each map and legal description shall be on file and available for public inspection in the office of the Director of the Bureau of Land Management, and the office of the State Director of the Bureau of Land Management in the State of Utah, Department of the Interior.

SEC. 532. ADMINISTRATION OF WILDERNESS AREAS.

(a) IN GENERAL.—Subject to valid existing rights and the full exercise of those rights, each area designated as wilderness by this title shall be administered by the Secretary in accordance with this title and the Wilderness Act (16 U.S.C. 1131 et seq.).

(b) INCORPORATION OF ACQUIRED LANDS AND INTERESTS.—Any lands or interest in lands within the boundaries of an area designated as wilderness by this title that is acquired by the United States after the date of the enactment of this Act shall be added to and administered as part of the wilderness area within which the acquired lands or interest in lands are located.

(c) MANAGEMENT PLANS.—As soon as possible after the date of the enactment of this Act, the Secretary, in cooperation with the Advisory Council, shall prepare plans in accordance with section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712) to manage the areas designated as wilderness by this title.

SEC. 533. LIVESTOCK.

Grazing of livestock in areas designated as wilderness by this title, where such grazing is established before the date of the enactment of this Act—

(1) may not be reduced, increased, or withdrawn, except based solely on scientific analyses of range conditions; and

(2) shall be administered in accordance with section 4(d)(4) of the Wilderness Act (16 U.S.C. 1133(d)(4)) and the guidelines set forth in House Report 96–1126.

SEC. 534. WILDERNESS RELEASE.

(a) FINDING.—The Congress finds and directs that public lands administered by the Bureau of Land Management within the conservation area in the County of Emery, Utah, that are depicted on the map entitled ''San Rafael Swell National Heritage/Conservation Area Proposed'', dated June 12, 1998, have been adequately studied for wilderness designation pursuant to section 603 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1782).

(b) RELEASE.—Any public lands administered by the Bureau of Land Management within the conservation area in the County of Emery, Utah, that are depicted on the map entitled ''San Rafael Swell National Heritage/Conservation Area Proposed'', dated June 12, 1998, and that are not designated as wilderness by this title are no longer subject to section 603(c) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1782(c)). Such lands shall be managed for public uses as defined in section 103(c) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702(c)) and in accordance with land management plans adopted pursuant to section 202 of such Act (43 U.S.C. 1712) and this title.

Subtitle D—Other Special Management Areas Within Conservation Area

SEC. 541. SAN RAFAEL SWELL DESERT BIGHORN SHEEP MANAGEMENT AREA.

(a) ESTABLISHMENT AND PURPOSES.—

(1) ESTABLISHMENT.—There is hereby established in the conservation area the San Rafael Swell Desert Bighorn Sheep Management Area (in this section referred to as the ''management area'').

(2) PURPOSES.—The purposes of the management area are the following:

(A) To provide for the prudent management of Desert Bighorn Sheep and their habitat in the Sid's Mountain area of the conservation area.

(B) To provide opportunities for watchable wildlife, hunting, and scientific study of Desert Bighorn Sheep and their habitat.

(C) To provide a seed source for other Desert Bighorn Sheep herds, and a gene pool to protect genetic diversity within the Desert Bighorn Sheep species.

(D) To provide educational opportunities to the public regarding Desert Big Horn Sheep and their environs.

(E) To maintain the natural qualities of the lands and habitat of the management area to the extent practicable with prudent management of desert bighorn sheep.

(b) AREA INCLUDED.—The management area shall consist of approximately 73,909 acres of federally owned lands and interests therein managed by the Bureau of Land Management as generally depicted on the map entitled ''San Rafael Swell National Heritage/Conservation Area Proposed'', dated June 12, 1998.

(c) MANAGEMENT AND USE.—

(1) IN GENERAL.—Except as otherwise provided in this section, the management area and use of the management area shall be subject to all requirements and restrictions that apply to the conservation area.

(2) MECHANIZED TRAVEL.—The Secretary shall not allow any mechanized travel in the management area, except—

(A) mechanized travel that is in accordance with the plan; and

(B) mechanized travel by personnel of the Utah Division of Wildlife Resources and the Bureau of Land Management, including overflights of aircraft and landings of helicopters, may be allowed as needed to manage the Desert Bighorn Sheep and their habitat.

(3) DESERT BIGHORN SHEEP MANAGEMENT.—The Secretary and the Utah Division of Wildlife Resources may use such management tools as are needed to provide for the sustainability of the Desert Bighorn Sheep herd and the range resource of the management area, including animal transplanting (both into and out of the management area), hunting, water development, fencing, surveys, prescribed fire, control of noxious or invading weeds, and predator control.

(4) WILDLIFE VIEWING.—The Secretary, in cooperation with the State of Utah and the Advisory Council, shall manage the management area to provide opportunities for the public to view Desert Bighorn Sheep in their natural habitat. However, the Secretary may restrict mechanized and nonmechanized visitation to sensitive areas during critical seasons as needed to provide for the proper management of the Desert Bighorn Sheep herd of the management area.

(d) MANAGEMENT PLAN.—

(1) IN GENERAL.—The Secretary shall include a management plan for the management area in the management plan for the conservation area under section 523.

(2) CONTENTS.—The management plan for the management area shall establish goals and management steps to be taken within the management area to achieve the purposes of the management area under subsection (a)(2).

(3) PARTICIPATION.—The Secretary shall cooperate with the Utah Division of Wildlife Resources and the Advisory Council in developing the management plan for the management area.

(e) FACILITIES.—

(1) IN GENERAL.—The Secretary may establish, operate, and maintain in the management area such facilities as are needed to provide for the management and safety of recreational users of the management area.

(2) VIEWING SITES.—Facilities under this subsection may include improved sheep viewing sites around the periphery of the management area, if such sites do not interfere with the proper management of the sheep and their habitat.

(f) DEVELOPMENT OF HERITAGE SITES.—This section shall not be construed to preclude the utilization, enhancement, and maintenance of national heritage area sites in the management area, if such activities do not conflict with the purposes of the management area under subsection (a).

SEC. 542. SEMI-PRIMITIVE NONMOTORIZED USE AREAS.

(a) DESIGNATION AND PURPOSES.—The Secretary shall designate areas in the conservation area as semi-primitive nonmotorized use areas. The purposes of the semi-primitive areas are the following:

(1) To provide opportunities for isolation from the sights and sounds of man.

(2) To provide opportunities to have a high degree of interaction with the natural environment.

(3) To provide opportunities for recreational users to practice outdoor skills in settings that present moderate challenge and risk.

(b) AREA INCLUDED.—The semi-primitive areas shall consist generally of approximately 120,695 acres of federally owned lands and interests therein located in the conservation area that are managed by the Bureau of Land Management, as generally depicted on the map entitled ''San Rafael Swell National Heritage/Conservation Area Proposed'', dated June 12, 1998.

(c) MANAGEMENT AND USE.—Except as otherwise provided in this section, semi-primitive areas shall be subject to all requirements and restrictions that apply to the conservation area.

(d) MANAGEMENT PLAN.—

(1) IN GENERAL.—The Secretary shall include a management plan for the semi-primitive areas in the management plan for the conservation area under section 523.

(2) CONTENTS.—The management plans for the semi-primitive areas shall establish goals and management steps to be taken within the semi-primitive areas to achieve the purposes under subsection (a).

(e) DEVELOPMENT OF HERITAGE SITES.—This section shall not be construed to preclude the utilization, enhancement, and maintenance of national heritage area sites in any semi-primitive area, if such activities do not conflict with the purposes of the semi-primitive areas under subsection (a).

SEC. 543. SCENIC VISUAL AREA OF CRITICAL ENVIRONMENTAL CONCERN.

(a) DESIGNATION AND PURPOSE.—The Secretary shall designate areas in the conservation area as a scenic visual area of critical environmental concern (in this section referred to as the ''scenic visual ACEC''). The purpose of the scenic visual ACEC is to preserve the scenic value of the Interstate Route 70 corridor within the conservation area.

(b) AREA INCLUDED.—The scenic visual ACEC shall consist generally of approximately 27,670 acres of lands and interests therein located in the conservation area bordering Interstate Route 70 that are managed by the Bureau of Land Management, as generally depicted on the map entitled ''San Rafael Swell National Heritage/Conservation Area Proposed'', dated June 12, 1998.

(c) MANAGEMENT AND USE.—Except as otherwise provided in this section, the scenic

visual ACEC shall be subject to all requirements and restrictions that apply to the conservation area, and shall be managed to protect scenic values in accordance with the Bureau of Land Management document entitled ''San Rafael Resource Management Plan, Utah, Moab District, San Rafael Resource Area, 1991''.

Subtitle E—General Management Provisions

SEC. 551. LIVESTOCK GRAZING.

(a) AREAS OTHER THAN WILDERNESS.—

(1) IN GENERAL.—Except as provided in subsection (b), the Secretary shall permit domestic livestock grazing in areas of the conservation area where grazing was established before the enactment of this Act. Grazing in such areas may not be reduced, increased, or withdrawn, except based solely on scientific analyses of range conditions.

(2) COMPLIANCE WITH APPLICABLE REQUIREMENTS.—Except as provided in subsection (b), any livestock grazing on public lands within the conservation area and activities the Secretary determines necessary to carry out proper and practical grazing management programs on such public lands (such as animal damage control activities), shall be managed in accordance with the Act of June 28, 1934 (43 U.S.C. 315 et seq.; commonly referred to as the ''Taylor Grazing Act''), section 402 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1752), other laws applicable to such use and programs on the public lands, and the management plan for the conservation area.

(3) CERTAIN WATER FACILITIES NOT AFFECTED.—Nothing in this title shall affect the maintenance, repair, replacement, or improvement of, or ingress to or egress from, water catchment, storage, and conveyance facilities in existence before the date of the enactment of this Act that are associated with livestock or wildlife purposes, whether located within or outside of the boundaries of areas designated as part of the conservation area under this title.

(b) WILDERNESS.—Subsection (a) shall not apply to any wilderness designated by this title.

SEC. 552. CULTURAL AND PALEONTOLOGICAL RESOURCES.

The Secretary shall allow for the discovery of, shall protect, and may interpret, cultural or paleontological resources located within areas designated as part of the conservation area, to the extent consistent with the other provisions of this title governing management of those areas.

SEC. 553. LAND EXCHANGES RELATING TO SCHOOL AND INSTITUTIONAL TRUST LANDS.

(a) EXCHANGE AUTHORIZED.—

(1) IDENTIFICATION OF LANDS AND INTERESTS BY STATE.—Not later than 1 year after the date of enactment of this Act, the Governor of the State of Utah may identify, describe, and notify the Secretary of any school and institutional trust lands the value or economic potential of which may be diminished by establishment of the conservation area under this title, and that the State would like to exchange for other Federal lands or interests in land within the State of Utah.

(2) OFFER BY SECRETARY.—Not later than 1 year after the date of receipt of notification under subsection (a), and after seeking the advice of the Governor of the State of Utah on potential lands for exchange, the Secretary shall transmit to the Governor a list of Federal lands or interests in lands within the State of Utah that the Secretary believes are approximately equivalent in value to the lands described in subsection (a) of this section, and shall offer such lands for exchange to the State for the lands described in subsection (a).

(b) ENSURING EQUIVALENT VALUE.—

(1) IN GENERAL.—In preparing the list under subsection (a)(2), the Secretary shall take all steps as are necessary and reasonable to ensure that the State of Utah agrees that the lands offered by the Secretary are approximately equivalent in value to the lands identified and described by the State under subsection (a)(1).

(2) ACCOUNTING FOR REVENUE SHARING.—If the State of Utah shares revenue from the properties to be acquired by the State under this section, the value of such properties shall be the value otherwise established under this section, reduced by a percentage that represents the Federal revenue sharing obligation. The amount of such reduction shall not be considered a property right of the State of Utah.

(c) PUBLIC INTEREST.—The exchange of lands included in the list prepared under subsection (a)(2) shall be construed as satisfying the provisions of section 206(a) of the Federal Land Policy and Management Act of 1976 requiring that exchanges of lands be in the public interest.

(d) DEFINITIONS.—As used in this section:

(1) SCHOOL AND INSTITUTIONAL TRUST LANDS.—The term ''school and institutional trust lands'' means those properties granted by the United States in the Utah Enabling Act to the State of Utah in trust, and other lands that under State law must be managed for the benefit of the public school system or the institutions of the State that are designated by the Utah Enabling Act, that are located in the conservation area.

(2) UTAH ENABLING ACT.—The term ''Utah Enabling Act'' means the Act entitled ''An Act to enable the people of Utah to form a constitution and State government, and to be admitted into the Union on an equal footing with the original States'', approved July 16, 1894 (chapter 138; 28 Stat. 107).

SEC. 554. WATER RIGHTS.

(a) FINDINGS.—The Congress finds the following:

(1) The San Rafael Swell region of Utah is a high desert climate with little annual precipitation and scarce water resources.

(2) In order to preserve the limited amount of water available to wildlife, the State of Utah has granted to the Division of Wildlife Resources an in-stream flow right in the San Rafael River.

(3) This preserved right will guarantee that wetland and riparian habitats within the San Rafael region will be protected for designations such as wilderness, semi-primitive areas, bighorn sheep, and other Federal land needs within the San Rafael Swell region.

(b) NO FEDERAL RESERVATION.—Nothing in this title or any other Act of Congress shall constitute or be construed to constitute either an express or implied Federal reservation of water or water rights for any purpose arising from the designation of areas as part of the conservation area or as a wilderness or semi-primitive area under this title.

(c) ACQUISITION AND EXERCISE OF WATER RIGHTS UNDER UTAH LAW.—The United States may acquire and exercise such water rights as it deems necessary to carry out its responsibilities on any lands designated as part of the conservation area under this title pursuant to the substantive and procedural requirements of the State of Utah. Nothing in this title shall be construed to authorize the use of eminent domain by the United States to acquire water rights for such lands. Within areas designated as part of the conservation area under this title, all rights to water granted under the laws of the State of Utah may be exercised in accordance with the substantive and procedural requirements of the State of Utah.

(d) EXERCISE OF WATER RIGHTS GENERALLY UNDER UTAH LAWS.—Nothing in this title shall be construed to limit the exercise of water rights as provided under the laws of the State of Utah.

(e) COLORADO RIVER.—Nothing in this title shall be construed to affect the operation of any existing private, local, State, or federally owned dam, reservoir, or other water works on the Colorado River or its tributaries. Nothing in this title shall alter, amend, construe, supersede, or preempt any local, State, or Federal law; any existing private, local, or State agreement; or any interstate compact or international treaty pertaining to the waters of the Colorado River or its tributaries.

SEC. 555. MISCELLANEOUS.

(a) STATE FISH AND WILDLIFE MANAGEMENT.—In accordance with section 4(d)(7) of the Wilderness Act (16 U.S.C. 1131(d)(7)), nothing in this title shall be construed as affecting the jurisdiction or responsibilities of the State of Utah with respect to fish and wildlife management activities, including water development, predator control, transplanting animals, stocking fish, hunting, fishing, and trapping.

(b) PROHIBITION OF BUFFER ZONES.—The Congress does not intend that the designation of an area by this title as part of the conservation area or a wilderness or semi-primitive area lead to the creation of protective perimeters or buffer zones around the area. It is the intention of the Congress that any protective perimeter or buffer zone be located wholly within such an area. The fact that nonconforming activities or uses can be seen or heard from land within such an area shall not, of itself, preclude such activities or uses up to the boundary of the area. Nonconforming activities that occur outside of the boundaries of such an area designated by this title shall not be taken into account in assessing unnecessary and undue degradation of such an area.

(c) ROADS AND RIGHTS-OF-WAY AS BOUNDARIES.—Unless depicted otherwise on a map referred to in this title, where roads form the boundaries of an area designated as part of the conservation area or a wilderness or semi-primitive area under this title, the boundary of the area shall be set back from the center line of the road as follows:

(1) A setback that corresponds with the boundary of the right-of-way for Interstate 70.

(2) 150 feet for high standard roads.

(3) 100 feet for roads classified as County Class B roads.

(4) 50 feet for roads equivalent to County Class D roads.

(d) ACCESS.—

(1) REASONABLE ACCESS ALLOWED.—Subject to valid existing rights, reasonable access shall be allowed to existing improvements, structures, and facilities, including those related to water and grazing resources, which are within the conservation area or a wilderness or semi-primitive area designated under this title, whether located on Federal or non-Federal lands, in order that they may be operated, maintained, repaired, modified, or replaced as necessary.

(2) REASONABLE ACCESS DEFINED.—For the purposes of this subsection, the term ''reasonable access'' means right of entry and includes access by motorized transport when necessarily, customarily, or historically employed on routes in existence as of the date of the enactment of this Act.

(e) LAND ACQUISITION BY EXCHANGE OR PURCHASE.—The Secretary shall offer to acquire from non-governmental entities lands and interests in lands located within or adjacent to the conservation area or a wilderness or semi-primitive area designated under this title. Lands may be acquired under this subsection only by exchange or purchase from willing sellers.

(f) RIGHTS-OF-WAY.—

(1) RIGHT-OF-WAY CLAIMS NOT AFFECTED.—Nothing in this title, including any reference to or depiction on the map entitled ''San Rafael Swell National Heritage/Conservation Area Proposed'', dated June 12, 1998, affects any right-of-way claim that arose under section 2477 of the Revised Statutes (43 U.S.C. 932).

(2) DEPICTIONS NOT DETERMINATIVE.—Any depiction or lack of depiction of a highway, road, right-of-way, or trail on the map entitled ''San Rafael Swell National Heritage/Conservation Area Proposed'', dated June 12, 1998, shall not be considered in any determination under section 2477 of the Revised Statutes (43 U.S.C. 932) of whether or not such highway, road, right-of-way, or trail exists.

TITLE VI—NATIONAL PARKS

SEC. 601. PROVISION FOR ROADS IN PICTURED ROCKS NATIONAL LAKESHORE.

Section 6 of the Act of October 15, 1966, entitled ''An Act to establish in the State of Michigan the Pictured Rocks National Lakeshore, and for other purposes'' (16 U.S.C. 460s–5), is amended as follows:

(1) In subsection (b)(1) by striking ''including a scenic shoreline drive'' and inserting ''including appropriate improvements to Alger County Road H–58''.

(2) By adding at the end the following new subsection:

''(c) PROHIBITION OF CERTAIN CONSTRUCTION.—A scenic shoreline drive may not be constructed in the Pictured Rocks National Lakeshore.''.

SEC. 602. EXPANSION OF ARCHES NATIONAL PARK, UTAH.

(a) IN GENERAL.—

(1) BOUNDARY EXPANSION.—Subsection (a) of the first section of Public Law 92–155 (16 U.S.C. 272; 85 Stat. 422) is amended as follows:

(A) By inserting after the first sentence the following new sentence: ''Effective on the date of the enactment of this sentence, the boundary of the park shall also include the area consisting of approximately 3,140 acres and known as the 'Lost Spring Canyon Addition', as depicted on the map entitled 'Boundary Map, Arches National Park, Lost Spring Canyon Addition', numbered 138/60,000–B, and dated April 1997.''.

(B) In the last sentence, by striking ''Such map'' and inserting ''Such maps''.

(2) INCLUSION OF LAND IN PARK.—Section 2 of Public Law 92–155 (16 U.S.C. 272a) is amended by adding at the end the following new sentences: ''As soon as possible after the date of the enactment of this sentence, the Secretary of the Interior shall transfer jurisdiction over the Federal lands contained in the Lost Spring Canyon Addition from the Bureau of Land Management to the National Park Service. The Lost Spring Canyon addition shall be administered in accordance with the laws and regulations applicable to the park.''.

(3) PROTECTION OF EXISTING GRAZING PERMIT.—Section 3 of Public Law 92–155 (16 U.S.C. 272b) is amended as follows:

(A) By inserting ''(a) IN GENERAL.—'' before ''Where''.

(B) By adding at the end the following new subsection:

''(b) EXISTING LEASES, PERMITS, OR LICENSES.—(1) In the case of any grazing lease, permit, or license with respect to lands within the Lost Spring Canyon Addition that was issued before the date of the enactment of this subsection, the Secretary of the Interior shall, subject to periodic renewal, continue such lease, permit, or license for a period of time equal to the lifetime of the permittee as of that date and any direct descendants of the permittee born before that date. Any such grazing lease, permit, or license shall be permanently retired at the end of such period. Pending the expiration of such period, the permittee (or a descendant of the permittee who holds the lease, permit, or license) shall be entitled to periodically renew the lease, permit, or license, subject to such limitations, conditions, or regulations as the Secretary may prescribe.

''(2) Any such grazing lease, permit, or license may be sold during the period specified in paragraph (1) only on the condition that the purchaser shall, immediately upon such acquisition, permanently retire such lease, permit, or license. Nothing in this subsection shall affect other provisions concerning leases, permits, or licenses under the Taylor Grazing Act.

''(3) Any portion of any grazing lease, permit, or license with respect to lands within the Lost Spring Canyon Addition shall be administered by the National Park Service.''.

(4) WITHDRAWAL FROM MINERAL ENTRY AND LEASING; PIPELINE MANAGEMENT.—Section 5 of Public Law 92–155 (16 U.S.C. 272d) is amended by adding at the end the following new subsection:

''(c) WITHDRAWAL FROM MINERAL ENTRY AND LEASING; PIPELINE MANAGEMENT.—(1) Subject to valid existing rights, Federal lands within the Lost Spring Canyon Addition are hereby appropriated and withdrawn from entry, location, selection, leasing, or other disposition under the public land laws, including the mineral leasing laws.

''(2) The inclusion of the Lost Spring Canyon Addition in the park shall not affect the operation or maintenance by the Northwest Pipeline Corporation (or its successors or assigns) of the natural gas pipeline and related facilities located in the Lost Spring Canyon Addition on the date of the enactment of this subsection.''.

(5) EFFECT ON SCHOOL TRUST LANDS.—

(A) FINDINGS.—The Congress finds the following:

(i) A parcel of State school trust lands, more specifically described as section 16, township 23 south, range 22 east, of the Salt Lake base and meridian, is partially contained within the Lost Spring Canyon Addition included within the boundaries of Arches National Park by the amendment by subsection (a).

(ii) The parcel was originally granted to the State of Utah for the purpose of generating revenue for the public schools through the development of natural and other resources located on the parcel.

(iii) It is in the interest of the State of Utah and the United States for the parcel to be exchanged for Federal lands of equivalent value outside the Lost Spring Canyon Addition, in order to permit Federal management of all lands within the Lost Spring Canyon Addition.

(B) LAND EXCHANGE.—Public Law 92–155 is amended by adding at the end the following new section:

''SEC. 8. LAND EXCHANGE INVOLVING SCHOOL TRUST LANDS.

''(a) EXCHANGE REQUIREMENT.—If, not later than one year after the date of the enactment of this section, and in accordance with this section, the State of Utah offers to transfer all right, title and interest of the State in and to the parcel of school trust lands described in subsection (b)(1) to the United States, the Secretary of the Interior shall accept the offer on behalf of the United States and, within 180 days after the date of such acceptance, transfer to the State of Utah all right, title and interest of the United States in and to the parcel of land described in subsection (b)(2). Title to the State lands shall be transferred at the same time as conveyance of title to the Federal lands by the Secretary of the Interior. The exchange of lands under this section shall be subject to valid existing rights, and each party shall succeed to the rights and obligations of the other party with respect to any lease, right-of-way, or permit encumbering the exchanged lands.

''(b) DESCRIPTION OF PARCELS.—

''(1) STATE CONVEYANCE.—The parcel of school trust lands to be conveyed by the State of Utah under subsection (a) is section 16, township 23 south, range 22 east of the Salt Lake base and meridian.

''(2) FEDERAL CONVEYANCE.—The parcel of Federal lands to be conveyed by the Secretary of the Interior consists of approximately 639 acres and is identified as lots 1 through 12 located in the S½N½ and the N½N½N½S½ of section 1, township 25 south, range 18 east, Salt Lake base and meridian.

''(3) EQUIVALENT VALUE.—The Federal lands described in paragraph (2) are of equivalent value to the State school trust lands described in paragraph (1).

''(c) MANAGEMENT BY STATE.—At least 60 days before undertaking or permitting any surface disturbing activities to occur on the lands acquired by the State under this section, the State shall consult with the Utah State Office of the Bureau of Land Management concerning the extent and impact of such activities on Federal lands and resources and conduct, in a manner consistent with Federal laws, inventory, mitigation, and management activities in connection with any archaeological, paleontological, and cultural resources located on the acquired lands. To the extent consistent with applicable law governing the use and disposition of State school trust lands, the State shall preserve existing grazing, recreational, and wildlife uses of the acquired lands. Nothing in this subsection shall be construed to preclude the State from authorizing or undertaking surface or mineral activities authorized by existing or future land management plans for the acquired lands.

''(d) IMPLEMENTATION.—Administrative actions necessary to implement the land exchange described in this section shall be completed within 180 days after the date of the enactment of this section.''.

SEC. 603. MICCOSUKEE RESERVED AREA.

(a) FINDINGS.—Congress finds the following:

(1) Since 1964, the Miccosukee Tribe of Indians of Florida have lived and governed their own affairs on a strip of land on the northern edge of the Everglades National Park pursuant to permits from the National Park Service and other legal authority. The current permit expires in 2014.

(2) Since the commencement of the Tribe's permitted use and occupancy of the Special Use Permit Area, the Tribe's membership has grown, as have the needs and desires of the Tribe and its members for modern housing, governmental and administrative facilities, schools and cultural amenities, and related structures.

(3) The United States, the State of Florida, the Miccosukee Tribe, and the Seminole Tribe of Florida are participating in a major intergovernmental effort to restore the South Florida ecosystem, including the restoration of the environment of the Park.

(4) The Special Use Permit Area is located within the northern boundary of the Park, which is critical to the protection and restoration of the Everglades, as well as to the cultural values of the Miccosukee Tribe.

(5) The interests of both the Miccosukee Tribe and the United States would be enhanced by a further delineation of the rights and obligations of each with respect to the Special Use Permit Area and to the Park as a whole.

(6) The amount and location of land allocated to the Tribe fulfills the purposes of the Park.

(b) PURPOSES.—The purposes of this section are as follows:

(1) To replace the special use permit with a legal framework under which the Tribe can live permanently and govern the Tribe's own affairs in a modern community within the Park.

(2) To protect the Park outside the boundaries of the Miccosukee Reserved Area from adverse effects of structures or activities within that area, and to support restoration of the South Florida ecosystem, including restoring the environment of the Park.

(c) DEFINITIONS.—For purposes of this section:

(1) EVERGLADES.—The term ''Everglades'' means the areas within the Florida Water Conservation Areas, Everglades National Park, and Big Cypress National Preserve.

(2) FEDERAL AGENCY.—The term ''Federal agency'' means an agency, as that term is defined in section 551(1) of title 5, United States Code.

(3) MICCOSUKEE RESERVED AREA; MRA.—The term ''Miccosukee Reserved Area'' or ''MRA'' means, notwithstanding any other provision of law and subject to the limitations specified in subsection (l) of this section, the portion of the Everglades National Park described as follows: ''Beginning at the western boundary of Everglades National Park at the west line of sec. 20, T. 54 S., R. 35 E., thence E. following the Northern boundary of said Park in T. 54 S., Rs. 35 and 36 E., to a point in sec. 19, T. 54 S., R. 36 E., 500 feet west of the existing road known as Seven Miles Road, thence 500 feet south from said road, thence west paralleling the Park boundary for 3,200 feet, thence south for 600 feet, thence west, paralleling the Park boundary to the west line of sec. 20, T. 54 S., R. 35 E., thence N. 1,100 feet to the point of beginning.''.

(4) PARK.—The term ''Park'' means the Everglades National Park, including any additions to that Park.

(5) PERMIT.—The term ''permit'', unless otherwise specified, means any federally issued permit, license, certificate of public convenience and necessity, or other permission of any kind.

(6) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior or the designee of the Secretary.

(7) SOUTH FLORIDA ECOSYSTEM.—The term ''South Florida ecosystem'' has the meaning given that term in section 528(a)(4) of the Water Resources Development Act of 1996 (Public Law 104–303).

(8) SPECIAL USE PERMIT AREA.—The term ''special use permit area'' means the area of 333.3 acres on the northern boundary of the Park reserved for the use, occupancy, and governance of the Tribe under a special use permit before the date of enactment of this Act.

(9) TRIBE.—The term ''Tribe'', unless otherwise specified, means the Miccosukee Tribe of Indians of Florida, a tribe of American Indians recognized by the United States and organized under section 16 of the Act of June 18, 1934 (48 Stat. 987; 25 U.S.C. 476), and recognized by the State of Florida pursuant to chapter 285, Florida Statutes.

(10) TRIBAL.—The term ''tribal'' means of or pertaining to the Miccosukee Tribe of Indians of Florida.

(11) TRIBAL CHAIRMAN.—The term ''tribal chairman'' means the duly elected chairman of the Miccosukee Tribe of Indians of Florida, or the designee of that chairman.

(d) SPECIAL USE PERMIT TERMINATED.—

(1) TERMINATION.—The special use permit dated February 1, 1973, issued by the Secretary to the Tribe, and any amendments to that permit, are terminated.

(2) EXPANSION OF SPECIAL USE PERMIT AREA.—The special use permit area shall be expanded pursuant to this section and known as the Miccosukee Reserved Area.

(3) GOVERNANCE OF AFFAIRS IN MICCOSUKEE RESERVED AREA.—Subject to the provisions of this section and other applicable Federal law, the Tribe shall govern its own affairs in the MRA as though the MRA were a Federal Indian reservation.

(e) PERPETUAL USE AND OCCUPANCY.—The Tribe shall have the exclusive right to use and develop the MRA in perpetuity in a manner consistent with this section for purposes of the administration, education, housing, and cultural activities of the Tribe, including commercial services necessary to support those purposes.

(f) INDIAN COUNTRY STATUS.—The MRA shall be—

(1) considered to be Indian Country (as that term is defined in section 1151 of title 18, United States Code); and

(2) treated as a federally recognized Indian reservation solely for purposes of—

(A) determining the authority of the Tribe to govern its own affairs within the MRA; and

(B) the eligibility of the Tribe and its members for any Federal health, education, employment, economic assistance, revenue sharing, or social welfare programs, or any other similar Federal program for which Indians are eligible because of their—

(i) status as Indians; and

(ii) residence on or near an Indian reservation.

(g) EXCLUSIVE FEDERAL JURISDICTION PRESERVED.—The exclusive Federal legislative jurisdiction as applied to the MRA as in effect on the date of enactment of this Act shall be preserved. The Act of August 15, 1953, 67 Stat. 588, chapter 505 and the amendments made by that Act, including section 1162 of title 18, United States Code, as added by that Act and section 1360 of title 28, United States Code, as added by that Act, shall not apply with respect to the MRA.

(h) OTHER RIGHTS PRESERVED.—Nothing in this section shall affect any rights of the Tribe under Federal law, including the right to use other lands or waters within the Park for other purposes, including, fishing, boating, hiking, camping, cultural activities, or religious observances.

(i) ENVIRONMENTAL PROTECTION AND ACCESS REQUIREMENTS.—

(1) IN GENERAL.—The MRA shall remain within the boundaries of the Park and be a part of the Park in a manner consistent with this section.

(2) COMPLIANCE WITH APPLICABLE LAWS.—The Tribe shall be responsible for compliance with all applicable laws, except as specifically exempted by this section.

(3) PREVENTION OF DEGRADATION; ABATEMENT.—

(A) PREVENTION OF DEGRADATION.—The Tribe shall prevent and abate any significant degradation of the quality of surface or groundwater that is released into other parts of the Park, as follows:

(i) With respect to water entering the MRA which fails to meet applicable water quality standards approved under the Clean Water Act by the Federal Government, actions of the Tribe shall not further degrade water quality. The Tribe shall not be responsible for improving the water quality.

(ii) With respect to water entering the MRA which meets water quality standards approved under the Clean Water Act by the Federal Government, the Tribe shall not cause the water to fail to comply with applicable water quality standards.

(B) PREVENTION AND ABATEMENT.—The Tribe shall prevent and abate any significant disruption of the restoration or preservation of the quantity, timing, or distribution of surface or groundwater that would enter the MRA and flow, directly or indirectly, into other parts of the Park, but only to the extent that such disruption is caused by conditions, activities, or structures within the MRA.

(C) PREVENTION OF SIGNIFICANT PROPAGATION OF EXOTIC PLANTS AND ANIMALS.—The Tribe shall prevent significant propagation of exotic plants or animals outside the MRA.

(D) PUBLIC ACCESS TO CERTAIN AREAS OF THE PARK.—The Tribe shall not impede public access to those areas of the Park outside the boundaries of the MRA, and to and from the Big Cypress National Preserve, except that the Tribe shall not be required to allow individuals who are not members of the Tribe access to the MRA other than Federal employees, agents, officers, and officials (as provided in this section).

(E) PREVENTION OF SIGNIFICANT CUMULATIVE ADVERSE ENVIRONMENTAL IMPACTS.—The Tribe shall prevent and abate any significant cumulative adverse environmental impact on the Park outside the MRA resulting from development or other activities within the MRA.

(i) PROCEDURES.—Not later than 12 months after the date of enactment of this Act, the Tribe shall develop, publish, and implement procedures that shall ensure adequate public notice and opportunity to comment on major tribal actions within the MRA that may contribute to a significant cumulative adverse impact on the Everglades ecosystem.

(ii) WRITTEN NOTICE.—The procedures in clause (i) shall include timely written notice to the Secretary and consideration of the Secretary's comments.

(F) WATER QUALITY STANDARDS.—

(i) IN GENERAL.—Not later than 12 months after the date of enactment of this Act, the Tribe shall adopt and comply with water quality standards within the MRA that are at least as protective as the standards approved under the Clean Water Act by the Federal Government for the area encompassed by Everglades National Park.

(ii) EFFECT OF FAILURE TO ADOPT OR PRESCRIBE STANDARDS.—In the event the Tribe fails to adopt water quality standards referred to in clause (i) or fails to revise its own standards within the 12-month period beginning on the date on which any changes to water quality standards of the State of Florida are made to ensure that the standards of the Tribe are at least as protective as the standards of the State of Florida, the standards of the State of Florida shall be deemed to apply to the Tribe until such time as the Tribe adopts standards that meet the requirements of this subparagraph.

(G) NATURAL EASEMENTS.—The Tribe shall not engage in any construction, development, or improvement in any area that is designated as a natural easement.

(j) HEIGHT RESTRICTIONS.—

(1) RESTRICTIONS.—Except as provided in paragraphs (2) through (4), no structure constructed within the MRA shall exceed the height of 45 feet or exceed 2 stories, except that a structure within the government center, whichis that portion of the MRA whose road frontage is occupied by a government building onthe date of the enactment of this Act, shall not exceed the height of 70 feet.

(2) EXCEPTIONS.—The following types of structures are exempt from the restrictions of this section to the extent necessary for the health, safety, or welfare of the tribal members, and for the utility of the structures:

(A) Water towers or standpipes.

(B) Radio towers.

(C) Utility lines.

(3) WAIVER.—The Secretary may waive the restrictions of this subsection if the Secretary finds that the needs of the Tribe for the structure that is taller than structure allowed under the restrictions would outweigh the adverse effects to the Park or its visitors.

(4) GRANDFATHER CLAUSE.—Any structure approved by the Secretary before to the date of enactment of this Act, and for which construction commences not later than 12 months after the date of enactment of this Act, shall not be subject to the provisions of this subsection.

(5) MEASUREMENT.—The heights specified in this subsection shall be measured from mean sea level.

(k) OTHER CONDITIONS.—

(1) GAMING.—No class II or class III gaming (as those terms are defined in section 4 (7) and (8) of the Indian Gaming Regulatory Act (25 U.S.C. 2703 (7) and (8)) shall be conducted within the MRA.

(2) AVIATION.—

(A) IN GENERAL.—No commercial aviation may be conducted from or to the MRA.

(B) EMERGENCY OPERATORS.—Takeoffs and landings of aircraft shall be allowed for emergency operations and administrative use by the Tribe or the United States, including resource management and law enforcement.

(C) STATE AGENCIES AND OFFICIALS.—The Tribe may permit the State of Florida, as agencies or municipalities of the State of Florida to provide for takeoffs or landings of aircraft on the MRA for emergency operations or administrative purposes.

(3) VISUAL QUALITY.—

(A) IN GENERAL.—In the planning, use, and development of the MRA by the Tribe, the Tribe shall consider the quality of the visual experience from the Shark River Valley visitor use area, including limitations on the height and locations of billboards or other commercial signs or other advertisements visible from the Shark Valley visitor center, tram road, or observation tower.

(B) EXEMPTION OF MARKINGS.—The Tribe may exempt markings on a water tower or standpipe that merely identify the Tribe.

(l) EASEMENTS AND RANGER STATION.—Notwithstanding any other provision of this section:

(1) NATURAL EASEMENTS.—The use and occupancy of the MRA by the Tribe shall be perpetually subject to natural easements on parcels of land that are—

(A) bounded on the north and south by the boundaries of the MRA, specified in the legal description under subsection (c); and

(B) bounded on the east and west by boundaries than run north and south perpendicular to the northern and southern boundaries of the MRA, as follows:

(i) easement #1, being 443 feet wide with western boundary 525 feet, and eastern boundary 970 feet, east of the western boundary of the MRA;

(ii) easement #2, being 443 feet wide with western boundary 3637 feet, and eastern boundary 4080 feet, east of the western boundary of the MRA;

(iii) easement #3, being 320 feet wide with western boundary 5380 feet, and eastern boundary 5700 feet, east of the western boundary of the MRA;

(iv) easement #4, being 290 feet wide with western boundary 6020 feet, and eastern boundary 6310 feet, east of the western boundary of the MRA;

(v) easement #5, being 290 feet wide with western boundary 8160 feet, and eastern boundary 8460 feet, east of the western boundary of the MRA; and

(vi) easement #6, being 312 feet wide with western boundary 8920 feet, and eastern boundary 9232 feet, east of the western boundary of the MRA.

(2) EXTENT OF EASEMENTS.—The aggregate extent of the east-west parcels of lands subject to easements under this paragraph shall not exceed 2,100 linear feet.

(3) USE OF EASEMENTS.—The Secretary in his discretion may use the natural easements specified in paragraphs (1) and (2) to fulfill the hydrological and other environmental objectives of Everglades National Park.

(4) ADDITIONAL REQUIREMENTS.—In addition to providing for the easements specified in paragraphs (1) and (2), the Tribe shall not impair or impede the continued function of the water control structures designated as ''S–12A'' and ''S–12B'', located north of the MRA on the Tamiami Trail and any existing water flows under the Old Tamiami Trail.

(5) USE BY DEPARTMENT OF THE INTERIOR.—The Department of the Interior shall have a right, in perpetuity, to use and occupy, and to have access to, the Tamiami Ranger Station presently located within the MRA, except that the pad on which such station is constructed shall not be increased in size without the consent of the Tribe.

(m) GOVERNMENT-TO-GOVERNMENT AGREEMENTS.—The Secretary and the tribal chairman shall make reasonable, good faith efforts to implement the requirements of this section. Those efforts may include government-to-government consultations, and the development of standards of performance and monitoring protocols.

(n) FEDERAL MEDIATION AND CONCILIATION SERVICE.—If the Secretary and the tribal chairman both believe that they cannot reach agreement on any significant issue relating to the implementation of the requirements of this section, the Secretary and the tribal chairman may jointly request that the Federal Mediation and Conciliation Service assist them in reaching a satisfactory agreement.

(o) 60-DAY TIME LIMIT.—The Federal Mediation and Conciliation Service may conduct mediation or other nonbinding dispute resolution activities for a period not to exceed 60 days beginning on the date on which the Federal Mediation and Conciliation Service receives the request for assistance, unless the Secretary and the tribal chairman agree to an extension of period of time.

(p) OTHER RIGHTS PRESERVED.—The facilitated dispute resolution specified in this section shall not prejudice any right of the parties to—

(1) commence an action in a court of the United States at any time; or

(2) any other resolution process that is not prohibited by law.

(q) NO GENERAL APPLICABILITY.—Nothing in this section creates any right, interest, privilege, or immunity affecting any other Tribe or any other park or Federal lands.

(r) NONINTERFERENCE WITH FEDERAL AGENTS.—

(1) IN GENERAL.—Federal employees, agents, officers, and officials shall have a right of access to the MRA—

(A) to monitor compliance with the provisions of this section; and

(B) for other purposes, as though it were a Federal Indian reservation.

(2) STATUTORY CONSTRUCTION.—Nothing in this section shall authorize the Tribe or members or agents of the Tribe to interfere with any Federal employee, agent, officer, or official in the performance of official duties (whether within or outside the boundaries of the MRA) except that nothing in this paragraph may prejudice any right under the Constitution of the United States.

(s) FEDERAL PERMITS.—

(1) IN GENERAL.—No Federal permit shall be issued to the Tribe for any activity or structure that would be inconsistent with this section.

(2) CONSULTATIONS.—Any Federal agency considering an application for a permit for construction or activities on the MRA shall consult with, and consider the advice, evidence, and recommendations of the Secretary before issuing a final decision.

(3) RULE OF CONSTRUCTION.—Except as otherwise specifically provided in this section, nothing in this section supersedes any requirement of any other applicable Federal law.

(t) VOLUNTEER PROGRAMS AND TRIBAL INVOLVEMENT.—The Secretary may establish programs that foster greater involvement by the Tribe with respect to the Park. Those efforts may include internships and volunteer programs with tribal schoolchildren and with adult tribal members.

(u) SAVING ECOSYSTEM RESTORATION.—

(1) IN GENERAL.—Nothing in this section shall be construed to amend or prejudice the authority of the United States to design, construct, fund, operate, permit, remove, or degrade canals, levees, pumps, impoundments, wetlands, flow ways, or other facilities, structures, or systems, for the restoration or protection of the South Florida ecosystem pursuant to Federal laws.

(2) GROUNDWATER.—

(A) IN GENERAL.—The Secretary may use all or any part of the MRA lands to the extent necessary to restore or preserve the quality, quantity, timing, or distribution of surface or groundwater, if other reasonable alternative measures to achieve the same purpose are impractical.

(B) USE OF LANDS.—The Secretary may use lands referred to in subparagraph (A) either under an agreement with the tribal chairman or upon an order of the United States district court for the district in which the MRA is located, upon petition by the Secretary and finding by the court that—

(i) the proposed actions of the Secretary are necessary; and

(ii) other reasonable alternative measures are impractical.

(3) COSTS.—

(A) IN GENERAL.—In the event the Secretary exercises the authority granted the Secretary under paragraph (2), the United States shall be liable to the Tribe or the members of the Tribe for—

(i) cost of modification, removal, relocation, or reconstruction of structures lawfully erected in good faith on the MRA; and

(ii) loss of use of the affected land within the MRA.

(B) PAYMENT OF COMPENSATION.—Any compensation paid under subparagraph (A) shall be paid as cash payments with respect to taking structures and other fixtures and in the form of rights to occupy similar land adjacent to the MRA with respect to taking land.

(4) RULE OF CONSTRUCTION.—Subsections (2) and (3) shall not apply to natural easements specified in subsection (l)(1) and (2).

(v) PARTIES HELD HARMLESS.—

(1) UNITED STATES HELD HARMLESS.—

(A) IN GENERAL.—Subject to subparagraph (B) with respect to any tribal member, tribal employee, tribal contractor, tribal enterprise, or any person residing within the MRA, notwithstanding any other provision of law, the United States (including an officer, agent, or employee of the United States), shall not be liable for any action or failure to act by the Tribe (including an officer, employee, or member of the Tribe), including any failure to perform any of the obligations of the Tribe under this section.

(B) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to alter any liability or other obligation that the United

States may have under section 2 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450).

(2) TRIBE HELD HARMLESS.—Notwithstanding any other provision of law, the Tribe and the members of the Tribe shall not be liable for any injury, loss, damage, or harm that—

(A) occurs with respect to the MRA; and

(B) is caused by an action or failure to act by the United States, or the officer, agent, or employee of the United States (including the failure to perform any obligation of the United States under this section).

(w) COOPERATIVE AGREEMENTS.—Nothing in this section shall alter the authority of the Secretary and the Tribe to enter into any cooperative agreement, including any agreement concerning law enforcement, emergency response, or resource management.

(x) WATER RIGHTS.—Nothing in this section shall enhance or diminish any water rights of the Tribe, or members of the Tribe, or the United States (with respect to the Park).

(y) ENFORCEMENT.—

(1) ACTIONS BROUGHT BY ATTORNEY GENERAL.—The Attorney General may bring a civil action in the United States district court for the district in which the MRA is located, to enjoin the Tribe from violating any provision of this section.

(2) ACTION BROUGHT BY TRIBE.—The Tribe may bring a civil action in the United States district court for the district in which the MRA is located enjoin the United States from violating any provision of this section.

SEC. 604. CUMBERLAND ISLAND.

(a) BOUNDARY ADJUSTMENTS FOR LAND EXCHANGE.—

(1) EXCLUSION OF CERTAIN CONVEYED LANDS.—If a proposed land exchange described in subsection (b) is agreed to by the Secretary of the Interior, any lands to be conveyed by the United States as part of the land exchange shall be excluded from the boundaries of the Cumberland Island Wilderness or the potential wilderness area if the lands contain improvements.

(2) INCLUSION OF ACQUIRED LANDS.—All lands acquired by the United States as part of the land exchange described in subsection (b) shall be included in, and managed as part of, the Cumberland Island Wilderness. Upon acquisition of the lands, the Secretary of the Interior shall adjust the boundaries of the Cumberland Island Wilderness to include the acquired lands.

(b) DESCRIPTION OF LAND EXCHANGE.—The land exchange referred to in subsection (a) is a land exchange with regard to Cumberland Island National Seashore and Cumberland Island Wilderness that is being negotiated by the Secretary of the Interior with the Nature Conservancy and High Point, Inc., for the purpose of acquiring privately owned lands on Cumberland Island, which have substantial wilderness characteristics, in exchange for Federal lands (or rights or interests therein) located at the north end of the island.

(c) TREATMENT OF MAIN ROAD.—

(1) FINDINGS.—Congress finds the following:

(A) The main road at Cumberland Island National Seashore is included on the register of national historic places.

(B) The continued existence and use of the main road, as well as a spur road that provides access to Plum Orchard mansion at Cumberland Island National Seashore, is necessary for maintenance and access to the natural, cultural, and historical resources of Cumberland Island National Seashore.

(C) The preservation of the main road is not only lawful, but also mandated under section 4(a)(3) of the Wilderness Act (16 U.S.C. 1133(a)(3)).

(D) The inclusion of these roads both on the register of national historic places and in the Cumberland Island Wilderness or potential wilderness area is incompatible and causes competing mandates on the Secretary of the Interior for management.

(2) EXCLUSION FROM WILDERNESS.—The main road on Cumberland Island (as described on the register of national historic places), the spur road that provides access to Plum Orchard mansion, and the area extending 10 feet on each side of the center line of both roads are hereby excluded from the boundaries of the Cumberland Island Wilderness and the potential wilderness area.

(3) EFFECT OF EXCLUSION.—Nothing in this subsection shall be construed to affect the inclusion of the main road on the register of national historic places or the authority of the Secretary of the Interior to impose reasonable restrictions, subject to valid existing rights, on the use of the main road or spur road to minimize any adverse impacts on the Cumberland Island Wilderness or the potential wilderness area.

(d) RESTORATION OF PLUM ORCHARD MANSION.—

(1) RESTORATION REQUIRED.—Using funds appropriated pursuant to the authorization of appropriations in paragraph (4), the Secretary of the Interior shall restore Plum Orchard mansion at Cumberland Island National Seashore so that the condition of the restored mansion is at least equal to the condition of the mansion when it was donated to the United States. The Secretary shall endeavor to collect donations of money and in-kind contributions for the purpose of restoring structures within the Plum Orchard historic district.

(2) SUBSEQUENT MAINTENANCE.—The Secretary of the Interior shall endeavor to enter into an agreement with public persons, private persons, or both, to provide for the maintenance of Plum Orchard mansion following its restoration.

(3) RESTORATION PLAN.—Not later than 270 days after the date of the enactment of this Act, the Secretary of the Interior shall submit to Congress a comprehensive plan for the repair, stabilization, restoration, and subsequent maintenance of Plum Orchard mansion to the condition the mansion was in when acquired by the United States.

(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as are necessary for the restoration and maintenance of Plum Orchard mansion under this subsection.

(e) ARCHAEOLOGICAL AND HISTORIC SITES.—The Secretary of the Interior shall identify, document, and protect archaeological sites located on Federal land within Cumberland Island National Seashore. The Secretary shall prepare and implement a plan to preserve designated national historic sites within the seashore.

(f) DESIGNATION OF ADDITIONAL WILDERNESS AREA.—

(1) DESIGNATION.—In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131 et seq.), a parcel of Federal lands within Cumberland Island National Seashore, which comprises approximately ___ acres on the southern portion of Cumberland Island, as depicted on the map entitled ''Cumberland Island Wilderness Addition, Proposed'', dated _____, 1998, is hereby designated as wilderness and therefore as a component of the National Wilderness Preservation System.

(2) ADMINISTRATION.—The parcel designated by paragraph (1) shall be administered by the Secretary of the Interior in accordance with the Wilderness Act as part of the Cumberland Island Wilderness. The Secretary shall adjust the boundaries of the Cumberland Island Wilderness to include the parcel.

(3) EXISTING RIGHTS AND USES.—The designation of the wilderness area under paragraph (1) shall be subject to valid existing rights of the designated parcel.

(g) DEFINITIONS.—In this section:

(1) The term ''Cumberland Island National Seashore'' means the national seashore established under Public Law 92–536 (16 U.S.C. 459i et seq.).

(2) The term ''Cumberland Island Wilderness'' means the wilderness area in the Cumberland Island National Seashore designated by section 2 of Public Law 97–250 (96 Stat. 709; 16 U.S.C. 1132 note).

(3) The term ''potential wilderness area'' means the potential wilderness area in the Cumberland Island National Seashore designated by such section 2.

SEC. 605. STUDIES OF POTENTIAL NATIONAL PARK SYSTEM UNITS IN HAWAII.

(a) IN GENERAL.—The Secretary of the Interior, acting through the Director of the National Park Service, shall undertake feasibility studies regarding the establishment of National Park System units in the following areas in the State of Hawaii:

(1) Island of Maui: The shoreline area known as ''North Beach'', immediately north of the present resort hotels at Kaanapali Beach, in the Lahaina district in the area extending from the beach inland to the main highway.

(2) Island of Lanai: The mountaintop area known as ''Hale'' in the central part of the island.

(3) Island of Kauai: The shoreline area from ''Anini Beach'' to ''Makua Tunnels'' on the north coast of this island.

(4) Island of Molokai: The ''Halawa Valley'' on the eastern end of the island, including its shoreline, cove and lookout/access roadway.

(b) KALAUPAPA SETTLEMENT BOUNDARIES.—The studies conducted under this section shall include a study of the feasibility of extending the present National Historic Park boundaries at Kalaupapa Settlement eastward to Halawa Valley along the island's north shore.

(c) REPORT.—A report containing the results of the studies under this section shall be submitted to the Congress promptly upon completion.

SEC. 606. CONGRESSIONAL REVIEW OF NATIONAL MONUMENT STATUS AND CONSULTATION.

Section 2 of the Act of June 8, 1906 (Chapter 3060; 34 Stat. 225; 16 U.S.C. 431; commonly referred to as the ''Antiquities Act''), is amended by adding at the end the following: ''A proclamation of the President under this section that results in the designation of a total acreage in excess of 50,000 acres in a single State in a single calendar year as a national monument may not be issued until 30 days after the President has transmitted the proposed proclamation to the Governor of the State in which such acreage is located and solicited such Governor's written comments, and any such proclamation shall cease to be effective on the date 2 years after issuance unless the Congress has approved such proclamation by the enactment of a law.''.

SEC. 607. SANTA CRUZ ISLAND, ADDITIONAL RIGHTS OF USE AND OCCUPANCY.

Section 202(e) of Public Law 96–199 (16 U.S.C. 410ff–1(e)) is amended by adding the following at the end thereof:

''(5) In the case of the real property referred to in paragraph (1), in addition to the rights of use and occupancy reserved under paragraph (1) and set forth in Instrument 90–027494, upon the enactment of this paragraph, the Secretary shall grant identical rights of use and occupancy to Mr. Francis Gherini of Ventura, California, the previous owner of the real property, and to each of the two grantors identified in Instrument No. 92–

102117 recorded in the Official Records of the County of Santa Barbara, California. The use and occupancy rights granted to Mr. Francis Gherini shall be for a term of 25 years from the date of the enactment of this paragraph. The Secretary shall grant such rights without consideration and shall execute and record such instruments as necessary to vest such rights in such individuals as promptly as practicable, but no later than 90 days, after the enactment of this paragraph.''.

SEC. 608. ACQUISITION OF WARREN PROPERTY FOR MORRISTOWN NATIONAL HISTORICAL PARK.

The Act entitled ''An Act to provide for the establishment of the Morristown National Historical Park in the State of New Jersey, and for other purposes'', approved March 2, 1933 (chapter 182; 16 U.S.C. 409 et seq.), is amended by adding at the end the following new section:

''SEC. 8. (a) In addition to any other lands or interest authorized to be acquired for inclusion in Morristown National Historical Park, and notwithstanding the first proviso of the first section of this Act, the Secretary of the Interior may acquire by purchase, donation, purchase with appropriated funds, or otherwise, not to exceed 15 acres of land and interests therein comprising the property known as the Warren Property or Mount Kimble. The Secretary may expend such sums as may be necessary for such acquisition.

''(b) Any lands or interests acquired under this section shall be included in and administered as part of the Morristown National Historical Park.''.

SEC. 609. AMENDMENT OF LAND AND WATER CONSERVATION FUND ACT OF 1965 REGARDING TREATMENT OF RECEIPTS AT CERTAIN PARKS.

Section 4(i)(1)(B) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–6a(i)(1)(B)) is amended by inserting the following after the second sentence: ''Notwithstanding subparagraph (A), in any fiscal year, the Secretary of the Interior shall also withhold from the special account 100 percent of the fees and charges collected in connection with any unit of the national park system at which entrance or admission fees cannot be collected by reason of deed restrictions, and the amounts so withheld shall be retained by the Secretary and shall be available, without further appropriation, for expenditure by the Secretary for purpose of such park system unit.''.

SEC. 610. CHATTAHOOCHEE RIVER NATIONAL RECREATION AREA.

(a) FINDINGS.—The Congress finds that:

(1) The Chattahoochee River National Recreation Area is a nationally significant resource and the national recreation area has been adversely affected by land use changes occurring within and outside its boundaries.

(2) The population of the metropolitan Atlanta area continues to expand northward, leaving dwindling opportunities to protect the scenic, recreation, natural, and historic values of the 2,000-foot wide corridor adjacent to each bank of the Chattahoochee River and its impoundments in the 48-mile segment known as the area of national concern.

(3) The State of Georgia has enacted the Metropolitan River Protection Act in order to ensure the protection of the corridor located within 2,000 feet of each bank of the Chattahoochee River, or the 100-year flood plain, whichever is greater, and such corridor includes the area of national concern.

(4) Visitor use of the Chattahoochee River National Recreation Area has shifted dramatically since the establishment of the national recreation area from waterborne to water-related and land-based activities.

(5) The State of Georgia and its political subdivisions along the Chattahoochee River have indicated their willingness to join in cooperative efforts with the United States of America to link existing units of the national recreation area with a series of linear corridors to be established within the area of national concern and elsewhere on the river and provided Congress appropriates certain funds in support of such effort, funding from the State, its political subdivisions, private foundations, corporate entities, private individuals, and other sources will be available to fund more than half of the estimated cost of such cooperative effort.

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

(1) increase the level of protection of the remaining open spaces within the area of national concern along the Chattahoochee River and to enhance visitor enjoyment of such areas by adding land-based links between existing units of the national recreation area;

(2) assure that the national recreation area is managed to standardize acquisition, planning, design, construction, and operation of the linear corridors; and

(3) authorize the appropriation of Federal funds to cover a portion of the costs of the Federal, State, local, and private cooperative effort to add additional areas to the Chattahoochee River National Recreation Area in order to establish a series of linear corridors linking existing units of the national recreation area and to protect other undeveloped portions of the Chattahoochee River corridor.

(c) AMENDMENTS TO CHATTAHOOCHEE NRA ACT.—The Act of August 15, 1978, entitled ''An Act to authorize the establishment of the Chattahoochee River National Recreation Area in the State of Georgia, and for other purposes'' (Public Law 95–344; 16 U.S.C. 460ii–2(b)) is amended as follows:

(1) Section 101 is amended as follows:

(A) By inserting after ''map entitled 'Boundary Map, Chattahoochee River National Recreation Area', numbered Chat–20,003 and dated September 1984'' the following: ''and on the maps entitled 'Chattahoochee River National Recreation Area, Interim Boundary Map #1, #2, and #3, dated _____''.

(B) By amending the fourth sentence to read as follows: ''After July 1, 1999, the Secretary of the Interior (in this Act referred to as the 'Secretary') may modify the boundaries of the recreation area to include other lands within the river corridor of the Chattahoochee River by submitting a revised map or other boundary description to the Congress. Such revised boundaries shall take effect on the date 6 months after the date of such submission unless, within such 6-month period, the Congress adopts a Joint Resolution disapproving such revised boundaries. Such revised map or other boundary description shall be prepared by the Secretary after consultation with affected landowners and with the State of Georgia and affected political subdivisions.''.

(C) By striking out ''may not exceed approximately 6,800 acres.'' and inserting ''may not exceed 10,000 acres.''.

(2) Section 102(f) is repealed.

(3) Section 103(b) is amended to read as follows:

''(b) COOPERATIVE AGREEMENTS.—The Secretary is authorized to enter into cooperative agreements with the State, its political subdivisions, and other entities to assure standardized acquisition, planning, design, construction, and operation of the national recreation area.''.

(4) Section 105(a) is amended to read as follows:

''(a) AUTHORIZATION OF APPROPRIATIONS; ACCEPTANCE OF DONATIONS.—In addition to funding and the donation of lands and interests in lands provided by the State of Georgia, local government authorities, private foundations, corporate entities, and individuals, and funding that may be available pursuant to the settlement of litigation, there is hereby authorized to be appropriated for land acquisition not more than $25,000,000 for fiscal years after fiscal year 1998. The Secretary is authorized to accept the donation of funds and lands or interests in lands to carry out this Act.''.

(5) Section 105(c) (16 U.S.C. 460ii–4(c)) is amended by adding the following at the end thereof: ''The Secretary shall submit a new plan within 3 years after the enactment of this sentence to provide for the protection, enhancement, enjoyment, development, and use of areas added to the national recreation area. During the preparation of the revised plan the Secretary shall seek and encourage the participation of the State of Georgia and its affected political subdivisions, private landowners, interested citizens, public officials, groups, agencies, educational institutions, and others.''.

(6) Section 102(a) (16 U.S.C. 460ii–1(a)) is amended by inserting the following before the period at the end of the first sentence: '', except that lands and interests in lands within the Addition Area depicted on the map referred to in section 101 may not be acquired without the consent of the owner thereof''.

TITLE VII—REAUTHORIZATIONS

SEC. 701. REAUTHORIZATION OF NATIONAL HISTORIC PRESERVATION ACT.

The National Historic Preservation Act (16 U.S.C. 470 and following; Public Law 89–665) is amended as follows:

(1) In the third sentence of section 101(a)(6) (16 U.S.C. 470a(a)(6)) by striking ''shall review'' and inserting ''may review'' and by striking ''shall determine'' and inserting ''determine''.

(2) Section 101(e)(2) (16 U.S.C. 470a(e)(2)) is amended to read as follows:

''(2) The Secretary may administer grants to the National Trust for Historic Preservation in the United States, chartered by an Act of Congress approved October 26, 1949 (63 Stat. 947), consistent with the purposes of its charter and this Act.''.

(3) Section 102 (16 U.S.C. 470b) is amended by redesignating subsection (e) as subsection (f) and by redesignating subsection (d), as added by section 4009(3) of Public Law 102–575, as subsection (e).

(4) Section 101(b)(1) (16 U.S.C. 470a(b)(1)) is amended by adding the following at the end thereof:

''For purposes of subparagraph (A), the State and Indian tribe shall be solely responsible for determining which professional employees, are necessary to carry out the duties of the State or tribe, consistent with standards developed by the Secretary.''.

(5) Section 107 (16 U.S.C. 470g) is amended to read as follows:

''SEC. 107. Nothing in this Act shall be construed to be applicable to the White House and its grounds, the Supreme Court building and its grounds, or the United States Capitol and its related buildings and grounds as depicted on the map entitled 'Map Showing Properties Under the Jurisdiction of the Architect of the Capitol' and dated November 6, 1996, which shall be on file in the office of the Secretary of the Interior.''.

(6) Section 108 (16 U.S.C. 470h) is amended by striking ''1997'' and inserting ''2004''.

(7) Section 110(a)(1) (16 U.S.C. 470h–2(a)(1)) is amended by inserting the following before the period at the end of the second sentence: '', especially those located in central business areas. When locating Federal facilities,

Federal agencies shall give first consideration to historic properties in historic districts. If no such property is operationally appropriate and economically prudent, then Federal agencies shall consider other developed or undeveloped sites within historic districts. Federal agencies shall then consider historic properties outside of historic districts, if no suitable site within a district exists. Any rehabilitation or construction that is undertaken pursuant to this Act must be architecturally compatible with the character of the surrounding historic district or properties''.

(8) The first sentence of section 110(l) (16 U.S.C. 470h–2(l)) is amended by striking ''with the Council'' and inserting ''pursuant to regulations issued by the Council''.

(9) The last sentence of section 212(a) (16 U.S.C. 470t(a)) is amended by striking ''2000'' and inserting ''2004''.

SEC. 702. REAUTHORIZATION OF DELAWARE WATER GAP NATIONAL RECREATION AREA CITIZEN ADVISORY COMMISSION.

Section 5 of Public Law 101–573 (16 U.S.C. 460*o* note) is amended by striking ''10'' and inserting ''20''.

SEC. 703. COASTAL HERITAGE TRAIL ROUTE IN NEW JERSEY.

Public Law 100–515 (102 Stat. 2563; 16 U.S.C. 1244 note) is amended as follows:

(1) In subsection (b)(1) of section 6 by striking ''$1,000,000'' and inserting ''$4,000,000''.

(2) In subsection (c) of section 6 by striking ''five'' and inserting ''10''.

(3) In the second sentence of section 2 by inserting ''including sites in the Township of Woodbridge, New Jersey,'' after ''cultural sites''.

SEC. 704. EXTENSION OF AUTHORIZATION FOR UPPER DELAWARE CITIZENS ADVISORY COUNCIL.

The last sentence of paragraph (1) of section 704(f) of the National Parks and Recreation Act of 1978 (16 U.S.C. 1274 note) is amended by striking ''20'' and inserting ''30''.

TITLE VIII—RIVERS AND TRAILS

SEC. 801. NATIONAL DISCOVERY TRAILS.

(a) NATIONAL TRAILS SYSTEM ACT AMENDMENTS.—

(1) NATIONAL DISCOVERY TRAILS ESTABLISHED.—

(A) IN GENERAL.—Section 3(a) of the National Trails System Act (16 U.S.C. 1242(a)) is amended by inserting after paragraph (4) the following:

''(5)(A) National discovery trails, established as provided in section 5, which will be extended, continuous, interstate trails so located as to provide for outstanding outdoor recreation and travel and to connect representative examples of America's trails and communities. National discovery trails should provide for the conservation and enjoyment of significant natural, cultural, and historic resources associated with each trail and should be so located as to represent metropolitan, urban, rural, and backcountry regions of the Nation. Any such trail may be designated on Federal lands and, with the consent of the owner thereof, on any non-Federal lands. The consent of the owner shall be obtained in the form of a written agreement, which shall include such terms and conditions as the parties to the agreement consider advisable, and may include provisions regarding the discontinuation of the trail designation. The Congress does not intend for the establishment of a national discovery trail to lead to the creation of protective perimeters or buffer zones adjacent to a national discovery trail. The fact that there may be activities or uses on lands adjacent to the trail that would not be permitted on the trail shall not preclude such activities or uses on such lands adjacent to the trail to the extent consistent with other applicable law. Nothing in this Act may be construed to impose or permit the imposition of any landowner on the use of any non-Federal lands without the consent of the owner. Neither the designation of a national discovery trail nor any plan related thereto shall affect, or be considered, in the granting or denial of a right-of-way or any conditions relating thereto.

''(B) The appropriate Secretary for each national discovery trail shall administer the trail in cooperation with a competent trailwide volunteer-based organization. Where national discovery trails are congruent with other local, State, national scenic, or national historic trails, the designation of the discovery trail shall not in any way diminish the values and significance for which these trails were established.''.

(B) FEASIBILITY REQUIREMENTS; COOPERATIVE MANAGEMENT REQUIREMENT.—Section 5(b) of such Act (16 U.S.C. 1244(b)) is amended by adding at the end the following new paragraph:

''(12) For purposes of this subsection, a trail shall not be considered feasible and desirable for designation as a national discovery trail unless it meets all of the following criteria:

''(A) The trail must link to one or more areas within the boundaries of a metropolitan area (as those boundaries are determined under section 134(c) of title 23, United States Code). It should also join with other trails, tying the National Trails System to significant recreation and resources areas.

''(B) The trail must be supported by at least one competent trailwide volunteer-based organization. Each trail shall have extensive local and trailwide support by the public, by user groups, and by affected State and local governments.

''(C) The trail must be extended and pass through more than one State. At a minimum, it should be a continuous, walkable route. National discovery trails are specifically exempted from the provisions of sections 7(g) of this Act.

''(D) The appropriate Secretary shall obtain written consent from affected landowners prior to entering nonpublic lands for the purposes of conducting any surveys or studies of nonpublic lands for purposes of this Act. Provided, before any designation or establishment of any discovery trail provided by this Act, the appropriate Secretary must ensure written notification to all nonpublic landowners on which a designated trail crosses or abuts nonpublic lands. Furthermore, any nonpublic landowner that has property crossed by or abutting land designated under this Act, if trespassing should occur by travelers on the National Discovery Trail, has the right to request and subsequently require the appropriate Secretary to coordinate with State and local officials to ensure to the maximum extent feasible that no further trespassing should occur on such nonpublic land.''.

(2) DESIGNATION OF THE AMERICAN DISCOVERY TRAIL AS A NATIONAL DISCOVERY TRAIL.—Section 5(a) of such Act (16 U.S.C. 1244(a)) is amended as follows:

(A) By redesignating the paragraph relating to the California National Historic Trail as paragraph (18).

(B) By redesignating the paragraph relating to the Pony Express National Historic Trail as paragraph (19).

(C) By redesignating the paragraph relating to the Selma to Montgomery National Historic Trail as paragraph (20).

(D) By adding at the end the following:

''(21) The American Discovery Trail, a trail of approximately 6,000 miles extending from Cape Henlopen State Park in Delaware to Point Reyes National Seashore in California, extending westward through Delaware, Maryland, the District of Columbia, West Virginia, Ohio, and Kentucky, where near Cincinnati it splits into two routes. The Northern Midwest route traverses Ohio, Indiana, Illinois, Iowa, Nebraska, and Colorado, and the Southern Midwest route traverses Indiana, Illinois, Missouri, Kansas, and Colorado. After the two routes rejoin in Denver, Colorado, the route continues through Colorado, Utah, Nevada, and California. The trail is generally described in Volume 2 of the National Park Service feasibility study dated June 1995 which shall be on file and available for public inspection in the office of the Director of the National Park Service, Department of the Interior, the District of Columbia. The American Discovery Trail shall be administered by the Secretary of the Interior in cooperation with at least one competent trailwide volunteer-based organization, affected land managing agencies and State and local governments as appropriate. No lands or interests outside the exterior boundaries of federally administered areas may be acquired by the Federal Government solely for the American Discovery Trail. The American Discovery Trail is specifically exempted from the provisions of subsection (e), (f), and (g) of section 7.''.

(3) COMPREHENSIVE NATIONAL DISCOVERY TRAIL PLAN.—Section 5 of such Act (16 U.S.C. 1244) is further amended by adding at the end the following new subsection:

''(g) Within 3 complete fiscal years after the date of enactment of any law designating a national discovery trail, the responsible Secretary shall submit a comprehensive plan for the protection, management, development, and use of the Federal portions of the trail, and provide technical assistance to States and local units of government and private landowners, as requested, for nonfederal portions of the trail, to the Committee on Resources of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate. In developing a comprehensive management plan for a national discovery trail, the responsible Secretary shall cooperate to the fullest practicable extent with the organizations sponsoring the trail. The responsible Secretary shall ensure that the comprehensive plan does not conflict with existing agency direction and shall consult with the affected land managing agencies, the Governors of the affected States, affected county and local political jurisdictions, and local organizations maintaining components of the trail. Components of the comprehensive plan include—

''(1) policies, objectives and practices to be observed in the administration and management of the trail, including the identification of all significant natural, historical, and cultural resources to be preserved, model agreements necessary for joint trail administration among and between interested parties, and an identified carrying capacity for critical segments of the trail and procedures for implementation, where appropriate;

''(2) strategies for trail protection to retain the values for which the trail is being established and recognized by the Federal Government;

''(3) general and site-specific trail-related development, including anticipated costs; and

''(4) the process to be followed to implement the trail marking authorities in section 7(c) conforming to approved trail logo or emblem requirements.''.

(b) CONFORMING AMENDMENTS.—The National Trails System Act is amended:

(1) In section 2(b) (16 U.S.C. 1241(b)), by striking ''scenic and historic'' and inserting ''scenic, historic, and discovery''.

(2) In the section heading to section 5 (16 U.S.C. 1244), by striking ''AND NATIONAL HISTORIC'' and inserting '', NATIONAL HISTORIC, AND NATIONAL DISCOVERY''.

(3) In section 5(a) (16 U.S.C. 1244(a)), in the matter preceding paragraph (1)—

(A) by striking ''and national historic'' and inserting '', national historic, and national discovery''; and

(B) by striking ''and National Historic'' and inserting '', National Historic, and National Discovery''.

(4) In section 5(b) (16 U.S.C. 1244(b)), in the matter preceding paragraph (1), by striking ''or national historic'' and inserting '', national historic, or national discovery''.

(5) In section 5(b)(3) (16 U.S.C. 1244(b)(3)), by striking ''or national historic'' and inserting '', national historic, or national discovery''.

(6) In section 7(a)(2) (16 U.S.C. 1246(a)(2)), by striking ''and national historic'' and inserting '', national historic, and national discovery''.

(7) In section 7(b) (16 U.S.C. 1246(b)), by striking ''or national historic'' each place such term appears and inserting '', national historic, or national discovery''.

(8) In section 7(c) (16 U.S.C. 1246(c))—

(A) by striking ''scenic or national historic'' each place it appears and inserting ''scenic, national historic, or national discovery'';

(B) in the second proviso, by striking ''scenic, or national historic'' and inserting ''scenic, national historic, or national discovery''; and

(C) by striking '', and national historic'' and inserting '', national historic, and national discovery''.

(9) In section 7(d) (16 U.S.C. 1246(d)), by striking ''or national historic'' and inserting ''national historic, or national discovery''.

(10) In section 7(e) (16 U.S.C. 1246(e)), by striking ''or national historic'' each place such term appears and inserting '', national historic, or national discovery''.

(11) In section 7(f)(2) (16 U.S.C. 1246(f)(2)), by striking ''National Scenic or Historic Trail'' and inserting ''national scenic, historic, or discovery trail''.

(12) In section 7(h)(1) (16 U.S.C. 1246(h)(1)), by striking ''or national historic'' and inserting ''national historic, or national discovery''.

(13) In section 7(i) (16 U.S.C. 1246(i)), by striking ''or national historic'' and inserting ''national historic, or national discovery''.

SEC. 802. LINCOLN NATIONAL HISTORIC TRAIL.

(a) POTENTIAL ADDITION.—Section 5(a) of the National Trails System Act (16 U.S.C. 1276(a)) is amended by adding the following new paragraph at the end thereof:

''( ) The Lincoln National Historic Trail, a trail of approximately 350 miles extending from Lake Michigan to the Mississippi River, as generally described in 'The Proposal' in the Department of the Interior report entitled 'Illinois Trail, National Trail Feasibility Study and Environmental Assessment', dated September 1987, with an extension of the water route down the Mississippi River to connect with the Lewis and Clark National Historic Trail near Wood River, Illinois. A map generally depicting the route shall be on file and available for public inspection in the Office of the Director of the National Park Service, Washington, District of Columbia. The trail shall be administered by the Secretary of the Interior.''.

(b) DESIGNATION.—Section 3(a) of the National Trails System Act (16 U.S.C. 1274(a)) is amended by adding the following new paragraph at the end thereof:

''( ) SUDBURY, ASSABET, AND CONCORD RIVERS, MASSACHUSETTS.—The 29 miles of river segments in Massachusetts, as follows:

''(A) The 14.9 mile segment of the Sudbury river beginning at the Danforth Street bridge in the town of Framington, downstream to Route 2 bridge in Concord, as a scenic river.

''(B) The 1.7 mile segment of the Sudbury River from the Route 2 bridge downstream to its confluence with the Assabet River at Egg Rock, as a recreational river.

''(C) The 4.4 mile segment of the Assabet River beginning 1,000 feet downstream from the Damon Mill Dam in the town of Concord, to its confluence with the Sudbury River at Egg Rock in Concord, as a recreational river.

''(D) The 8.0 mile segment of the Concord River from Egg Rock at the confluence of the Sudbury and Assabet Rivers downstream to the Route 3 bridge in the town of Billerica, as a recreational river.

The segments referred to in subparagraphs (A) through (D) shall be administered by the Secretary of the Interior in cooperation with the SUASCO River Stewardship Council provided for in the plan through cooperative agreements under section 10(e) between the Secretary and the Commonwealth of Massachusetts and its relevant political subdivisions (including the towns of Framingham, Wayland, Sudbury, Lincoln, Concord, Carlisle, Bedford, and Billerica). The segments shall be managed in accordance with the plan entitled 'Sudbury, Assabet and Concord Wild and Scenic River Study, River Conservation Plan' dated March 16, 1995. The plan is deemed to satisfy the requirement for a comprehensive management plan under subsection (d) of this section.''.

SEC. 803. ASSISTANCE TO THE NATIONAL HISTORIC TRAILS INTERPRETIVE CENTER.

(a) FINDINGS AND PURPOSES.—

(1) FINDINGS.—The Congress finds and declares the following:

(A) The city of Casper, Wyoming, is nationally significant as the only geographic location in the western United States where 4 congressionally recognized historic trails (the Oregon Trail, the Mormon Trail, the California Trail, and the Pony Express Trail), the Bridger Trail, the Bozeman Trail, and many Indian routes converged.

(B) The historic trails that passed through the Casper area are a distinctive part of the national character and possess important historical and cultural values representing themes of migration, settlement, transportation, and commerce that shaped the landscape of the West.

(C) The Bureau of Land Management has not yet established a historic trails interpretive center in Wyoming or in any adjacent State to educate and focus national attention on the history of the mid-19th century immigrant trails that crossed public lands in the Intermountain West.

(D) At the invitation of the Bureau of Land Management, the city of Casper and the National Historic Trails Foundation, Inc. (a nonprofit corporation established under the laws of the State of Wyoming) entered into a memorandum of understanding in 1992, and have since signed an assistance agreement in 1993 and a cooperative agreement in 1997, to create, manage, and sustain a National Historic Trails Interpretive Center to be located in Casper, Wyoming, to professionally interpret the historic trails in the Casper area for the benefit of the public.

(E) The National Historic Trails Interpretive Center authorized by this section is consistent with the purposes and objectives of the National Trails System Act (16 U.S.C. 1241 et seq.), which directs the Secretary of the Interior to protect, interpret, and manage the remnants of historic trails on public lands.

(F) The State of Wyoming effectively joined the partnership to establish the National Historic Trails Interpretive Center through a legislative allocation of supporting funds, and the citizens of the city of Casper have increased local taxes to meet their financial obligations under the assistance agreement and the cooperative agreement referred to in paragraph (4).

(G) The National Historic Trails Foundation, Inc. has secured most of the $5,000,000 of non-Federal funding pledged by State and local governments and private interests pursuant to the cooperative agreement referred to in subparagraph (D).

(H) The Bureau of Land Management has completed the engineering and design phase of the National Historic Trails Interpretive Center, and the National Historic Trails Foundation, Inc. is ready for Federal financial and technical assistance to construct the Center pursuant to the cooperative agreement referred to in subparagraph (D).

(2) PURPOSES.—The purposes of this section are the following:

(A) To recognize the importance of the historic trails that passed through the Casper, Wyoming, area as a distinctive aspect of American heritage worthy of interpretation and preservation.

(B) To assist the city of Casper, Wyoming, and the National Historic Trails Foundation, Inc. in establishing the National Historic Trails Interpretive Center to memorialize and interpret the significant role of those historic trails in the history of the United States.

(C) To highlight and showcase the Bureau of Land Management's stewardship of public lands in Wyoming and the West.

(b) NATIONAL HISTORIC TRAILS INTERPRETIVE CENTER.—

(1) ESTABLISHMENT.—The Secretary of the Interior, acting through the Director of the Bureau of Land Management (in this section referred to as the ''Secretary''), shall establish in Casper, Wyoming, a center for the interpretation of the historic trails in the vicinity of Casper, including the Oregon Trail, the Mormon Trail, the California Trail, and the Pony Express Trail, the Bridger Trail, the Bozeman Trail, and various Indian routes. The center shall be known as the National Historic Trails Interpretive Center (in this section referred to as the ''Center'').

(2) FACILITIES.—The Secretary, subject to the availability of appropriations, shall construct, operate, and maintain facilities for the Center—

(A) on land provided by the city of Casper, Wyoming;

(B) in cooperation with the city of Casper and the National Historic Trails Interpretive Center Foundation, Inc. (a nonprofit corporation established under the laws of the State of Wyoming); and

(C) in accordance with—

(i) the Memorandum of Understanding entered into on March 4, 1993, by the city, the foundation, and the Wyoming State Director of the Bureau of Land Management; and

(ii) the cooperative agreement between the foundation and the Wyoming State Director of the Bureau of Land Management, numbered K910A970020.

(3) DONATIONS.—Notwithstanding any other provision of law, the Secretary may accept, retain, and expend donations of funds, property, or services from individuals, foundations, corporations, or public entities for the purpose of development and operation of the Center.

(4) ENTRANCE FEE.—Notwithstanding section 4 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–6a), the Secretary may—

(A) collect an entrance fee from visitors to the Center; and

(B) use amounts received by the United States from that fee for expenses of operation of the Center.

(5) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary $5,000,000 to carry out this section.

TITLE IX—HAZARDOUS FUELS REDUCTION

SEC. 901. SHORT TITLE.

This title may be cited as the ''Community Protection and Hazardous Fuels Reduction Act of 1998''.

SEC. 902. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds the following:

(1) Management of Federal lands has been characterized by large cyclical variations in fire suppression policies, timber harvesting levels, and the attention paid to commodity and noncommodity values.

(2) Forests on Federal lands are experiencing significant disease epidemics and insect infestations.

(3) The combination of inconsistent management and natural effects has resulted in a hazardous fuels buildup on Federal lands that threatens catastrophic wildfire.

(4) While the long-term effect of catastrophic wildfire on forests and forest systems is a matter of debate, there should be no question that catastrophic wildfire must be prevented in areas of the Federal lands where wildlands abut, or are located in close proximity to, communities, residences, and other private and public facilities on non-Federal lands.

(5) Wildfire resulting from hazardous fuels buildup in such wildland/urban interface areas threatens the destruction of communities, puts human life and property at risk, threatens community water supplies with erosion that follows wildfire, destroys wildlife habitat, and damages ambient air quality.

(6) The Secretary of Agriculture and the Secretary of the Interior must assign a high priority and undertake aggressive management to achieve the elimination of hazardous fuel buildup and reduction of the risk of wildfire to the wildland/urban interface areas on Federal lands. Protection of human life and property, including water supplies and ambient air quality, must be given the highest priority.

(7) The noncommodity resources, including riparian zones and wildlife habitats, in wildland/urban interface areas on Federal lands which must be protected to provide recreational opportunities, clean water, and other amenities to neighboring communities and the public suffer from a backlog of unfunded forest management projects designed to provide such protection.

(8) In a period of fiscal austerity characterized by shrinking budgets and personnel levels, Congress must provide the Secretary of Agriculture and the Secretary of the Interior with innovative tools to accomplish the required reduction in hazardous fuels buildup and undertake other forest management projects in the wildland/urban interface areas on the Federal lands at least cost.

(b) PURPOSE.—The purpose of this title is to provide new authority and innovative tools to the Secretary of Agriculture and the Secretary of the Interior to safeguard communities, lives, and property by reducing or eliminating the threat of catastrophic wildfire, and to undertake needed forest management projects, in wildland/urban interface areas on Federal lands.

SEC. 903. DEFINITIONS.

As used in this title:

(1) FEDERAL LANDS.—The term ''Federal lands'' means—

(A) federally managed lands administered by the Bureau of Land Management under the Secretary of the Interior; and

(B) federally managed lands administered by the Secretary of Agriculture.

(2) FOREST MANAGEMENT PROJECT.—The term ''forest management project'' means a project, including riparian zone enhancement, habitat improvement, forage removal by livestock grazing or mechanical means, and soil stabilization or other water quality improvement project, designed to protect one or more noncommodity resources on or in close proximity to Federal lands.

(3) LAND MANAGEMENT PLAN.—The term ''land management plan'' means the following:

(A) With respect to Federal lands described in paragraph (1)(A), a land use plan prepared by the Bureau of Land Management pursuant to section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712), or other multiple-use plan currently in effect.

(B) With respect to Federal lands described in paragraph (1)(B), a land and resource management plan (or if no final plan is in effect, a draft land and resource management plan) prepared by the Forest Service pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604).

(4) SECRETARY CONCERNED.—The term ''Secretary concerned'' means—

(A) with respect to the Federal lands described in paragraph (1)(A), the Secretary of the Interior; and

(B) with respect to the Federal lands described in paragraph (1)(B), the Secretary of Agriculture.

(5) WILDLAND/URBAN INTERFACE AREA.—The term ''wildland/urban interface area'' means the line, area, or zone where structures and other human development meet or intermingle with undeveloped wildland or vegetative fuel.

(6) CONGRESSIONAL COMMITTEES.—The term ''congressional committees'' means the Committee on Resources and the Committee on Agriculture of the House of Representatives and the Committee on Energy and Natural Resources and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(7) HAZARDOUS FUELS BUILDUP.—The term ''hazardous fuels buildup'' means that level of fuels accumulation, within a fire regime, in which an ignition with the right combination of weather and topographic conditions can result in—

(A) a dangerous exposure of risk to firefighters and the public;

(B) a high potential to cause risk of loss to key components that define ecological resources, capital investments, and private property; or

(C) both subparagraphs (A) and (B).

(8) FUELS.—The term ''fuels'' includes forage, woody debris, duff, needle cast, brush, dead or dying understory, and dead or dying overstory.

Subtitle A—Management of Wildland/Urban Interface Areas

SEC. 911. IDENTIFICATION OF WILDLAND/URBAN INTERFACE AREAS.

On or before September 30 of each year, each District Manager of the Bureau of Land Management and each Forest Supervisor of the Forest Service shall identify those areas on Federal lands within the jurisdiction of the District Manager or Forest Supervisor that the District Manager or Forest Supervisor determines—

(1) meet the definition of wildland/urban interface areas; and

(2) have hazardous fuels buildups and other forest management needs that warrant the use of forest management projects as provided in section 912.

SEC. 912. CONTRACTING TO REDUCE HAZARDOUS FUELS AND UNDERTAKE FOREST MANAGEMENT PROJECTS IN WILDLAND/URBAN INTERFACE AREAS.

(a) CONTRACTING AUTHORITY.—

(1) IN GENERAL.—The Secretary concerned is authorized to enter into contracts under this section for the sale of forest products in a wildland/urban interface area identified under section 911 for the purpose of reducing hazardous fuels buildups in the area.

(2) INCLUSION OF FOREST MANAGEMENT PROJECTS.—Subject to paragraph (3), the Secretary concerned may require, as a condition of any sale of forest products referred to in paragraph (1), that the purchaser of such products undertake one or more forest management projects in the wildland/urban interface area.

(3) CONDITIONS ON INCLUSION.—The Secretary concerned may include a forest management project as a condition in a contract for the sale of forest products referred to in paragraph (1) only when the Secretary determines that—

(A) the forest management project is consistent with the applicable land management plan; and

(B) the objectives of the forest management project can be accomplished most cost efficiently and effectively when the project is performed as part of the sale contract.

(b) FINANCING AND SUPPLEMENTAL FUNDING.—

(1) FOREST MANAGEMENT CREDITS.—The financing of a forest management project required as a condition of a contract for a sale authorized by subsection (a) shall be accomplished through the inclusion in the contract of a provision for amortization of the cost of the forest management project through the issuance of forest management credits to the purchaser. Such forest management credits shall offset the cost of the required forest management project against the purchaser's payment for forest products.

(2) USE OF APPROPRIATED FUNDS.—The Secretary concerned may use appropriated funds to assist the purchaser to undertake a forest management project required as a condition of a contract authorized by subsection (a) if such funds are provided from the resource function or functions that directly benefit from the performance of the project and are available from the annual appropriation for such function or functions during the fiscal year in which the sale is offered. The amount of assistance to be provided for each forest management project shall be included in the prospectus, and published in the advertisement, for the sale.

(c) DETERMINATION OF FOREST MANAGEMENT CREDITS.—Prior to the advertisement of a sale authorized by subsection (a), the Secretary concerned shall determine the amount of forest management credits to be allocated to each forest management project to be required as a condition of the sale contract. A description of the forest management project, and the amount of the forest management credits allocated to the project, shall be included in the prospectus, and published in the advertisement, for the sale.

(d) TRANSFER OF FOREST MANAGEMENT CREDITS.—The Secretary concerned may permit a purchaser that holds forest management credits earned by the purchaser as part of a sale authorized by subsection (a), but not used in connection with that sale, to transfer the forest management credits to another sale authorized by subsection (a) if—

(1) the subsequent sale is also purchased by that purchaser; and

(2) the sale parcel is located on Federal lands under that Secretary's jurisdiction.

(e) TREATMENT OF FOREST MANAGEMENT CREDITS AS MONEYS RECEIVED.—

(1) BUREAU OF LAND MANAGEMENT LANDS.—In the case of Federal lands described in section 903(1)(A), all amounts earned by or allowed to any purchaser of a sale authorized by subsection (a) in the form of forest management credits shall be considered to be money received for purposes of title II of the Act of August 28, 1937 (50 Stat. 875; 43 U.S.C. 1181f), the first section of the Act of May 24, 1939 (53 Stat. 753; 43 U.S.C. 1181f–1), or other applicable law concerning the distribution of receipts from the sale of forest products on such lands.

(2) FOREST SYSTEM LANDS.—In the case of Federal lands described in section 903(1)(B), all amounts earned by or allowed to any purchaser of a sale authorized by subsection (a) in the form of forest management credits shall be considered to be money received for purposes of the sixth paragraph under the heading ''FOREST SERVICE'' in the Act of May 23, 1908 (35 Stat. 260; 16 U.S.C. 500), and section 13 of the Act of March 1, 1911 (36 Stat. 963; commonly known as the Weeks Act; 16 U.S.C. 500).

(f) COST CONSIDERATIONS.—Because of the strong concern for the safety of human life and property and the protection of water quality, air quality, and wildlife habitat, a sale authorized by subsection (a) shall not be precluded because the costs of the sale may exceed the revenues derived from the sale, nor shall such sales be considered in any calculations concerning the revenue effects of the forest products sales program for the Federal lands or units of the Federal lands.

(g) LIMITATION ON CREDITS.—Each Secretary concerned may utilize the authority in this section for up to $75,000,000 per fiscal year.

SEC. 913. MONITORING REQUIREMENTS.

The Secretary concerned shall monitor the preparation and offering of contracts, and the performance of forest management projects, pursuant to section 912 to determine the effectiveness of such contracts and forest management projects in achieving the purpose of this title.

SEC. 914. REPORTING REQUIREMENTS.

(a) ANNUAL REPORT.—Not later than 90 days after the end of each full fiscal year in which contracts are entered into under section 912, the Secretary concerned shall submit to the congressional committees a report, which shall provide for the Federal lands within the jurisdiction of the Secretary concerned the following:

(1) A list of the wildland/urban interface areas identified on or before September 30 of the previous fiscal year pursuant to section 911.

(2) A summary of all contracts entered into, and all forest management projects performed, pursuant to section 912 during the preceding fiscal year;

(3) A discussion of any delays in excess of three months encountered during the preceding fiscal year, and likely to occur in the fiscal year in which the report is submitted, in preparing and offering the sales, and in performing the forest management projects, pursuant to section 912.

(4) The results of the monitoring required by section 913 of the contracts authorized, and the forest management projects performed, pursuant to section 912.

(5) Any anticipated problems in the implementation of this subtitle.

(b) FOUR YEAR REPORT.—The fourth report prepared by the Secretary concerned under subsection (a) shall contain, in addition to the matters required by subsection (a), the following:

(1) An assessment by the Secretary concerned regarding whether the contracting authority provided in section 912 should be reauthorized beyond the period specified in section 915(a).

(2) If reauthorization is warranted, such recommendations as the Secretary concerned considers appropriate regarding changes in such authority to better achieve the purpose of this title.

SEC. 915. TERMINATION OF AUTHORITY.

(a) TERMINATION DATE.—The authority of the Secretary concerned to offer sales of forest products pursuant to section 912, and to require the purchasers of such products to undertake forest management projects as a condition of such sales, shall terminate at the end of the five-fiscal year beginning on the first October 1st occurring after the date of the enactment of this Act.

(b) EFFECT ON EXISTING SALES.—Any contract for a sale of forest products pursuant to section 912 entered into before the end of the period specified in subsection (a), and still in effect at the end of such period, shall remain in effect after the end of such period pursuant to the terms of the contract.

(c) EFFECT ON EXISTING FOREST MANAGEMENT CREDITS.—If any forest management credits from a sale of forest products pursuant to section 912 are not used before the end of the period specified in subsection (a), and no law providing authority to offer sales pursuant to section 912 after such period is enacted by Congress, such credits may be used after such period in any sale of forest products that is authorized by another law, is purchased by the purchaser of the sale in which the credits were earned, and is conducted by the Secretary concerned who had jurisdiction over the sale in which the credits were earned.

Subtitle B—Miscellaneous Provisions

SEC. 921. REGULATIONS.

Not later than 180 days after the date of the enactment of this Act, the Secretary concerned shall prescribe such regulations as are necessary and appropriate to implement this title.

SEC. 922. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for each of the first five fiscal years beginning after the date of the enactment of this Act such sums as may be necessary to carry out this title.

TITLE X—MISCELLANEOUS PROVISIONS

SEC. 1001. AUTHORITY TO ESTABLISH MAHATMA GANDHI MEMORIAL.

(a) IN GENERAL.—The Government of India may establish a memorial to honor Mahatma Gandhi on the Federal land in the District of Columbia.

(b) COOPERATIVE AGREEMENTS.—The Secretary of the Interior or any other head of a Federal agency may enter into cooperative agreements with the Government of India to maintain features associated with the memorial.

(c) COMPLIANCE WITH STANDARDS FOR COMMEMORATIVE WORKS.—The establishment of the memorial shall be in accordance with the Commemorative Works Act (40 U.S.C. 1001 et seq.), except that sections 2(c) and 6(b) of that Act shall not apply with respect to the memorial.

(d) LIMITATION ON PAYMENT OF EXPENSES.—The Government of the United States shall not pay any expense of the establishment of the memorial or its maintenance.

SEC. 1002. ESTABLISHMENT OF THE NATIONAL CAVE AND KARST RESEARCH INSTITUTE IN NEW MEXICO.

(a) PURPOSES.—The purposes of this section are—

(1) to further the science of speleology;

(2) to centralize and standardize speleological information;

(3) to foster interdisciplinary cooperation in cave and karst research programs;

(4) to promote public education;

(5) to promote national and international cooperation in protecting the environment for the benefit of cave and karst landforms; and

(6) to promote and develop environmentally sound and sustainable resource management practices.

(b) ESTABLISHMENT OF THE INSTITUTE.—

(1) IN GENERAL.—The Secretary of the Interior (referred to in this section as the ''Secretary''), acting through the Director of the National Park Service, shall establish the National Cave and Karst Research Institute (referred to in this section as the ''Institute'').

(2) PURPOSES.—The Institute shall, to the extent practicable, further the purposes of this section.

(3) LOCATION.—The Institute shall be located in the vicinity of Carlsbad Caverns National Park, in the State of New Mexico. The Institute shall not be located inside the boundaries of Carlsbad Caverns National Park.

(c) ADMINISTRATION OF THE INSTITUTE.—

(1) MANAGEMENT.—The Institute shall be jointly administered by the National Park Service and a public or private agency, organization, or institution, as determined by the Secretary.

(2) GUIDELINES.—The Institute shall be operated and managed in accordance with the study prepared by the National Park Service pursuant to section 203 of Public Law 101–578 (16 U.S.C. 4310 note).

(3) CONTRACTS AND COOPERATIVE AGREEMENTS.—The Secretary may enter into a contract or cooperative agreement with a public or private agency, organization, or institution to carry out this section.

(4) FACILITY.—

(A) LEASING OR ACQUIRING A FACILITY.—The Secretary may lease or acquire a facility for the Institute.

(B) CONSTRUCTION OF A FACILITY.—If the Secretary determines that a suitable facility is not available for a lease or acquisition under subparagraph (A), the Secretary may construct a facility for the Institute.

(5) ACCEPTANCE OF GRANTS AND TRANSFERS.—To carry out this section, the Secretary may accept—

(A) a grant or donation from a private person; or

(B) a transfer of funds from another Federal agency.

(d) FUNDING.—

(1) MATCHING FUNDS.—The Secretary may spend only such amount of Federal funds to carry out this section as is matched by an equal amount of funds from non-Federal sources.

(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 1003. GUADALUPE-HIDALGO TREATY LAND CLAIMS.

(a) DEFINITIONS AND FINDINGS.—

(1) DEFINITIONS.—For purposes of this section:

(A) COMMISSION.—The term ''Commission'' means the Guadalupe-Hidalgo Treaty Land Claims Commission established under subsection (b).

(B) TREATY OF GUADALUPE-HIDALGO.—The term ''Treaty of Guadalupe-Hidalgo'' means the Treaty of Peace, Friendship, Limits, and Settlement (Treaty of Guadalupe Hidalgo), between the United States and the Republic of Mexico, signed February 2, 1848 (TS 207; 9 Bevans 791).

(C) ELIGIBLE DESCENDANT.—The term ''eligible descendant'' means a descendant of a person who—

(i) was a Mexican citizen before the Treaty of Guadalupe-Hidalgo;

(ii) was a member of a community land grant; and

(iii) became a United States citizen within ten years after the effective date of the Treaty of Guadalupe-Hidalgo, May 30, 1848, pursuant to the terms of the Treaty.

(D) COMMUNITY LAND GRANT.—The term ''community land grant'' means a village, town, settlement, or pueblo consisting of land held in common (accompanied by lesser private allotments) by three or more families under a grant from the King of Spain (or his representative) before the effective date of the Treaty of Cordova, August 24, 1821, or from the authorities of the Republic of Mexico before May 30, 1848, in what became the State of New Mexico, regardless of the original character of the grant.

(E) RECONSTITUTED.—The term ''reconstituted'', with regard to a valid community land grant, means restoration to full status as a municipality with rights properly belonging to a municipality under State law and the right of local self-government.

(2) FINDINGS.—Congress finds the following:

(A) New Mexico has a unique history regarding the acquisition of ownership of land as a result of the substantial number of Spanish and Mexican land grants that were an integral part of the colonization and growth of New Mexico before the United States acquired the area in the Treaty of Guadalupe-Hidalgo.

(B) Various provisions of the Treaty of Guadalupe-Hidalgo have not yet been fully implemented in the spirit of Article VI, section 2, of the Constitution of the United States.

(C) Serious questions regarding the prior ownership of lands in the State of New Mexico, particularly certain public lands, still exist.

(D) Congressionally established land claim commissions have been used in the past to successfully examine disputed land possession questions.

(b) ESTABLISHMENT AND MEMBERSHIP OF COMMISSION.—

(1) ESTABLISHMENT.—There is established a commission to be known as the ''Guadalupe-Hidalgo Treaty Land Claims Commission''.

(2) NUMBER AND APPOINTMENT OF MEMBERS.—The Commission shall be composed of 5 members appointed by the President by and with the advice and consent of the Senate. At least 2 of the members of the Commission shall be selected from among persons who are eligible descendants.

(3) TERMS.—Each member shall be appointed for the life of the Commission. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(4) COMPENSATION.—Members shall each be entitled to receive the daily equivalent of level V of the Executive Schedule for each day (including travel time) during which they are engaged in the actual performance of duties vested in the Commission.

(c) EXAMINATION OF LAND CLAIMS.—

(1) SUBMISSION OF LAND CLAIMS PETITIONS.—Any 3 (or more) eligible descendants who are also descendants of the same community land grant may file with the Commission a petition on behalf of themselves and all other descendants of that community land grant seeking a determination of the validity of the land claim that is the basis for the petition.

(2) DEADLINE FOR SUBMISSION.—To be considered by the Commission, a petition under paragraph (1) must be received by the Commission not later than 5 years after the date of the enactment of this Act.

(3) ELEMENTS OF PETITION.—A petition under paragraph (1) shall be made under oath and shall contain the following:

(A) The names and addresses of the eligible descendants who are petitioners.

(B) The fact that the land involved in the petition was a community land grant at the time of the effective date of the Guadalupe-Hidalgo Treaty.

(C) The extent of the community land grant, to the best of the knowledge of the petitioners, accompanied with a survey or, if a survey is not feasible to them, a sketch map thereof.

(D) The fact that the petitioners reside, or intend to settle upon, the community land grant.

(E) All facts known to petitioners concerning the community land grant, together with copies of all papers in regard thereto available to petitioners.

(4) PETITION HEARING.—At one or more designated locations in the State of New Mexico, the Commission shall hold a hearing upon each petition timely submitted under paragraph (1), at which hearing all persons having an interest in the land involved in the petition shall have the right, upon notice, to appear as a party.

(5) SUBPOENA POWER.—

(A) IN GENERAL.—The Commission may issue subpoenas requiring the attendance and testimony of witnesses and the production of any evidence relating to any petition submitted under paragraph (1). The attendance of witnesses and the production of evidence may be required from any place within the United States at any designated place of hearing within the State of New Mexico.

(B) FAILURE TO OBEY A SUBPOENA.—If a person refuses to obey a subpoena issued under this paragraph, the Commission may apply to a United States district court for an order requiring that person to appear before the Commission to give testimony, produce evidence, or both, relating to the matter under investigation. The application may be made within the judicial district where the hearing is conducted or where that person is found, resides, or transacts business. Any failure to obey the order of the court may be punished by the court as civil contempt.

(C) SERVICE OF SUBPOENAS.—The subpoenas of the Commission shall be served in the manner provided for subpoenas issued by a United States district court under the Federal Rules of Civil Procedure for the United States district courts.

(D) SERVICE OF PROCESS.—All process of any court to which application is to be made under subparagraph (B) may be served in the judicial district in which the person required to be served resides or may be found.

(6) DECISION.—On the basis of the facts contained in a petition submitted under paragraph (1), and the hearing held with regard to the petition, the Commission shall determine the validity of the community land grant described in the petition. The decision shall include a recommendation of the Commission regarding whether the community land grant should be reconstituted and its lands restored.

(7) PROTECTION OF NON-FEDERAL PROPERTY.—The decision of the Commission regarding the validity of a petition submitted under paragraph (1) shall not affect the ownership, title, or rights of owners of any non-Federal lands covered by the petition. Any recommendation of the Commission under paragraph (6) regarding whether a community land grant should be reconstituted and its lands restored may not address non-Federal lands. In the case of a valid petition covering lands held in non-Federal ownership, the Commission shall modify the recommendation under paragraph (6) to recommend the substitution of comparable Federal lands in the State of New Mexico for the lands held in non-Federal ownership.

(d) COMMUNITY LAND GRANT STUDY CENTER.—To assist the Commission in the performance of its activities under subsection (c), the Commission shall establish a Community Land Grant Study Center at the Onate Center in Alcalde, New Mexico. The Commission shall be charged with the responsibility of directing the research, study, and investigations necessary for the Commission to perform its duties under this section.

(e) MISCELLANEOUS POWERS OF COMMISSION.—

(1) HEARINGS AND SESSIONS.—The Commission may, for the purpose of carrying out this section, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before it.

(2) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take by this subsection.

(3) GIFTS, BEQUESTS, AND DEVISES.—The Commission may accept, use, and dispose of gifts, bequests, or devises of services or property, both real and personal, for the purpose of aiding or facilitating the work of the Commission.

(4) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(5) ADMINISTRATIVE SUPPORT SERVICES.—Upon the request of the Commission, the Administrator of General Services shall provide to the Commission, on a reimbursable basis, the administrative support services necessary for the Commission to carry out its responsibilities under this section.

(6) IMMUNITY.—The Commission is an agency of the United States for the purpose of part V of title 18, United States Code (relating to immunity of witnesses).

(f) REPORT.—As soon as practicable after reaching its last decision under subsection (c), the Commission shall submit to the President and the Congress a report containing each decision, including the recommendation of the Commission regarding whether certain community land grants should be reconstituted, so that the Congress may act upon the recommendations.

(g) TERMINATION.—The Commission shall terminate on 180 days after submitting its final report under subsection (f).

(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $1,000,000 for each of the fiscal years 1999 through 2007 for the purpose of carrying out the activities of the Commission and to establish and operate the Community Land Grant Study Center under subsection (d).

SEC. 1004. OTAY MOUNTAIN WILDERNESS.

(a) FINDINGS.—The Congress finds and declares the following:

(1) The public lands within the Otay Mountain region of California are one of the last remaining pristine locations in western San Diego County, California.

(2) This rugged mountain adjacent to the United States-Mexico border is internationally known for its diversity of unique and sensitive plants.

(3) This area plays a critical role in San Diego's multi-species conservation plan, a national model made for maintaining biodiversity.

(4) Due to its proximity to the international border, this area is the focus of important law enforcement and border interdiction efforts necessary to curtail illegal immigration and protect the area's wilderness values.

(5) The illegal immigration traffic, combined with the rugged topography, also presents unique fire management challenges for protecting lives and resources.

(b) DESIGNATION.—In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131 et seq.), certain public lands in the California Desert District of the Bureau of Land Management, California, comprising approximately 18,500 acres as generally depicted on a map entitled ''Otay Mountain Wilderness'' and dated May 7, 1998, are hereby designated as wilderness and therefore as a component of the National Wilderness Preservation System, which shall be known as the Otay Mountain Wilderness.

(c) MAP AND LEGAL DESCRIPTION.—

(1) IN GENERAL.—As soon as practicable after the date of enactment of this Act, a map and a legal description for the Wilderness Area shall be filed by the Secretary with the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives. Such map and legal description shall have the same force and effect as if included in this Act, except that the Secretary, as appropriate, may correct clerical and typographical errors in such legal description and map. Such map and legal description for the Wilderness Area shall be on file and available for public inspection in the offices of the Director and California State Director, Bureau of Land Management, Department of the Interior.

(2) UNITED STATES-MEXICO BORDER.—In carrying out this subsection, the Secretary shall ensure that the southern boundary of the Wilderness Area is 100 feet north of the trail depicted on the map referred to in paragraph (1) and is at least 100 feet from the United States-Mexico international border.

(e) WILDERNESS REVIEW.—The Congress hereby finds and directs that all the public lands not designated wilderness within the boundaries of the Southern Otay Mountain Wilderness Study Area (CA–060–029) and the Western Otay Mountain Wilderness Study Area (CA–060–028) managed by the Bureau of Land Management and reported to the Congress in 1991, have been adequately studied for wilderness designation pursuant to section 603 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1782), and are no longer subject to the requirements contained in section 603(c) of that Act pertaining to the management of wilderness study areas in a manner that does not impair the suitability of such areas for preservation as wilderness.

(f) ADMINISTRATION OF WILDERNESS AREA.—

(1) IN GENERAL.—Subject to valid existing rights and to paragraph (2), the Wilderness Area shall be administered by the Secretary in accordance with the provisions of the Wilderness Act (16 U.S.C. 1131 et seq.), except that—

(A) any reference in such provisions to the effective date of the Wilderness Act is deemed to be a reference to the effective date of this Act; and

(B) any reference in such provisions to the Secretary of Agriculture is deemed to be a reference to the Secretary of the Interior.

(2) BORDER ENFORCEMENT, DRUG INTERDICTION, AND WILDLAND FIRE PROTECTION.—Because of the proximity of the Wilderness Area to the United States-Mexico international border, drug interdiction, border operations, and wildland fire management operations are common management actions throughout the area encompassing the Wilderness Area. This section recognizes the need to continue such management actions so long as such management actions are conducted in accordance with the Wilderness Act (16 U.S.C. 1131 et seq.) and are subject to such conditions as the Secretary considers appropriate.

(g) FURTHER ACQUISITIONS.—Any lands within the boundaries of the Wilderness Area that are acquired by the United States after the date of enactment of this Act shall become part of the Wilderness Area and shall be managed in accordance with all the provisions of this section and other laws applicable to such a wilderness.

(h) NO BUFFER ZONES.—The Congress does not intend for the designation of the Wilderness Area by this section to lead to the creation of protective perimeters or buffer zones around the Wilderness Area. The fact that nonwilderness activities or uses can be seen or heard from areas within the Wilderness Area shall not, of itself, preclude such activities or uses up to the boundary of the Wilderness Area.

(i) DEFINITIONS.—As used in this section:

(1) PUBLIC LANDS.—The term ''public lands'' has the same meaning as that term has in section 103(e) of the Federal Land Policy and Management Act of 1976.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(3) WILDERNESS AREA.—The term ''Wilderness Area'' means the Otay Mountain Wilderness designated by subsection (b).

SEC. 1005. ACQUISITION AND MANAGEMENT OF WILCOX RANCH, UTAH, FOR WILDLIFE HABITAT.

(a) FINDINGS.—Congress finds the following:

(1) The lands within the Wilcox Ranch in eastern Utah are prime habitat for wild turkeys, eagles, hawks, bears, cougars, elk, deer, bighorn sheep, and many other important species, and Range Creek within the Wilcox Ranch could become a blue ribbon trout stream.

(2) These lands also contain a great deal of undisturbed cultural and archeological resources, including ancient pottery, arrowheads, and rock homes constructed centuries ago.

(3) These lands, while comprising only approximately 3,800 acres, control access to over 75,000 acres of Federal lands under the jurisdiction of the Bureau of Land Management.

(4) Acquisition of the Wilcox Ranch would benefit the people of the United States by preserving and enhancing important wildlife habitat, ensuring access to lands of the Bureau of Land Management, and protecting priceless archeological and cultural resources.

(5) These lands, if acquired by the United States, can be managed by the Utah Division of Wildlife Resources at no additional expense to the Federal Government.

(b) ACQUISITION OF LANDS.—As soon as practicable, after the date of the enactment of this Act, the Secretary of the Interior shall acquire, through purchase, the Wilcox Ranch located in Emery County, in eastern Utah.

(c) FUNDS FOR PURCHASE.—The Secretary of the Interior is authorized to use not more than $5,000,000 from the land and water conservation fund established under section 2 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–5) for the purchase of the Wilcox Ranch under subsection (b).

(d) MANAGEMENT OF LANDS.—Upon payment by the State of Utah of one-half of the purchase price of the Wilcox Ranch to the United States, or transfer by the State of Utah of lands of the same such value to the United States, the Secretary of the Interior shall transfer to the State of Utah all right, title, and interest of the United States in and to those Wilcox Ranch lands acquired under subsection (b) for management by the State Division of Wildlife Resources for wildlife habitat and public access.

SEC. 1006. ACQUISITION OF MINERAL AND GEOTHERMAL INTERESTS WITHIN MOUNT ST. HELENS NATIONAL VOLCANIC MONUMENT.

(a) FINDINGS.—Congress finds the following:

(1) The Act entitled ''An Act to designate the Mount St. Helens National Volcanic Monument in the State of Washington, and for other purposes'', approved August 26, 1982 (96 Stat. 301; 16 U.S.C. 431 note), required the United States to acquire all land and interests in land in the Mount St. Helens National Volcanic Monument.

(2) The Act directed the Secretary of Agriculture to acquire the surface interests and the mineral and geothermal interests by separate exchanges and expressed the sense of Congress that the exchanges be completed by November 24, 1982, and August 26, 1983, respectively.

(3) The surface interests exchange was consummated timely, but the exchange of all mineral and geothermal interests has not yet been completed a decade and a half after the enactment of the Act.

(b) PURPOSE.—The purpose of this section is to provide for the expeditious completion of the previously mandated Federal acquisition of certain private mineral and geothermal interests within the Mount St. Helens National Volcanic Monument.

(c) ACQUISITION.—Section 3 of the Act entitled ''An Act to designate the Mount St. Helens National Volcanic Monument in the State of Washington, and for other purposes'', approved August 26, 1982 (Public Law 97–243; 96 Stat. 302; 16 U.S.C. 431 note), is amended—

(1) in subsection (a), by striking ''and except that the Secretary may acquire mineral and geothermal interests only by exchange. It is the sense of the Congress that in the case of mineral and geothermal interests such exchanges should be completed within one year after the date of enactment of the Act''; and

(2) by adding at the end the following new subsections:

''(g) EXPEDITIOUS COMPLETION OF EXCHANGES FOR MINERAL AND GEOTHERMAL INTERESTS.—

''(1) DEFINITION OF HOLDER.—In this subsection, the term 'holder' means a company referred to in subsection (c) or its assigns or successors.

''(2) EXCHANGE REQUIRED.—Within 60 days after the date of enactment of this subsection, the Secretary of the Interior shall acquire by exchange the mineral and geothermal interests in the Monument of each holder.

''(3) MONETARY CREDITS.—

''(A) ISSUANCE.—In exchange for all mineral and geothermal interests acquired by the Secretary of the Interior from each holder under paragraph (2), the Secretary of the Interior shall issue to each such holder monetary credits with a value of $2,100,000 that may be used for the payment of—

''(i) not more than 50 percent of the bonus or other payments made by successful bidders in any sales of mineral, oil, gas, or geothermal leases under the Mineral Leasing Act (30 U.S.C. 181 et seq.), the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), or the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.) in the contiguous 48 States;

''(ii) not more than 10 percent of the bonus or other payments made by successful bidders in any sales of mineral, oil, gas, or geothermal leases in Alaska under the laws specified in clause (i);

''(iii) not more than 50 percent of any royalty, rental, or advance royalty payment made to the United States to maintain any mineral, oil or gas, or geothermal lease in

the contiguous 48 States issued under the laws specified in clause (i); or

''(iv) not more than 10 percent of any royalty, rental, or advance royalty payment made to the United States to maintain any mineral, oil or gas, or geothermal lease in Alaska issued under the laws specified in clause (i).

''(B) VALUE OF CREDITS.—The total credits of $4,200,000 in value issued under subparagraph (A) are deemed to equal the fair market value of all mineral and geothermal interests to be conveyed by exchange under paragraph (2).

''(4) ACCEPTANCE OF CREDITS.—The Secretary of the Interior shall accept credits issued under paragraph (3)(A) in the same manner as cash for the payments described in such paragraph. The use of the credits shall be subject to the laws (including regulations) governing such payments, to the extent the laws are consistent with this subsection.

''(5) TREATMENT OF CREDITS FOR DISTRIBUTION TO STATES.—All amounts in the form of credits accepted by the Secretary of the Interior under paragraph (4) for the payments described in paragraph (3)(A) shall be considered to be money received for the purpose of section 35 of the Mineral Leasing Act (30 U.S.C. 191) and section 20 of the Geothermal Steam Act of 1970 (30 U.S.C. 1019).

''(6) EXCHANGE ACCOUNT.—

''(A) ESTABLISHMENT.—Notwithstanding any other provision of law, not later than 30 days after the completion of the exchange with a holder required by paragraph (2), the Secretary of the Interior shall establish an exchange account for that holder for the monetary credits issued to that holder under paragraph (3). The account for a holder shall be established with the Minerals Management Service of the Department of the Interior and have an initial balance of credits equal to $2,100,000.

''(B) USE OF CREDITS.—The credits in a holder's account shall be available to the holder for the purposes specified in paragraph (3)(A). The Secretary of the Interior shall adjust the balance of credits in the account to reflect credits accepted by the Secretary of the Interior pursuant to paragraph (4).

''(C) TRANSFER OR SALE OF CREDITS.—

''(i) TRANSFER OR SALE AUTHORIZED.—A holder may transfer or sell any credits in the holder's account to another person.

''(ii) USE OF TRANSFERRED CREDITS.—Credits transferred or sold under clause (i) may be used in accordance with this subsection only by a person that is qualified to bid on, or that holds, a mineral, oil, or gas lease under the Mineral Leasing Act (30 U.S.C. 181 et seq.), the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), or the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.).

''(iii) NOTIFICATION.—Within 30 days after the transfer or sale of any credits by a holder, that holder shall notify the Secretary of the Interior of the transfer or sale. The transfer or sale of any credit shall not be considered valid until the Secretary of the Interior has received the notification required under this clause.

''(D) TIME LIMIT ON USE OF CREDITS.—On the date that is 5 years after the date on which an account is created under subparagraph (A) for a holder, the Secretary of the Interior shall terminate that holder's account. Any credits that originated in the terminated account and have not been used as of the termination date, including any credits transferred or sold under subparagraph (C), shall become unusable.

''(7) TITLE TO INTERESTS.—On the date of the establishment of an exchange account for a holder under paragraph (6)(A), title to any mineral and geothermal interests that are held by the holder and are to be acquired by the Secretary of the Interior under paragraph (2) shall transfer to the United States.

''(h) IDENTIFICATION OF OTHER INTERESTS.—Within 180 days after the date of the enactment of this subsection, the Secretary shall submit to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report—

''(1) identifying any other non-Federal property interests within the boundaries of the Monument; and

''(2) containing the recommendations of the Secretary regarding whether acquisition of any such interests may be warranted to avoid future management problems in connection with the Monument.''.

SEC. 1007. OPERATION AND MAINTENANCE OF EXISTING DAMS AND WEIRS, EMIGRANT WILDERNESS, STANISLAUS NATIONAL FOREST, CALIFORNIA.

The Secretary of Agriculture shall enter into an agreement with a non-Federal entity, under which the entity will retain, maintain, and operate at private expense the 18 concrete dams and weirs located within the boundaries of the Emigrant Wilderness in the Stanislaus National Forest, California, as designated by section 2(b) of Public Law 93–632 (88 Stat. 2154; 16 U.S.C. 1132 note). The Secretary shall require the entity to operate and maintain the dams and weirs at the level of operation and maintenance that applied to such dams and weirs before January 3, 1975.

SEC. 1008. DEMONSTRATION RESOURCE MANAGEMENT PROJECT, STANISLAUS NATIONAL FOREST, CALIFORNIA, TO ENHANCE AND PROTECT THE GRANITE WATERSHED.

(a) RESOURCE MANAGEMENT CONTRACT AUTHORIZED.—The Secretary of Agriculture may enter into a contract with a single private contractor to perform multiple resource management activities on Federal lands within the Stanislaus National Forest in the State of California for the purpose of demonstrating enhanced ecosystem health and water quality, and significantly reducing the risk of catastrophic wildfire, in the Granite watershed at a reduced cost to the Government. The contract shall be for a term of five years.

(b) AUTHORIZED MANAGEMENT ACTIVITIES.—The types of resource management activities performed under the contract shall include the following:

(1) Reduction of forest fuel loads through the use of precommercial and commercial thinning and prescribed burns in the Granite watershed.

(2) Monitoring of ecosystem health and water quality in the Granite watershed.

(3) Monitoring of the presence of wildlife in the area in which management activities are performed and the effect of the activities on wildlife presence.

(4) Such other resource management activities as the Secretary considers appropriate to demonstrate enhanced ecosystem health and water quality in the Granite watershed.

(c) COMPLIANCE WITH FEDERAL LAW AND SPOTTED OWL GUIDELINES.—All resource management activities performed under the contract shall be performed in a manner consistent with applicable Federal law and the standards and guidelines for the conservation of the California spotted owl (as set forth in the California Spotted Owl Sierran Province Interim Guidelines or the subsequently issued final guidelines, whichever is in effect).

(d) FUNDING.—

(1) SOURCES OF FUNDS.—To provide funds for the resource management activities to be performed under the contract, the Secretary may use—

(A) funds appropriated to carry out this section;

(B) funds specifically provided to the Forest Service to implement projects to demonstrate enhanced water quality and protect aquatic and upland resources;

(C) excess funds that are allocated for the administration and management of the Stanislaus National Forest, California;

(D) hazardous fuels reduction funds allocated for Region 5 of the Forest Service; and

(E) a contract provision allowing the cost of performing authorized management activities described in subsection (b) to be offset by the values owed to the United States for any forest products removed by the contractor.

(2) PROHIBITION ON USE OF CERTAIN FUNDS.—Except as provided in paragraph (1), the Secretary may not carry out the contract using funds appropriated for any other unit of the National Forest System.

(3) CONDITIONS ON FUNDS TRANSFERS.—Any transfer of funds under paragraph (1) may be made only in accordance with the procedures concerning notice to, and review by, the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate that are applied by the Secretary in the case of a transfer of funds between appropriations.

(e) ACCEPTANCE AND USE OF STATE FUNDS.—The Secretary may accept and use funds provided by the State of California to assist in the implementation of the contract under this section.

(f) REPORTING REQUIREMENTS.—Not later than February 28 of each year during the term of the contract, the Secretary shall submit to Congress a report describing—

(1) the resource management activities performed under the contract during the period covered by the report;

(2) the source and amount of funds used under subsection (d) to carry out the contract; and

(3) the resource management activities to be performed under the contract during the calendar year in which the report is submitted.

(g) RELATIONSHIP TO OTHER LAWS.—Nothing in this section exempts the contract, or resource management activities to be performed under the contract, from any Federal environmental law.

SEC. 1009. EAST TEXAS BLOWDOWN-NEPA PARITY.

(a) IN GENERAL.—The Secretary of Agriculture may remove dead, downed, or severely root-sprung trees in areas described in subsection (b) in accordance with the alternative arrangements approved by the Council on Environmental Quality for National Forests and Grasslands in Texas, as set forth in a letter from the Chairman of the Council on Environmental Quality to the Deputy Chief of the National Forest System dated March 10, 1998.

(b) AREAS DESCRIBED.—The areas referred to in subsection (a) are the following:

(1) Approximately 20,000 acres of blowdown forest in the Routt National Forest, Colorado.

(2) Approximately 700 acres of blowdown forest in the Rio Grande National Forest, Colorado.

(3) Approximately 50,000 acres of bark beetle infested forest in the Dixie National Forest, Utah.

(4) Approximately 25,000 acres of insect and fuel-loading conditions on National Forest System lands in the Tahoe Basin, California.

(5) Approximately 28,000 acres of fire-damaged, dead, and dying trees in the Malheur National Forest, Oregon.

(6) Approximately 10,000 acres of gypsy moth infestation in the Allegheny National Forest, Pennsylvania.

(7) Approximately 5,000 acres of severely ice damaged forests in the White Mountain National Forest, New Hampshire, and the Green Mountain National Forest, Vermont.

(8) Approximately 10,000 acres of severe Mountain pine beetle damaged forests in the Panhandle National Forest, Nezperce National Forest, and Boise National Forest, Idaho.

(9) Approximately 10,000 acres of severely ice damaged forests in the Daniel Boone National Forest, Kentucky.

(10) Approximately 15,000 acres of fire-damaged, dead, and dying trees in the Osceola National Forest and Apalachica National Forest, Florida.

(c) OTHER FORESTS.—

(1) REQUIREMENT TO REQUEST ALTERNATIVE ARRANGEMENTS.—The Secretary of Agriculture or the Secretary of the Interior, respectively, shall promptly request the Council on Environmental Quality to approve alternative arrangements under part 1506.11 of title 40, Code of Federal Regulations, authorizing removal of dead, downed, or severely root-sprung trees on any national forest or public domain lands where premature mortality is expected as a result of catastrophic forest conditions.

(2) CONSIDERATION OF REQUESTS.—Upon receipt of a request under paragraph (1), the Council on Environmental Quality shall promptly consider and approve or disapprove the request.

(3) REGULATIONS.—The Chairman of the Council on Environmental Quality shall, by not later than 180 days after the date of the enactment of this Act, issue regulations—

(A) governing the approval of alternative arrangements under part 1506.11 of title 40, Code of Federal Regulations, pursuant to requests under paragraph (1); and

(B) establishing criteria under which those requests will be considered and approved or disapproved.

SEC. 1010. EXEMPTION FOR NOT-FOR-PROFIT ENTITIES FROM STRICT LIABILITY FOR RECOVERY OF FIRE SUPPRESSION COSTS.

Section 504(h) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1764(h)) is amended by adding at the end the following new paragraph:

''(3) In the regulations required under this subsection, the Secretary concerned may not impose liability without fault for fire suppression costs incurred by the United States with respect to a right-of-way under this title if the holder of the right-of-way is a not-for-profit entity, including a not-for-profit entity that uses the right-of-way for the delivery of electricity to parties having an equity interest in the not-for-profit entity.''.

SEC. 1011. STUDY OF IMPROVED OUTDOOR RECREATIONAL ACCESS FOR PERSONS WITH DISABILITIES.

(a) STUDY REQUIRED.—The Secretary of Agriculture and the Secretary of the Interior shall jointly provide for the conduct of a study to consider ways to improve the access of persons with disabilities to outdoor recreational opportunities (such as fishing, hunting, shooting, trapping, wildlife viewing, hiking, boating, and camping) that are made available to the public on the Federal lands described in subsection (b).

(b) COVERED FEDERAL LANDS.—The Federal lands referred to in subsection (a) are the following:

(1) National Forest System lands.

(2) Units of the National Park System.

(3) Areas in the National Wildlife Refuge System.

(4) Lands administered by the Bureau of Land Management.

(c) PERFORMANCE BY INDEPENDENT ENTITY.—To conduct the study under this section, the Secretaries shall select an independent entity in the private sector that has demonstrated expertise in issues regarding improved access for persons with disabilities. The Secretaries shall consult with the National Council on Disability regarding the selection of the independent entity.

(d) REPORT ON STUDY.—Not later than 18 months after the date of the enactment of this Act, the entity conducting the study shall submit to the Secretaries and the Congress a report that sets forth the results of the study.

SEC. 1012. COMMUNICATION SITE.

(a) IN GENERAL.—The site located directly below Inspiration Point within the San Jacinto Ranger District of the San Bernardino National Forest, California, on which communications facilities are located on August 1, 1998, is hereby designated to be used for communication purposes by the persons who operate such communications facilities on such data and their successors or assigns until such time as such persons, successors, or assigns no longer require the use of such site and provide written notice to that effect to the Forest Service.

(b) LIMITATION.—Nothing in this subsection (a) shall be construed to—

(1) excuse such persons, successors, or assigns from complying with requirements of law or regulation that do not unreasonably or unduly restrict the continued use of such site;

(2) require the site to be made available to other persons for communications use or other purposes; and

(3) require dedication of the site for continued use for communications purposes after the notice referred to in subsection (a).

SEC. 1013. AMENDMENT OF THE OUTER CONTINENTAL SHELF LANDS ACT.

Section 8(k)(2)(B) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(k)(2)(B)) is amended by striking ''an agency of the Federal Government'' and inserting ''a Federal, State, or local government agency''.

SEC. 1014. LEASING OF CERTAIN RESERVED MINERAL INTERESTS.

(a) APPLICATION OF MINERAL LEASING ACT.—Notwithstanding the provisions of section 4 of the 1964 Public Land Sale Act (P.L. 88–608, 78 Stat. 988), the Federal reserved mineral interests in lands conveyed under that Act by United States land patents No. 49–71–0059 and No. 49–71–0065 shall be subject to the operation of the Mineral Leasing Act (30 U.S.C. 181 et seq.).

(b) ENTRY.—Any person who acquires any lease under the Mineral Leasing Act for the interests referred to in subsection (a) may exercise the right to enter reserved to the United States and persons authorized by the United States in the patents conveying the lands described in subsection (a) by occupying so much of the surface thereof as may be required for all purposes reasonably incident to the exploration for, and extraction and removal of, the leased minerals by either of the following means:

(1) By securing the written consent or waiver of the patentee.

(2) In the absence of such consent or waiver, by posting a bond or other financial guarantee with the Secretary of the Interior in an amount sufficient to insure—

(A) the completion of reclamation pursuant to the Secretary's requirements under the Mineral Leasing Act, and

(B) the payment to the surface owner for—

(i) any damages to crops and tangible improvements of the surface owner that result from activities under the mineral lease, and

(ii) any permanent loss of income to the surface owner due to loss or impairment of grazing use, or of other uses of the land by the surface owner at the time of commencement of activities under the mineral lease.

(c) LANDS COVERED BY PATENT NO. 49–71–0065.—In the case of the lands in United States patent No. 49–71–0065, the preceding provisions of this section take effect January 1, 1997.

SEC. 1015. OIL AND GAS WELLS IN WAYNE NATIONAL FOREST, OHIO.

(a) AUTHORITY.—The Secretary of the Interior may enter into noncompetitive oil and gas production and reclamation contracts in accordance with this section with operators of wells in the Wayne National Forest in the State of Ohio who meet the criteria of section 17(b)(3)(A) of the Act of February 25, 1920 (30 U.S.C. 226(b)(3)(A)) pursuant to private land mineral leases which were in effect on and after the date of the enactment of this section, subject to the same laws and regulations that applied to those private land mineral leases.

(b) ADDITIONAL DRILLING.—No contract under this section may authorize deeper completions or additional drilling.

(c) BONDING.—

(1) WAIVER OF FEDERAL BONDING.—Each contract under this section shall require the contractor to provide a Federal oil and gas bond to ensure complete and timely reclamation of the former lease tract in accordance with the regulations of the Bureau of Land Management and the Forest Service, unless the Secretary of the Interior accepts in lieu thereof assurances from the Ohio Department of Natural Resources, Division of Oil and Gas, that—

(A) the contractor has duly satisfied the bonding requirements of the State of Ohio; and following inspection of operator performance, the Ohio Department of Natural Resources is not opposed to such waiver of Federal bonding requirements;

(B) the United States of America is entitled to apply for and receive funding under the provision of section 1509.071 of the Ohio Revised Code so as to properly plug and restore oil and gas sites and lease tracts; and

(C) during the 2 years prior to the date on which the contract is entered into no less than 20 percent of Ohio State severance tax revenues has been allocated to the State of Ohio Orphan Well Fund.

(2) CONTINUED COMPLIANCE WITH 20 PERCENT REQUIREMENT.—In entering into any contract under this section, the Secretary of the Interior shall reserve the right to require the contractor to comply with all Federal oil and gas bonding requirements applicable to Federal oil and gas leases under the regulations of the Bureau of Land Management and the Forest Service whenever the Secretary finds that less than 20 percent of Ohio State severance tax revenues has been allocated to the State of Ohio Orphan Well Fund.

SEC. 1016. MEMORIAL TO MR. BENJAMIN BANNEKER IN THE DISTRICT OF COLUMBIA.

(a) MEMORIAL AUTHORIZED.—The Washington Interdependence Council of the District of Columbia is authorized to establish a memorial in the District of Columbia to honor and commemorate the accomplishments of Mr. Benjamin Banneker.

(b) COMPLIANCE WITH STANDARDS FOR COMMEMORATIVE WORKS.—The establishment of the memorial shall be in accordance with the Commemorative Works Act (40 U.S.C. 1001 et seq.).

(c) PAYMENT OF EXPENSES.—The Washington Interdependence Council shall be solely responsible for acceptance of contributions for, and payment of the expenses of, the establishment of the memorial. No Federal funds may be used to pay any expense of the establishment of the memorial.

(d) DEPOSIT OF EXCESS FUNDS.—If, upon payment of all expenses of the establishment

of the memorial (including the maintenance and preservation amount required under section 8(b) of the Commemorative Works Act (40 U.S.C. 1008(b))), or upon expiration of the authority for the memorial under section 10(b) of such Act (40 U.S.C. 1010(b)), there remains a balance of funds received for the establishment of the memorial, the Washington Interdependence Council shall transmit the amount of the balance to the Secretary of the Treasury for deposit in the account provided for in section 8(b)(1) of such Act (40 U.S.C. 1008(b)(1)).

TITLE XI—AMENDMENTS AND TECHNICAL CORRECTIONS TO 1996 OMNIBUS PARKS ACT

SEC. 1100. REFERENCE TO OMNIBUS PARKS AND PUBLIC LANDS MANAGEMENT ACT OF 1996.

In this title, the term ''Omnibus Parks Act'' means the Omnibus Parks and Public Lands Management Act of 1996 (Public Law 104–333; 110 Stat. 4093).

Subtitle A—Technical Corrections to the Omnibus Parks Act

SEC. 1101. PRESIDIO OF SAN FRANCISCO.

Title I of division I of the Omnibus Parks Act (16 U.S.C. 460bb note) is amended as follows:

(1) In section 101(2) (110 Stat. 4097), by striking ''the Presidio is'' and inserting ''the Presidio was''.

(2) In section 103(b)(1) (110 Stat. 4099), by striking ''other lands administrated by the Secretary.'' in the last sentence and inserting ''other lands administered by the Secretary.''.

(3) In section 105(a)(2) (110 Stat. 4104), by striking ''in accordance with section 104(h) of this title.'' and inserting ''in accordance with section 104(i) of this title.''.

SEC. 1102. COLONIAL NATIONAL HISTORICAL PARK.

Section 211(d) of division I of the Omnibus Parks Act (110 Stat. 4110; 16 U.S.C. 81p) is amended by striking ''depicted on the map dated August 1993, numbered 333/80031A,'' and inserting ''depicted on the map dated August 1996, numbered 333/80331B,''.

SEC. 1103. MERCED IRRIGATION DISTRICT.

Section 218(a) of division I of the Omnibus Parks Act (110 Stat. 4113) is amended by striking ''this Act'' and inserting ''this section''.

SEC. 1104. BIG THICKET NATIONAL PRESERVE.

Section 306 of division I of the Omnibus Parks Act (110 Stat. 4132; 16 U.S.C. 698 note) is amended as follows:

(1) In subsection (d), by striking ''until the earlier of the consummation of the exchange of July 1, 1998,'' and inserting ''until the earlier of the consummation of the exchange or July 1, 1998,''.

(2) In subsection (f)(2), by striking ''Menard Creek'' and inserting ''the Mendard Creek''.

(3) In subsection (g), by striking ''Menard Creek'' and inserting ''Mendard Creek''.

SEC. 1105. KENAI NATIVES ASSOCIATION LAND EXCHANGE.

Section 311 of division I of the Omnibus Parks Act (110 Stat. 4139) is amended as follows:

(1) In subsection (d)(2)(B)(ii), by striking ''W, Seward Meridian'' and inserting ''W., Seward Meridian''.

(2) In subsection (f)(1), by striking ''to be know'' and inserting ''to be known''.

SEC. 1106. LAMPREY WILD AND SCENIC RIVER.

(a) TECHNICAL CORRECTION.—Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C 1274(a)), as amended by section 405(a) of division I of the Omnibus Parks Act (110 Stat. 4149), is amended in the second sentence of the unnumbered paragraph relating to the Lamprey River, New Hampshire, by striking ''through cooperation agreements'' and inserting ''through cooperative agreements''.

(b) CROSS REFERENCE.—Section 405(b)(1) of division I of the Omnibus Parks Act (110 Stat. 4149; 16 U.S.C. 1274 note) is amended by striking ''this Act'' and inserting ''the Wild and Scenic Rivers Act''.

SEC. 1107. VANCOUVER NATIONAL HISTORIC RESERVE.

Section 502(a) of division I of the Omnibus Parks Act (110 Stat. 4154; 16 U.S.C. 461 note) is amended by striking ''by the Vancouver Historical Assessment' published''.

SEC. 1108. MEMORIAL TO MARTIN LUTHER KING, JR.

Section 508 of division I of the Omnibus Parks Act (110 Stat. 4157, 40 U.S.C. 1003 note) is amended as follows:

(1) In subsection (a), by striking ''of 1986'' and inserting ''(40 U.S.C. 1001 et seq.)'';.

(2) In subsection (b), by striking ''the Act'' and all that follows through ''1986'' and inserting ''the Commemorative Works Act''.

(3) In subsection (d), by striking ''the Act referred to in section 4401(b))'' and inserting ''the Commemorative Works Act)''.

SEC. 1109. ADVISORY COUNCIL ON HISTORIC PRESERVATION.

The first sentence of section 205(g) of the National Historic Preservation Act (16 U.S.C. 470m(g)), as amended by section 509(c) of division I of the Omnibus Parks Act (110 Stat. 4157), is amended by striking ''for the purpose.'' and inserting ''for that purpose.''.

SEC. 1110. GREAT FALLS HISTORIC DISTRICT, NEW JERSEY.

Section 510(a)(1) of division I of the Omnibus Parks Act (110 Stat. 4158; 16 U.S.C. 461 note) is amended by striking ''the contribution of our national heritage'' and inserting ''the contribution to our national heritage''.

SEC. 1111. NEW BEDFORD WHALING NATIONAL HISTORICAL PARK.

(a) Section 511 of division I of the Omnibus Parks Act (110 Stat. 4159; 16 U.S.C. 410ddd) is amended as follows:

(1) In the section heading, by striking ''**NATIONAL HISTORIC LANDMARK DISTRICT**'' and inserting ''**WHALING NATIONAL HISTORICAL PARK**''.

(2) In subsection (c)—

(A) in paragraph (1), by striking ''certain districts structures, and relics'' and inserting ''certain districts, structures, and relics''; and

(B) in paragraph (2)(A)(i), by striking ''The area included with the New Bedford National Historic Landmark District, known as the'' and inserting ''The area included within the New Bedford Historic District (a National Landmark District), also known as the''.

(3) In subsection (d)(2), by striking ''to provide''.

(4) By redesignating the second subsection (e) and subsection (f) as subsections (f) and (g), respectively.

(5) In subsection (g), as so redesignated—

(A) in paragraph (1), by striking ''section 3(D).'' and inserting ''subsection (d).''; and

(B) in paragraph (2)(C), by striking ''cooperative grants under subsection (d)(2).'' and inserting ''cooperative agreements under subsection (e)(2).''.

SEC. 1112. NICODEMUS NATIONAL HISTORIC SITE.

Section 512(a)(1)(B) of division I of the Omnibus Parks Act (110 Stat. 4163; 16 U.S.C. 461 note) is amended by striking ''Afican-Americans'' and inserting ''African-Americans''.

SEC. 1113. UNALASKA.

Section 513(c) of division I of the Omnibus Parks Act (110 Stat. 4165; 16 U.S.C. 461 note) is amended by striking ''whall be comprised'' and inserting ''shall be comprised''.

SEC. 1114. REVOLUTIONARY WAR AND WAR OF 1812 HISTORIC PRESERVATION STUDY.

Section 603(d)(2) of division I of the Omnibus Parks Act (110 Stat. 4172; 16 U.S.C. 1a–5 note) is amended by striking ''subsection (b) shall—'' and inserting ''paragraph (1) shall—''.

SEC. 1115. SHENANDOAH VALLEY BATTLEFIELDS.

Section 606 of division I of the Omnibus Parks Act (110 Stat. 4175; 16 U.S.C. 461 note) is amended as follows:

(1) In subsection (d)—

(A) in paragraph (1), by striking ''section 5.'' and inserting ''subsection (e).'';

(B) in paragraph (2), by striking ''section 9.'' and inserting ''subsection (h).''; and

(C) in paragraph (3), by striking ''Commission plan approved by the Secretary under section 6.'' and inserting ''plan developed and approved under subsection (f).''.

(2) In subsection (f)(1), by striking ''this Act'' and inserting ''this section''.

(3) In subsection (g)—

(A) in paragraph (3), by striking ''purposes of this Act'' and inserting ''purposes of this section''; and

(B) in paragraph (5), by striking ''section 9.'' and inserting ''subsection (i).''.

(4) In subsection (h)(12), by striking ''this Act'' and inserting ''this section''.

SEC. 1116. WASHITA BATTLEFIELD.

Section 607 of division I of the Omnibus Parks Act (110 Stat. 4181; 16 U.S.C. 461 note) is amended—

(1) in subsection (c)(3), by striking ''this Act'' and inserting ''this section''; and

(2) in subsection (d)(2), by striking ''local land owners'' and inserting ''local landowners''.

SEC. 1117. SKI AREA PERMIT RENTAL CHARGE.

Section 701 of division I of the Omnibus Parks Act (110 Stat 4182; 16 U.S.C. 497c) is amended as follows:

(1) In subsection (b)(3), by striking ''legislated by this Act'' and inserting ''required by this section''.

(2) In subsection (d)—

(A) in the matter preceding paragraph (1), by striking ''formula of this Act'' and inserting ''formula of this section'';

(B) in paragraphs (1), (2), and (3), by striking ''this Act'' each place it appears and inserting ''this section''; and

(C) in the sentence below paragraph (3)—

(i) by inserting ''adjusted gross revenue for the'' before ''1994–1995 base year''; and

(ii) by striking ''this Act'' and inserting ''this section''.

(3) In subsection (f)—

(A) by striking ''sublessees'' and inserting ''subpermittees''; and

(B) by inserting inside the parenthesis ''offered for commercial or other promotional purposes'' after ''complimentary lift tickets''.

(4) In subsection (i), by striking ''this Act'' and inserting ''this section''.

SEC. 1118. GLACIER BAY NATIONAL PARK.

Section 3 of Public Law 91–383 (16 U.S.C. 1a–2), as amended by section 703 of division I of the Omnibus Parks Act (110 Stat. 4185), is amended as follows:

(1) In subsection (g), by striking ''bearing the cost of such exhibits and demonstrations;'' and inserting ''bearing the cost of such exhibits and demonstrations.''.

(2) By capitalizing the first letter of the first word in each of the subsections (a) through (i).

(3) By striking the semicolon at the end of each of the subsections (a) through (f) and at the end of subsection (h) and inserting a period.

(4) In subsection (i), by striking ''; and'' and inserting a period.

(5) By conforming the margins of subsection (j) with the margins of the preceding subsections.

SEC. 1119. ROBERT J. LAGOMARSINO VISITOR CENTER.

Section 809(b) of division I of the Omnibus Parks Act (110 Stat. 4189; 16 U.S.C. 410ff note)

is amended by striking ''section 301'' and inserting ''subsection (a)''.

SEC. 1120. NATIONAL PARK SERVICE ADMINISTRATIVE REFORM.

(a) TECHNICAL CORRECTIONS.—Section 814 of division I of the Omnibus Parks Act (110 Stat. 4190) is amended as follows:

(1) In subsection (a) (16 U.S.C. 17o note)—

(A) in paragraph (6), by striking ''this Act'' and inserting ''this section'';

(B) in paragraph (7)(B), by striking ''COMPTETITIVE LEASING.—'' and inserting ''COMPETITIVE LEASING.—'';

(C) in paragraph (9), by striking ''granted by statue'' and inserting ''granted by statute'';

(D) in paragraph (11)(B)(ii), by striking ''more cost effective'' and inserting ''more cost-effective'';

(E) in paragraph (13), by striking ''paragraph (13),'' and inserting ''paragraph (12),''; and

(F) in paragraph (18), by striking ''under paragraph (7)(A)(i)(I), any lease under paragraph (11)(B), and any lease of seasonal quarters under subsection (l),'' and inserting ''under paragraph (7)(A) and any lease under paragraph (11)''.

(2) In subsection (d)(2)(E), by striking ''is amended''.

(b) CHANGE TO PLURAL.—Section 7(c)(2) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–9(c)(2)), as added by section 814(b) of the Omnibus Parks Act (110 Stat. 4194), is amended as follows:

(1) In subparagraph (C), by striking ''lands, water, and interest therein'' and inserting ''lands, waters, and interests therein''.

(2) In subparagraph (F), by striking ''lands, water, or interests therein, or a portion of whose lands, water, or interests therein,'' and inserting ''lands, waters, or interests therein, or a portion of whose lands, waters, or interests therein,''.

SEC. 1121. BLACKSTONE RIVER VALLEY NATIONAL HERITAGE CORRIDOR.

Section 6(d)(2) of the Act entitled ''An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island'', approved November 10, 1986 (Public Law 99–647; 16 U.S.C. 461 note), as added by section 901(c) of division I of the Omnibus Parks Act (110 Stat. 4202), is amended by striking ''may be made in the approval plan'' and inserting ''may be made in the approved plan''.

SEC. 1122. TALLGRASS PRAIRIE NATIONAL PRESERVE.

Subtitle A of title X of division I of the Omnibus Parks Act is amended as follows:

(1) In section 1002(a)(4)(A) (110 Stat. 4204; 16 U.S.C. 689u(a)(4)(A)), by striking ''to purchase'' and inserting ''to acquire''.

(2) In section 1004(b) (110 Stat. 4205; 16 U.S.C. 689u–2(b)), by striking ''of June 3, 1994,'' and inserting ''on June 3, 1994,''.

(3) In section 1005 (110 Stat. 4205; 16 U.S.C. 689u–3)—

(A) in subsection (d)(1), by striking ''this Act'' and inserting ''this subtitle''; and

(B) in subsection (g)(3)(A), by striking ''the tall grass prairie'' and inserting ''the tallgrass prairie''.

SEC. 1123. RECREATION LAKES.

(a) TECHNICAL CORRECTIONS.—Section 1021(a) of division I of the Omnibus Parks Act (110 Stat. 4210; 16 U.S.C. 460l–10e note) is amended as follows:

(1) By striking ''manmade lakes'' both places it appears and inserting ''man-made lakes''.

(2) By striking ''for recreational opportunities at federally-managed'' and inserting ''for recreational opportunities at federally managed''.

(b) ADVISORY COMMISSION.—Section 13 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–10e), as added by section 1021(b) of the Omnibus Parks Act (110 Stat. 4210), is amended as follows:

(1) In subsection (b)(6), by striking ''recreation related infrastructure.'' and inserting ''recreation-related infrastructure.''.

(2) In subsection (e)—

(A) by striking ''water related recreation'' in the first sentence and inserting ''water-related recreation'';

(B) in paragraph (2), by striking ''at federally-managed lakes'' and inserting ''at federally managed lakes''; and

(C) by striking ''manmade lakes'' each place it appears and inserting ''man-made lakes''.

SEC. 1124. FOSSIL FOREST PROTECTION.

Section 103 of the San Juan Basin Wilderness Protection Act of 1984 (43 U.S.C. 178), as amended by section 1022(e) of the Omnibus Parks Act (110 Stat. 4213), is amended as follows:

(1) In subsections (b)(1) and (e)(1), by striking ''Committee on Natural Resources'' and inserting ''Committee on Resources''.

(2) In subsection (e)(1), by striking ''this Act'' and inserting ''this subsection''.

SEC. 1125. OPAL CREEK WILDERNESS AND SCENIC RECREATION AREA.

Section 1023(c)(1)(A) of division I of the Omnibus Parks Act (110 Stat. 4215; 16 U.S.C. 545b(c)(1)(A)) is amended by striking ''of 1964''.

SEC. 1126. BOSTON HARBOR ISLANDS NATIONAL RECREATION AREA.

Section 1029 of division I of the Omnibus Parks Act (110 Stat. 4232; 16 U.S.C. 460kkk) is amended as follows:

(1) In the section heading, by striking ''**RECREATION AREA**'' and inserting ''**NATIONAL RECREATION AREA**''.

(2) In subsection (e)(3)(B), by striking ''subsections (b) (3), (4), (5), (6), (7), (8), (9), and (10).'' and inserting ''subparagraphs (C), (D), (E), (F), (G), (H), (I), and (J) of paragraph (2).''.

(3) In subsection (f)(2)(A)(i), by striking ''profit sector roles'' and inserting ''private-sector roles''.

(4) In subsection (g)(1), by striking ''and revenue raising activities.'' and inserting ''and revenue-raising activities.''.

SEC. 1127. NATCHEZ NATIONAL HISTORICAL PARK.

Section 3(b)(1) of Public Law 100–479 (16 U.S.C. 410oo–2(b)(1)), as added by section 1030 of the Omnibus Parks Act (110 Stat. 4238), is amended by striking ''and visitors' center'' and inserting ''and visitor center''.

SEC. 1128. REGULATION OF FISHING IN CERTAIN WATERS OF ALASKA.

Section 1035 of division I of the Omnibus Parks Act (110 Stat. 2240) is amended as follows:

(1) In the section heading, by striking ''**REGULATIONS**'' and inserting ''**REGULATION**''.

(2) In subsection (c), by striking ''this Act'' and inserting ''this section''.

SEC. 1129. NATIONAL COAL HERITAGE AREA.

Title I of division II of the Omnibus Parks Act (16 U.S.C. 461 note) is amended as follows:

(1) In section 104(4) (110 Stat. 4244), by striking ''history preservation'' and inserting ''historic preservation''.

(2) In section 105 (110 Stat. 4244), by striking ''paragraphs (2) and (5) of section 104'' and inserting ''paragraph (2) of section 104''.

(3) In section 106(a)(3) (110 Stat. 4244), by striking ''or Secretary'' and inserting ''or the Secretary''.

SEC. 1130. TENNESSEE CIVIL WAR HERITAGE AREA.

Title II of division II of the Omnibus Parks Act (16 U.S.C. 461 note) is amended as follows:

(1) In section 201(b)(4) (110 Stat. 4245), by striking ''and associated sites associated'' and insert ''and sites associated''.

(2) In section 207(a) (110 Stat. 4248), by striking ''as provide for'' and inserting ''as provided for''.

SEC. 1131. AUGUSTA CANAL NATIONAL HERITAGE AREA.

Section 301(1) of division II of the Omnibus Parks Act (110 Stat. 4249; 16 U.S.C. 461 note) is amended by striking ''National Historic Register of Historic Places,'' and inserting ''National Register of Historic Places,''.

SEC. 1132. ESSEX NATIONAL HERITAGE AREA.

Section 501(8) of division II of the Omnibus Parks Act (110 Stat. 4257; 16 U.S.C. 461 note) is amended by striking ''a visitors' center'' and inserting ''a visitor center''.

SEC. 1133. OHIO & ERIE CANAL NATIONAL HERITAGE CORRIDOR.

Title VIII of division II of the Omnibus Parks Act (16 U.S.C. 461 note) is amended as follows:

(1) In section 805(b)(2) (110 Stat. 4269), by striking ''One individuals,'' and inserting ''One individual,''.

(2) In section 808(a)(3)(A) (110 Stat. 4279), by striking ''from the Committee.'' and inserting ''from the Committee,''.

Subtitle B—Other Amendments to Omnibus Parks Act

SEC. 1151. BLACK REVOLUTIONARY WAR PATRIOTS MEMORIAL EXTENSION.

Section 506 of division I of the Omnibus Parks Act (40 U.S.C. 1003 note; 110 Stat. 4155) is amended by striking ''October 27, 1998'' and inserting ''October 27, 2003''.

TITLE XII—DUTCH JOHN FEDERAL PROPERTY DISPOSITION AND ASSISTANCE

SEC. 1201. SHORT TITLE.

This title may be cited as the ''Dutch John Federal Property Disposition and Assistance Act of 1998''.

SEC. 1202. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1)(A) Dutch John, Utah, was founded by the Secretary of the Interior in 1958 on Bureau of Reclamation land as a community to house personnel, administrative offices, and equipment for project construction and operation of the Flaming Gorge Dam and Reservoir as authorized by the Act of April 11, 1956 (70 Stat. 105, chapter 203; 43 U.S.C. 620 et seq.); and

(B) permanent structures (including houses, administrative offices, equipment storage and maintenance buildings, and other public buildings and facilities) were constructed and continue to be owned and maintained by the Secretary of the Interior;

(2)(A) Bureau of Reclamation land surrounding the Flaming Gorge Reservoir (including the Dutch John community) was included within the boundaries of the Flaming Gorge National Recreation Area in 1968 under Public Law 90–540 (16 U.S.C. 460v et seq.);

(B) Public Law 90–540 assigned responsibility for administration, protection, and development of the Flaming Gorge National Recreation Area to the Secretary of Agriculture and provided that lands and waters needed or used for the Colorado River Storage Project would continue to be administered by the Secretary of the Interior; and

(C) most structures within the Dutch John community (including the schools and public buildings within the community) occupy lands administered by the Secretary of Agriculture;

(3)(A) the Secretary of Agriculture and the Secretary of the Interior are unnecessarily burdened with the cost of continuing to provide basic services and facilities and building maintenance and with the administrative costs of operating the Dutch John community; and

(B) certain structures and lands are no longer essential to management of the Colorado River Storage Project or to management of the Flaming Gorge National Recreation Area;

(4)(A) residents of the community are interested in purchasing the homes they currently rent from the Secretary of the Interior and the land on which the homes are located;

(B) Daggett County, Utah, is interested in reducing the financial burden the County experiences in providing local government support services to a community that produces little direct tax revenue because of Federal ownership; and

(C) a withdrawal of the role of the Federal Government in providing basic direct community services to Dutch John would require local government to provide the services at a substantial cost;

(5)(A) residents of the Dutch John community are interested in self-government of the community; and

(B) with growing demands for additional commercial recreation services for visitors to the Flaming Gorge National Recreation Area and Ashley National Forest, there are opportunities for private economic development, but few private lands are available for the services; and

(6) the privatization and disposal to local government of certain lands in and surrounding Dutch John would be in the public interest.

(b) PURPOSES.—The purposes of this title are—

(1) to privatize certain lands in and surrounding Dutch John, Utah;

(2) to transfer jurisdiction of certain Federal property between the Secretary of Agriculture and the Secretary of the Interior;

(3) to improve the Flaming Gorge National Recreation Area;

(4) to dispose of certain residential units, public buildings, and facilities;

(5) to provide interim financial assistance to local government to defray the cost of providing basic governmental services;

(6) to achieve efficiencies in operation of the Flaming Gorge Dam and Reservoir and the Flaming Gorge National Recreation Area;

(7) to reduce long-term Federal outlays; and

(8) to serve the interests of the residents of Dutch John and Daggett County, Utah, and the general public.

SEC. 1203. DEFINITIONS.

In this title:

(1) SECRETARY OF AGRICULTURE.—The term ''Secretary of Agriculture'' means the Secretary of Agriculture, acting through the Chief of the Forest Service.

(2) SECRETARY OF THE INTERIOR.—The term ''Secretary of the Interior'' means the Secretary of the Interior, acting through the Commissioner of the Bureau of Reclamation.

SEC. 1204. DISPOSITION OF CERTAIN LANDS AND PROPERTIES.

(a) IN GENERAL.—Lands, structures, and community infrastructure facilities within or associated with Dutch John, Utah, that have been identified by the Secretary of Agriculture or the Secretary of the Interior as unnecessary for support of the agency of the respective Secretary shall be transferred or disposed of in accordance with this title.

(b) LAND DESCRIPTION.—Except as provided in subsection (e), the Secretary of Agriculture and the Secretary of the Interior shall dispose of (in accordance with this title) approximately 2,450 acres within or associated with the Dutch John, Utah, community in the NW¼ NW¼, S½ NW¼, and S½ of Section 1, the S½ of Section 2, 10 acres more or less within the NE¼ SW¼ of Section 3, Sections 11 and 12, the N½ of Section 13, and the E½ NE¼ of Section 14 of Township 2 North, Range 22 East, Salt Lake Base and Meridian, that have been determined to be available for transfer by the Secretary of Agriculture and the Secretary of the Interior, respectively.

(c) INFRASTRUCTURE FACILITIES AND LAND.—Except as provided in subsection (e), the Secretary of the Interior shall dispose of (in accordance with this title) community infrastructure facilities and land that have been determined to be available for transfer by the Secretary of the Interior, including the following:

(1) The fire station, sewer systems, sewage lagoons, water systems (except as provided in subsection (e)(3)), old post office, electrical and natural gas distribution systems, hospital building, streets, street lighting, alleys, sidewalks, parks, and community buildings located within or serving Dutch John, including fixtures, equipment, land, easements, rights-of-way, or other property primarily used for the operation, maintenance, replacement, or repair of a facility referred to in this paragraph.

(2) The Dutch John Airport, comprising approximately 25 acres, including runways, roads, rights-of-way, and appurtenances to the Airport, subject to such monitoring and remedial action by the United States as is necessary.

(3) The lands on which are located the Dutch John public schools, which comprise approximately 10 acres.

(d) OTHER PROPERTIES AND FACILITIES.—The Secretary of Agriculture and the Secretary of the Interior shall dispose of (in accordance with this title) the other properties and facilities that have been determined to be available for transfer or disposal by the Secretary of Agriculture and the Secretary of the Interior, respectively, including the following:

(1) Certain residential units occupied on the date of enactment of this Act, as determined by the Secretary of the Interior.

(2) Certain residential units unoccupied on the date of enactment of this Act, as determined by the Secretary of the Interior.

(3) Lots within the Dutch John community that are occupied on the date of enactment of this Act by privately owned modular homes under lease agreements with the Secretary of the Interior.

(4) Unoccupied platted lots within the Dutch John community.

(5) The land, comprising approximately 3.8 acres, on which is located the Church of Jesus Christ of Latter Day Saints, within Block 9, of the Dutch John community.

(6) The lands for which special use permits, easements, or rights-of-way for commercial uses have been issued by the Forest Service.

(7) The lands on which are located the offices, 3 employee residences, warehouses, and facilities of the Utah Division of Wildlife Resources, as described in the survey required under section 1207, including yards and land defined by fences in existence on the date of enactment of this Act.

(8) The Dutch John landfill site, subject to such monitoring and remedial action by the United States as is necessary, with responsibility for monitoring and remediation being shared by the Secretary of Agriculture and the Secretary of the Interior proportionate to their historical use of the site.

(9) Such fixtures and furnishing in existence and in place on the date of enactment of this Act as are mutually determined by Daggett County, the Secretary of Agriculture, and the Secretary of the Interior to be necessary for the full use of properties or facilities disposed of under this title.

(10) Such other properties or facilities at Dutch John that the Secretary of Agriculture or the Secretary of the Interior determines are not necessary to achieve the mission of the respective Secretary and the disposal of which would be consistent with this title.

(e) RETAINED PROPERTIES.—Except to the extent the following properties are determined by the Secretary of Agriculture or the Secretary of the Interior to be available for disposal, the Secretary of Agriculture and the Secretary of the Interior shall retain for their respective use the following:

(1) All buildings and improvements located within the industrial complex of the Bureau of Reclamation, including the maintenance shop, 40 industrial garages, 2 warehouses, the equipment storage building, the flammable equipment storage building, the hazardous waste storage facility, and the property on which the buildings and improvements are located.

(2) 17 residences under the jurisdiction of the Secretary of the Interior and the Secretary of Agriculture, of which—

(A) 15 residences shall remain under the jurisdiction of the Secretary of the Interior; and

(B) 2 residences shall remain under the jurisdiction of the Secretary of Agriculture.

(3) The Dutch John water system raw water supply line and return line between the power plant and the water treatment plant, pumps and pumping equipment, and any appurtenances and rights-of-way to the line and other facilities, with the retained facilities to be operated and maintained by the United States with pumping costs and operation and maintenance costs of the pumps to be included as a cost to Daggett County in a water service contract.

(4) The heliport and associated real estate, consisting of approximately 20 acres, which shall remain under the jurisdiction of the Secretary of Agriculture.

(5) The Forest Service warehouse complex and associated real estate, consisting of approximately 2 acres, which shall remain under the jurisdiction of the Secretary of Agriculture.

(6) The Forest Service office complex and associated real estate, which shall remain under the jurisdiction of the Secretary of Agriculture.

(7) The United States Post Office, pursuant to Forest Service Special Use Permit No. 1073, which shall be transferred to the jurisdiction of the United States Postal Service pursuant to section 1206(d).

SEC. 1205. REVOCATION OF WITHDRAWALS.

In the case of lands and properties transferred under section 1204, effective on the date of transfer to the Secretary of the Interior (if applicable) or conveyance by quitclaim deed out of Federal ownership, authorization for each of the following withdrawals is revoked:

(1) The Public Water Reserve No. 16, Utah No. 7, dated March 9, 1914.

(2) The Secretary of the Interior Order dated October 20, 1952.

(3) The Secretary of the Interior Order dated July 2, 1956, No. 71676.

(4) The Flaming Gorge National Recreation Area, dated October 1, 1968, established under Public Law 90–540 (16 U.S.C. 460v et seq.), as to lands described in section 1204(b).

(5) The Dutch John Administrative Site, dated December 12, 1951 (PLO 769, U–0611).

SEC. 1206. TRANSFERS OF JURISDICTION.

(a) TRANSFERS FROM THE SECRETARY OF AGRICULTURE.—Except for properties retained under section 1204(e), all lands designated under section 1204 for disposal shall be—

(1) transferred from the jurisdiction of the Secretary of Agriculture to the Secretary of the Interior and, if appropriate, the United States Postal Service; and

(2) removed from inclusion in the Ashley National Forest and the Flaming Gorge National Recreation Area.

(b) EXCHANGE OF JURISDICTION BETWEEN INTERIOR AND AGRICULTURE.—

(1) TRANSFER TO SECRETARY OF AGRICULTURE.—The Secretary of the Interior shall transfer to the Secretary of Agriculture administrative jurisdiction over certain lands and interests in lands, consisting of approximately 2,167 acres in Duchesne and Wasatch Counties, Utah, which were acquired by the Secretary of the Interior for the Central Utah Project, as depicted on the following maps:

(A) The map entitled ''The Dutch John Townsite, Ashley National Forest, Lower Stillwater'', dated February 1997.

(B) The map entitled ''The Dutch John Townsite, Ashley National Forest, Red Hollow (Diamond Properties)'', dated February 1997.

(C) The map entitled ''The Dutch John Townsite, Ashley National Forest, Coal Hollow (Current Creek Reservoir)'', dated February 1997.

(2) TRANSFER TO SECRETARY OF THE INTERIOR.—The Secretary of Agriculture shall transfer to the Secretary of the Interior administrative jurisdiction over certain lands and interests in lands, consisting of approximately 2,450 acres in the Ashley National Forest, as depicted on the map entitled ''Ashley National Forest, Lands to be Transferred to the Bureau of Reclamation (BOR) from the Forest Service'', dated February 1997.

(3) EFFECT OF EXCHANGE.—

(A) NATIONAL FORESTS.—The lands and interests in land transferred to the Secretary of Agriculture under paragraph (1) shall become part of the Ashley or Uinta National Forest, as appropriate. The boundaries of each of the National Forests are hereby adjusted as appropriate to reflect the transfers of administrative jurisdiction.

(B) MANAGEMENT.—The Secretary of Agriculture shall manage the lands and interests in land transferred to the Secretary of Agriculture under paragraph (1) in accordance with the Act of March 1, 1911 (commonly known as the ''Weeks Law'') (36 Stat. 962, chapter 186; 16 U.S.C. 515 et seq.), and other laws (including rules and regulations) applicable to the National Forest System.

(C) WILDLIFE MITIGATION.—As of the date of the transfer under paragraph (1), the wildlife mitigation requirements of section 8 of the Act of April 11, 1956 (43 U.S.C. 620g), shall be deemed to be met.

(D) ADJUSTMENT OF BOUNDARIES.—This paragraph does not limit the authority of the Secretary of Agriculture to adjust the boundaries of the Ashley or Uinta National Forest pursuant to section 11 of the Act of March 1, 1911 (commonly known as the ''Weeks Law'') (36 Stat. 963, chapter 186; 16 U.S.C. 521).

(4) LAND AND WATER CONSERVATION FUND.—For the purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–9), the boundaries of the Ashley and Uinta National Forests, as adjusted under this section, shall be considered to be the boundaries of the Forests as of January 1, 1965.

(c) FEDERAL IMPROVEMENTS.—The Secretary of the Interior shall transfer to the Secretary of Agriculture jurisdiction over Federal improvements on the lands transferred to the Secretary of Agriculture under this section.

(d) TRANSFER TO UNITED STATES POSTAL SERVICE.—The Secretary of Agriculture shall transfer to the United States Postal Service administrative jurisdiction over certain lands and interests in land subject to Forest Service Special Use Permit No. 1073, containing approximately 0.34 acres.

(e) WITHDRAWALS.—Notwithstanding subsection (a), lands retained by the Federal Government under this title shall continue to be withdrawn from mineral entry under the United States mining laws.

SEC. 1207. SURVEYS.

The Secretary of the Interior shall survey or resurvey all or portions of the Dutch John community as necessary—

(1) to accurately describe parcels identified under this title for transfer among agencies, for Federal disposal, or for retention by the United States; and

(2) to facilitate future recordation of title.

SEC. 1208. PLANNING.

(a) RESPONSIBILITY.—In cooperation with the residents of Dutch John, the Secretary of Agriculture, and the Secretary of the Interior, Daggett County, Utah, shall be responsible for developing a land use plan that is consistent with maintenance of the values of the land that is adjacent to land that remains under the jurisdiction of the Secretary of Agriculture or Secretary of the Interior under this title.

(b) COOPERATION.—The Secretary of Agriculture and the Secretary of the Interior shall cooperate with Daggett County in ensuring that disposal processes are consistent with the land use plan developed under subsection (a) and with this title.

SEC. 1209. APPRAISALS.

(a) REQUIREMENTS.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of the Interior shall conduct appraisals to determine the fair market value of properties designated for disposal under paragraphs (1), (2), (3), (5), and (7) of section 1204(d).

(2) UNOCCUPIED PLATTED LOTS.—Not later than 90 days after the date of receipt by the Secretary of the Interior from an eligible purchaser of a written notice of intent to purchase an unoccupied platted lot referred to in section 1204(d)(4), the Secretary of the Interior shall conduct an appraisal of the lot.

(3) SPECIAL USE PERMITS.—

(A) IN GENERAL.—Not later than 90 days after the date of receipt by the Secretary of the Interior from a permit holder of a written notice of intent to purchase a property described in section 1210(g), the Secretary of the Interior shall conduct an appraisal of the property.

(B) IMPROVEMENTS AND ALTERNATIVE LAND.—An appraisal to carry out subparagraph (A) may include an appraisal of the value of permit holder improvements and alternative land in order to conduct an in-lieu land sale.

(4) OCCUPIED PARCELS.—In the case of an occupied parcel, an appraisal under this subsection shall include an appraisal of the full fee value of the occupied lot or land parcel and the value of residences, structures, facilities, and existing, in-place federally owned fixtures and furnishings necessary for full use of the property.

(5) UNOCCUPIED PARCELS.—In the case of an unoccupied parcel, an appraisal under this subsection shall consider potential future uses of the parcel that are consistent with the land use plan developed under section 1208(a) (including the land use map of the plan) and with subsection (c).

(6) FUNDING.—Funds for appraisals conducted under this section shall be derived from the Upper Colorado River Basin Fund authorized by section 5 of the Act of April 11, 1956 (70 Stat. 107, chapter 203; 43 U.S.C. 620d).

(b) REDUCTIONS FOR IMPROVEMENTS.—An appraisal of a residence or a structure or facility leased for private use under this section shall deduct the contributory value of improvements made by the current occupant or lessee if the occupant or lessee provides reasonable evidence of expenditure of money or materials in making the improvements.

(c) CURRENT USE.—An appraisal under this section shall consider the current use of a property (including the use of housing as a community residence) and avoid uncertain speculation as to potential future use.

(d) REVIEW.—

(1) IN GENERAL.—The Secretary of the Interior shall make an appraisal under this section available for review by a current occupant or lessee.

(2) ADDITIONAL INFORMATION OR APPEAL.—

(A) IN GENERAL.—The current occupant or lessee may provide additional information, or appeal the findings of the appraisal in writing, to the Upper Colorado Regional Director of the Bureau of Reclamation.

(B) ACTION BY SECRETARY OF THE INTERIOR.—The Secretary of the Interior—

(i) shall consider the additional information or appeal; and

(ii) may conduct a second appraisal if the Secretary determines that a second appraisal is necessary.

(e) INSPECTION.—The Secretary of the Interior shall provide opportunities for other qualified, interested purchasers to inspect completed appraisals under this section.

SEC. 1210. DISPOSAL OF PROPERTIES.

(a) CONVEYANCES.—

(1) PATENTS.—The Secretary of the Interior shall dispose of properties identified for disposal under section 1204, other than properties retained under section 1204(e), without regard to law governing patents.

(2) CONDITION AND LAND.—Except as otherwise provided in this title, conveyance of a building, structure, or facility under this title shall be in its current condition and shall include the land parcel on which the building, structure, or facility is situated.

(3) FIXTURES AND FURNISHINGS.—An existing and in-place fixture or furnishing necessary for the full use of a property or facility under this title shall be conveyed along with the property.

(4) MAINTENANCE.—

(A) BEFORE CONVEYANCE.—Before property is conveyed under this title, the Secretary of the Interior shall ensure reasonable and prudent maintenance and proper care of the property.

(B) AFTER CONVEYANCE.—After property is conveyed to a recipient under this title, the recipient shall be responsible for—

(i) maintenance and proper care of the property; and

(ii) any contamination of the property.

(b) INFRASTRUCTURE FACILITIES AND LAND.—Infrastructure facilities and land described in paragraphs (1) and (2) of section 1204(c) shall be conveyed, without consideration, to Daggett County, Utah.

(c) SCHOOL.—The lands on which are located the Dutch John public schools described in section 1204(c)(3) shall be conveyed, without consideration, to the Daggett County School District.

(d) UTAH DIVISION OF WILDLIFE RESOURCES.—Lands on which are located the offices, 3 employee residences, warehouses, and facilities of the Utah Division of Wildlife Resources described in section 1204(d)(7) shall be conveyed, without consideration, to the Division.

(e) RESIDENCES AND LOTS.—

(1) IN GENERAL.—

(A) FAIR MARKET VALUE.—A residence and occupied residential lot to be disposed of under this title shall be sold for the appraised fair market value.

(B) NOTICE.—The Secretary of the Interior shall provide local general public notice, and

written notice to lessees and to current occupants of residences and of occupied residential lots for disposal, of the intent to sell properties under this title.

(2) PURCHASE OF RESIDENCES OR LOTS BY LESSEES.—

(A) IN GENERAL.—Subject to subparagraph (B), the Secretary of the Interior shall provide a holder of a current lease from the Secretary for a residence to be sold under paragraph (1) or (2) of section 1204(d) or for a residential lot occupied by a privately owned dwelling described in section 1204(d)(3) a period of 180 days beginning on the date of the written notice of the Secretary of intent of the Secretary to sell the residence or lot, to execute a contract with the Secretary of the Interior to purchase the residence or lot for the appraised fair market value.

(B) NOTICE OF INTENT TO PURCHASE.—To obtain the protection of subparagraph (A), the lessee shall, during the 30-day period beginning on the date of receipt of the notice referred to in subparagraph (A), notify the Secretary in writing of the intent of the lessee to purchase the residence or lot.

(C) NO NOTICE OR PURCHASE CONTRACT.—If no written notification of intent to purchase is received by the Secretary in accordance with subparagraph (B) or if a purchase contract has not been executed in accordance with subparagraph (A), the residence or lot shall become available for purchase by other persons under paragraph (3).

(3) PURCHASE OF RESIDENCES OR LOTS BY OTHER PERSONS.—

(A) ELIGIBILITY.—If a residence or lot becomes available for purchase under paragraph (2)(C), the Secretary of the Interior shall make the residence or lot available for purchase by—

(i) a current authorized occupant of the residence to be sold;

(ii) a holder of a current reclamation lease for a residence within Dutch John;

(iii) an employee of the Bureau of Reclamation or the Forest Service who resides in Dutch John; or

(iv) a Federal or non-Federal employee in support of a Federal agency who resides in Dutch John.

(B) PRIORITY.—

(i) SENIORITY.—Priority for purchase of properties available for purchase under this paragraph shall be by seniority of reclamation lease or residency in Dutch John.

(ii) PRIORITY LIST.—The Secretary of the Interior shall compile a priority list of eligible potential purchasers that is based on the length of continuous residency in Dutch John or the length of a continuous residence lease issued by the Bureau of Reclamation in Dutch John, with the highest priority provided for purchasers with the longest continuous residency or lease.

(iii) INTERRUPTIONS.—If a continuous residency or lease was interrupted, the Secretary shall consider only that most recent continuous residency or lease.

(iv) OTHER FACTORS.—In preparing the priority list, the Secretary shall not consider a factor (including agency employment or position) other than the length of the current residency or lease.

(v) DISPUTES.—A potential purchaser may file a written appeal over a dispute involving eligibility or ranking on the priority list with the Secretary of the Interior, acting through the Upper Colorado Regional Director of the Bureau of Reclamation. The Secretary, acting through the Regional Director, shall consider the appeal and resolve the dispute.

(C) NOTICE.—The Secretary of the Interior shall provide general public notice and written notice by certified mail to eligible purchasers that specifies—

(i) properties available for purchase under this paragraph;

(ii) the appraised fair market value of the properties;

(iii) instructions for potential eligible purchasers; and

(iv) any purchase contract requirements.

(D) NOTICE OF INTENT TO PURCHASE.—An eligible purchaser under this paragraph shall have a period of 90 days after receipt of written notification to submit to the Secretary of the Interior a written notice of intent to purchase a specific available property at the listed appraised fair market value.

(E) NOTICE OF ELIGIBILITY OF HIGHEST ELIGIBLE PURCHASER TO PURCHASE PROPERTY.—The Secretary of the Interior shall provide notice to the potential purchaser with the highest eligible purchaser priority for each property that the purchaser will have the first opportunity to execute a sales contract and purchase the property.

(F) AVAILABILITY TO OTHER PURCHASERS ON PRIORITY LIST.—If no purchase contract is executed for a property by the highest priority purchaser within the 180 days after receipt of notice under subparagraph (E), the Secretary of the Interior shall make the property available to other purchasers listed on the priority list.

(G) LIMITATION ON NUMBER OF PROPERTIES.—No household may purchase more than 1 residential property under this paragraph.

(4) RESIDUAL PROPERTY TO COUNTY.—If a residence or lot to be disposed of under this title is not purchased in accordance with paragraph (2) or (3) within 2 years after providing the first notice of intent to sell under paragraph (1)(B), the Secretary of the Interior shall convey the residence or lot to Daggett County without consideration.

(5) ADVISORY COMMITTEE.—The Secretary of the Interior, acting through the Upper Colorado Regional Director of the Bureau of Reclamation, may appoint a nonfunded Advisory Committee comprised of 1 representative from each of the Bureau of Reclamation, Daggett County, and the Dutch John community to review and provide advice to the Secretary on the resolution of disputes arising under this subsection and subsection (f).

(6) FINANCING.—The Secretary of the Interior shall provide advice to potential purchasers under this subsection and subsection (f) in obtaining appropriate and reasonable financing for the purchase of a residence or lot.

(f) UNOCCUPIED PLATTED LOTS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary of the Interior shall make an unoccupied platted lot described in section 1204(d)(4) available for sale to eligible purchasers for the appraised fair market value of the lot.

(2) CONVEYANCE FOR PUBLIC PURPOSE.—On request from Daggett County, the Secretary of the Interior may convey directly to the County without consideration a lot referred to in paragraph (1) that will be used for a public use purpose that is consistent with the land use plan developed under section 1208(a).

(3) ADMINISTRATION.—The procedures established under subsection (e) shall apply to this subsection to the maximum extent practicable, as determined by the Secretary of the Interior.

(4) LAND-USE DESIGNATION.—For each lot sold under this subsection, the Secretary of the Interior shall include in the notice of intent to sell the lot provided under this subsection the land-use designation of the lot established under the land use plan developed under section 1208(a).

(5) LIMITATION ON NUMBER OF LOTS.—No household may purchase more than 1 residential lot under this subsection.

(6) LIMITATION ON PURCHASE OF ADDITIONAL LOTS.—No household purchasing an existing residence under this section may purchase an additional single home, residential lot.

(7) RESIDUAL LOTS TO COUNTY.—If a lot described in paragraph (1) is not purchased in accordance with paragraphs (1) through (6) within 2 years after providing the first notice of intent to sell under this subsection, the Secretary of the Interior shall convey the lot to Daggett County without consideration.

(g) SPECIAL USE PERMITS.—

(1) SALE.—Lands on which Forest Service special use permits are issued to holders numbered 4054 and 9303, Ashley National Forest, comprising approximately 15.3 acres and 1 acre, respectively, may be sold at appraised fair market value to the holder of the permit.

(2) ADMINISTRATION OF PERMITS.—On transfer of jurisdiction of the land to the Secretary of the Interior pursuant to section 1206, the Secretary of the Interior shall administer the permits under the terms and conditions of the permits.

(3) NOTICE OF AVAILABILITY FOR PURCHASE.—The Secretary of the Interior shall notify the respective permit holders in writing of the availability of the land for purchase.

(4) APPRAISALS.—The Secretary of the Interior shall not conduct an appraisal of the land unless the Secretary receives a written notice of intent to purchase the land within 2 years after providing notice under paragraph (3).

(5) ALTERNATIVE PARCELS.—On request by permit holder number 9303, the Secretary of the Interior, in consultation with Daggett County, may—

(A) consider sale of a parcel within the Daggett County community of similar size and appraised value in lieu of the land under permit on the date of enactment of this Act; and

(B) provide the holder credit toward the purchase or other negotiated compensation for the appraised value of improvements of the permittee to land under permit on the date of enactment of this Act.

(6) RESIDUAL LAND TO COUNTY.—If land described in paragraph (1) is not purchased in accordance with paragraphs (1) through (5) within 2 years after providing the first notice of intent to sell under this subsection, the Secretary of the Interior shall convey the land to Daggett County without consideration.

(h) TRANSFERS TO COUNTY.—Other land occupied by authorization of a special use permit, easement, or right-of-way to be disposed of under this title shall be transferred to Daggett County if the holder of the authorization and the County, prior to transfer of the lands to the County—

(1) agree to and execute a legal document that grants the holder the rights and privileges provided in the existing authorization; or

(2) enter into another arrangement that is mutually satisfactory to the holder and the County.

(i) CHURCH LAND.—

(1) IN GENERAL.—The Secretary of the Interior shall offer to sell land to be disposed of under this title on which is located an established church to the parent entity of the church at the appraised fair market value.

(2) NOTICE.—The Secretary of the Interior shall notify the church in writing of the availability of the land for purchase.

(3) RESIDUAL LAND TO COUNTY.—If land described in paragraph (1) is not purchased in accordance with paragraphs (1) and (2) within 2 years after providing the first notice of

intent to sell under this subsection, the Secretary of the Interior shall convey the land to Daggett County without consideration.

(j) RESIDUAL PROPERTIES TO COUNTY.—The Secretary of the Interior shall convey all lands, buildings, or facilities designated for disposal under this title that are not conveyed in accordance with subsections (a) through (i) to Daggett County without consideration.

(k) WATER RIGHTS.—

(1) IN GENERAL.—Subject to the other provisions of this subsection, the Secretary of the Interior shall transfer all water rights the Secretary holds that are applicable to the Dutch John municipal water system to Daggett County.

(2) WATER SERVICE CONTRACT.—

(A) IN GENERAL.—Transfer of rights under paragraph (1) is contingent on Daggett County entering into a water service contract with the Secretary of the Interior covering payment for and delivery of untreated water to Daggett County pursuant to the Act of April 11, 1956 (70 Stat. 105, chapter 203; 43 U.S.C. 620 et seq.).

(B) DELIVERED WATER.—The contract shall require payment only for water actually delivered.

(3) EXISTING RIGHTS.—Existing rights for transfer to Daggett County under this subsection include—

(A) Utah Water Right 41–2942 (A30557, Cert. No. 5903) for 0.08 cubic feet per second from a water well; and

(B) Utah Water Right 41–3470 (A30414b), an unapproved application to segregate 12,000 acre-feet per year of water from the original approved Flaming Gorge water right (41–2963) for municipal use in the town of Dutch John and surrounding areas.

(4) CULINARY WATER SUPPLIES.—The transfer of water rights under this subsection is conditioned on the agreement of Daggett County to provide culinary water supplies to Forest Service campgrounds served (on the date of enactment of this Act) by the water supply system and to Forest Service and Bureau of Reclamation facilities, at a rate equivalent to other similar uses.

(5) MAINTENANCE.—The Secretary of Agriculture and the Secretary of the Interior shall be responsible for maintenance of their respective water systems from the point of the distribution lines of the systems.

(l) SHORELINE ACCESS.—On receipt of an acceptable application, the Secretary of Agriculture shall consider issuance of a special use permit affording Flaming Gorge Reservoir public shoreline access and use within the vicinity of Dutch John in conjunction with commercial visitor facilities provided and maintained under such a permit.

(m) REVENUES.—

(1) IN GENERAL.—Except as provided in paragraph (2), all revenues derived from the sale of properties as authorized by this title shall temporarily be deposited in a segregated interest-bearing trust account in the Treasury with the moneys on hand in the account paid to Daggett County semiannually to be used by the County for purposes associated with the provision of governmental and community services to the Dutch John community.

(2) DEPOSIT IN THE GENERAL FUND.—Of the revenues described in paragraph (1), 15.1 percent shall be deposited in the general fund of the Treasury.

SEC. 1211. VALID EXISTING RIGHTS.

(a) AGREEMENTS.—

(1) IN GENERAL.—If any lease, permit, right-of-way, easement, or other valid existing right is appurtenant to land conveyed to Daggett County, Utah, under this title, the County shall honor and enforce the right through a legal agreement entered into by the County and the holder before the date of conveyance.

(2) EXTENSION OR TERMINATION.—The County may extend or terminate an agreement under paragraph (1) at the end of the term of the agreement.

(b) USE OF REVENUES.—During such period as the County is enforcing a right described in subsection (a)(1) through a legal agreement between the County and the holder of the right under subsection (a), the County shall collect and retain any revenues due the Federal Government under the terms of the right.

(c) EXTINGUISHMENT OF RIGHTS.—If a right described in subsection (a)(1) with respect to certain land has been extinguished or otherwise protected, the County may dispose of the land.

SEC. 1212. CULTURAL RESOURCES.

(a) MEMORANDA OF AGREEMENT.—Before transfer and disposal under this title of any land that contains cultural resources and that may be eligible for listing on the National Register of Historic Places, the Secretary of Agriculture, in consultation with the Secretary of the Interior, the Utah Historic Preservation Office, and Daggett County, Utah, shall prepare a memorandum of agreement, for review and approval by the Utah Office of Historical Preservation and the Advisory Council on Historic Preservation established by title II of the National Historic Preservation Act (16 U.S.C. 470i et seq.), that contains a strategy for protecting or mitigating adverse effects on cultural resources on the land.

(b) INTERIM PROTECTION.—Until such time as a memorandum of agreement has been approved, or until lands are disposed of under this title, the Secretary of Agriculture shall provide clearance or protection for the resources.

(c) TRANSFER SUBJECT TO AGREEMENT.—On completion of actions required under the memorandum of agreement for certain land, the Secretary of the Interior shall provide for the conveyance of the land to Daggett County, Utah, subject to the memorandum of agreement.

SEC. 1213. TRANSITION OF SERVICES TO LOCAL GOVERNMENT CONTROL.

(a) ASSISTANCE.—

(1) IN GENERAL.—The Secretary of the Interior shall provide training and transitional operating assistance to personnel designated by Daggett County, Utah, as successors to the operators for the Secretary of the infrastructure facilities described in section 1204(c).

(2) DURATION OF TRAINING.—With respect to an infrastructure facility, training under paragraph (1) shall continue for such period as is necessary for the designated personnel to demonstrate reasonable capability to safely and efficiently operate the facility, but not to exceed 2 years.

(3) CONTINUING ASSISTANCE.—The Secretary shall remain available to assist with resolving questions about the original design and installation, operating and maintenance needs, or other aspects of the infrastructure facilities.

(b) TRANSITION COSTS.—For the purpose of defraying costs of transition in administration and provision of basic community services, an annual payment of $300,000 (as adjusted by the Secretary for changes in the Consumer Price Index for all-urban consumers published by the Department of Labor) shall be provided from the Upper Colorado River Basin Fund authorized by section 5 of the Act of April 11, 1956 (70 Stat. 107, chapter 203; 43 U.S.C. 620d), to Daggett County, Utah, or, in accordance with subsection (c), to Dutch John, Utah, for a period not to exceed 15 years beginning the first January 1 that occurs after the date of enactment of this Act.

(c) DIVISION OF PAYMENT.—If Dutch John becomes incorporated and become responsible for operating any of the infrastructure facilities referred to in subsection (a)(1) or for providing other basic local governmental services, the payment amount for the year of incorporation and each following year shall be proportionately divided between Daggett County and Dutch John based on the respective costs paid by each government for the previous year to provide the services.

(d) ELECTRIC POWER.—

(1) AVAILABILITY.—The United States shall make available electric power and associated energy from the Colorado River Storage Project for the Dutch John community.

(2) AMOUNT.—The amount of electric power and associated energy made available under paragraph (1) shall not exceed 1,000,000 kilowatt-hours per year.

(3) RATES.—The rates for power and associated energy shall be the firm capacity and energy rates of the Salt Lake City Area/Integrated Projects.

SEC. 1214. AUTHORIZATION OF APPROPRIATIONS.

(a) RESOURCE RECOVERY AND MITIGATION.—There are authorized to be appropriated to the Secretary of Agriculture, out of nonpower revenues to the Federal Government from land transferred under this title, such sums as are necessary to implement such habitat, sensitive resource, or cultural resource recovery, mitigation, or replacement strategies as are developed with respect to land transferred under this title, except that the strategies may not include acquisition of privately owned lands in Daggett County.

(b) OTHER SUMS.—In addition to sums made available under subsection (a), there are authorized to be appropriated such sums as are necessary to carry out this title.

TITLE XIII—RECLAMATION PROJECT CONVEYANCES AND MISCELLANEOUS PROVISIONS

Subtitle A—Sly Park Dam and Reservoir, California

SEC. 1311. SHORT TITLE.

This subtitle may be cited as the ''Sly Park Unit Conveyance Act''.

SEC. 1312. DEFINITIONS.

For purposes of this subtitle:

(1) The term ''District'' means the El Dorado Irrigation District, a political subdivision of the State of California that has its principal place of business in the city of Placerville, El Dorado County, California.

(2) The term ''Secretary'' means the Secretary of the Interior.

(3) The term ''Project'' means all of the right, title, and interest in and to the Sly Park Dam and Reservoir, Camp Creek Diversion Dam and Tunnel, and conduits and canals held by the United States pursuant to or related to the authorization in the Act entitled ''An Act to authorize the American River Basin Development, California, for irrigation and reclamation, and for other purposes'', approved October 14, 1949 (63 Stat. 852 chapter 690);

SEC. 1313. CONVEYANCE OF PROJECT.

(a) IN GENERAL.—In consideration of the District accepting the obligations of the Federal Government for the Project and subject to the payment by the District of the net present value of the remaining repayment obligation, as determined by Office of Management and Budget Circular A–129 (in effect on the date of enactment of this Act), the Secretary shall convey the Project to the District.

(b) DEADLINE.—

(1) IN GENERAL.—If no changes in Project operations are expected following the conveyance under subsection (a), the Secretary

shall complete the conveyance expeditiously, but not later than 180 days after the date of the enactment of this Act.

(2) DEADLINE IF CHANGES IN OPERATIONS INTENDED.—If the District intends to change Project operations as a result of the conveyance under subsection (a), the Secretary—

(A) shall take into account those potential changes for the purpose of completing any required environmental evaluation associated with the conveyance; and

(B) shall complete the conveyance by not later than 2 years after the date of the enactment of this Act.

(3) ADMINISTRATIVE COSTS OF CONVEYANCE.—If the Secretary fails to complete the conveyance under this subtitle before the applicable deadline under paragraph (1) or (2), the full cost of administrative action and environmental compliance for the conveyance shall be borne by the Secretary. If the Secretary completes the conveyance before that deadline, ½ of such cost shall be paid by the District.

SEC. 1314. RELATIONSHIP TO EXISTING OPERATIONS.

(a) IN GENERAL.—Nothing in this subtitle shall be construed as significantly expanding or otherwise changing the use or operation of the Project from its current use and operation.

(b) FUTURE ALTERATIONS.—If the District alters the operations or uses of the Project it shall comply with all applicable laws or regulations governing such changes at that time (subject to section 1315).

SEC. 1315. RELATIONSHIP TO CERTAIN CONTRACT OBLIGATIONS.

(a) PAYMENT OBLIGATIONS NOT AFFECTED.—The conveyance of the Project under this subtitle does not affect the payment obligations of the District under the contract between the District and the Secretary numbered 14–06–200–7734, as amended by contracts numbered 14–06–200–4282A and 14–06–200–8536A.

(b) PAYMENT OBLIGATIONS EXTINGUISHED.—Provision of consideration by the District in accordance with section 1313(b) shall extinguish all payment obligations under contract numbered 14–06–200–9491R1 between the District and the Secretary.

SEC. 1316. RELATIONSHIP TO OTHER LAWS.

(a) RECLAMATION LAWS.—Except as provided in subsection (b), upon conveyance of the Project under this subtitle, the Reclamation Act of 1902 (82 Stat. 388) and all Acts amendatory thereof or supplemental thereto shall not apply to the Project.

(b) PAYMENTS INTO THE CENTRAL VALLEY PROJECT RESTORATION FUND.—The El Dorado Irrigation District shall continue to make payments into the Central Valley Project Restoration Fund for 31 years after the date of the enactment of this Act. The District's obligation shall be calculated in the same manner as Central Valley Project water contractors.

SEC. 1317. LIABILITY.

Except as otherwise provided by law, effective on the date of conveyance of the Project under this subtitle, the United States shall not be liable for damages of any kind arising out of any act, omission, or occurrence based on its prior ownership or operation of the conveyed property.

Subtitle B—Minidoka Project, Idaho

SEC. 1321. SHORT TITLE

This subtitle may be cited as the ''Burley Irrigation District Conveyance Act''.

SEC. 1322. DEFINITIONS.

In this subtitle:

(1) DISTRICT.—The term ''District'' means the Burley Irrigation District, an irrigation district organized under the law of the State of Idaho.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(3) PROJECT.—The term ''Project'' means all of the right, title, and interest in and to the Southside Pumping Division of the Minidoka Project, Idaho, including the water distribution system below the headworks of the Minidoka Dam held in the name of the United States for the benefit of, and for use on land within, the District for which the allocable construction costs have been fully repaid by the District.

SEC. 1323. CONVEYANCE.

(a) IN GENERAL.—In consideration of the District accepting the obligations of the Federal Government for the Project, and subject to the completion of payments by the District required under subsection (c)(3), the Secretary shall convey the Project and the water rights described in subsection (b) to the District.

(b) WATER RIGHTS.—

(1) TRANSFER REQUIRED.—The Secretary shall transfer to the District, through an agreement among the District, the Minidoka Irrigation District, and the Secretary and in accordance with and subject to the law of the State of Idaho, all natural flow, waste, seepage, return flow, and ground water rights held in the name of the United States—

(A) for the benefit of the South Side Pumping Division operated and maintained by the District;

(B) for use on lands within the District or that are return flows for which the District may receive credit against storage water used.

(2) LIMITATION.—The transfer of the property interest of the United States in Project water rights directed to be conveyed by this section shall—

(A) neither enlarge nor diminish the water rights of either the Minidoka Irrigation District or the District, as set forth in their respective contracts with the United States;

(B) not be exercised as to impair the integrated operation of the Minidoka Project by the Secretary pursuant to applicable Federal law;

(C) not affect any other water rights; and

(D) not result in any adverse impact on any other project water user.

(c) DEADLINE.—

(1) IN GENERAL.—If no changes in Project operations are expected following the conveyance under subsection (a), the Secretary shall complete the conveyance expeditiously, but not later than 180 days after the date of the enactment of this Act.

(2) DEADLINE IF CHANGES IN OPERATIONS INTENDED.—If the District intends to change Project operations as a result of the conveyance under subsection (a), the Secretary—

(A) shall take into account those potential changes for the purpose of completing any required environmental evaluation associated with the conveyance; and

(B) shall complete the conveyance by not later than 2 years after the date of the enactment of this Act.

(3) ADMINISTRATIVE COSTS OF CONVEYANCE.—If the Secretary fails to complete the conveyance under this subtitle before the applicable deadline under paragraph (1) or (2), the full cost of administrative action and environmental compliance for the conveyance shall be borne by the Secretary. If the Secretary completes the conveyance before that deadline, ½ of such cost shall be borne by the District.

SEC. 1324. RELATIONSHIP TO EXISTING OPERATIONS.

(a) IN GENERAL.—Nothing in this subtitle shall be construed as significantly expanding or otherwise changing the use or operation of the Project from its current use and operation.

(b) FUTURE ALTERATIONS.—If the District alters the operations or uses of the Project it shall comply with all applicable laws or regulations governing such changes at that time (subject to section 1325).

SEC. 1325. RELATIONSHIP TO CERTAIN CONTRACT OBLIGATIONS.

(a) SAVINGS.—Nothing in this subtitle or any transfer pursuant thereto shall affect the right of Minidoka Irrigation District to the joint use of the gravity portion of the Southside Canal, subject to compliance by the Minidoka Irrigation District with the terms and conditions of a contract between the District and Minidoka Irrigation District, and any amendments or changes made by agreement of the irrigation districts.

(b) ALLOCATION OF STORAGE SPACE.—The Secretary shall provide an allocation to the District of storage space in Minidoka Reservoir, American Falls Reservoir, and Palisades Reservoir, as described in Burley Contract Nos. 14–06–100–2455 and 14–06–W–48, subject to the obligation of Burley to continue to assume and satisfy its allocable costs of operation and maintenance associated with the storage facilities operated by the Bureau of Reclamation.

(c) PROJECT RESERVED POWER.—The Secretary shall continue to provide the District with project reserved power from the Minidoka Reclamation Power Plant, Palisades Reclamation Power Plant, Black Canyon Reclamation Power Plant, and Anderson Ranch Reclamation Power Plant in accordance with the terms of the existing contracts, including any renewals thereof as provided in such contracts.

SEC. 1326. LIABILITY.

Except as otherwise provided by law, effective on the date of conveyance of the Project under this subtitle, the United States shall not be held liable for damages of any kind arising out of any act, omission, or occurrence based on its prior ownership or operation of the conveyed property.

Subtitle C—Carlsbad Irrigation Project, New Mexico

SEC. 1331. SHORT TITLE.

This subtitle may be cited as the ''Carlsbad Irrigation Project Acquired Land Conveyance Act''.

SEC. 1332. DEFINITIONS.

For purposes of this subtitle:

(1) The term ''District'' means the Carlsbad Irrigation District, a quasimunicipal corporation formed under the laws of the State of New Mexico that has its principal place of business in the city of Carlsbad, Eddy County, New Mexico.

(2) The term ''Secretary'' means the Secretary of the Interior.

(3) The term ''Project'' means all right, title, and interest in and to the lands (including the subsurface and mineral estate) in Eddy County, New Mexico, described as the acquired lands in section (7) of the Status of Lands and Title Report: Carlsbad Project as reported by the Bureau of Reclamation in 1978 and all interests the United States holds in the irrigation and drainage system of the Carlsbad Project and all related ditch rider houses, maintenance shop and buildings, and Pecos River Flume.

SEC. 1333. CONVEYANCE OF PROJECT.

(a) IN GENERAL.—Except as provided in subsection (b), in consideration of the District accepting the obligations of the Federal Government for the Project, and subject to the completion of payments by the District required under subsection (c)(3), the Secretary shall convey the Project to the District

(b) RETAINED TITLE.—The Secretary shall retain title to the surface estate (but not the mineral estate) of such Project lands which

are located under the footprint of Brantley and Avalon dams or any other Project dam or reservoir diversion structure. The Secretary shall retain storage and flow easements for any tracts located under the maximum spillway elevations of Avalon and Brantley Reservoirs.

(c) DEADLINE.—

(1) IN GENERAL.—If no changes in Project operations are expected following the conveyance under subsection (a), the Secretary shall complete the conveyance expeditiously, but not later than 180 days after the date of the enactment of this Act.

(2) DEADLINE IF CHANGES IN OPERATIONS INTENDED.—If the District intends to change Project operations as a result of the conveyance under subsection (a), the Secretary—

(A) shall take into account those potential changes for the purpose of completing any required environmental evaluation associated with the conveyance; and

(B) shall complete the conveyance by not later than 2 years after the date of the enactment of this Act.

(3) ADMINISTRATIVE COSTS OF CONVEYANCE.—If the Secretary fails to complete the conveyance under this subtitle before the applicable deadline under paragraph (1) or (2), the full cost of administrative action and environmental compliance for the conveyance shall be borne by the Secretary. If the Secretary completes the conveyance before that deadline, ½ of such cost shall be paid by the District.

SEC. 1334. RELATIONSHIP TO EXISTING OPERATIONS.

(a) IN GENERAL.—Nothing in this subtitle shall be construed as significantly expanding or otherwise changing the use and operation of the Project from its current use. The Project shall continue to be managed and used by the District for the purposes for which the Project was authorized, based on historic operations, and consistent with the management of other adjacent project lands.

(b) FUTURE ALTERATIONS.—If the District alters the operations or uses of the Project, it shall comply with all applicable laws or regulations governing such changes at that time (subject to section 1335).

SEC. 1335. RELATIONSHIP TO CERTAIN CONTRACT OBLIGATIONS.

(a) IN GENERAL.—Except as provided in subsection (b), upon conveyance of the Project under this subtitle the District shall assume all rights and obligations of the United States under the agreement dated July 28, 1994, between the United States and the Director, New Mexico Department of Game and Fish (Document No. 2–LM–40–00640), relating to management of certain lands near Brantley Reservoir for fish and wildlife purposes and the agreement dated March 9, 1977, between the United States and the New Mexico Department of Energy, Minerals, and Natural Resources (Contract No. 7–07–57–X0888) for the management and operation of Brantley Lake State Park.

(b) LIMITATION.—The District shall not be obligated for any financial support agreed to by the Secretary, or the Secretary's designee, in either agreement and the District shall not be entitled to any receipts or revenues generated as a result of either agreement.

SEC. 1336. LEASE MANAGEMENT AND PAST REVENUES COLLECTED FROM THE ACQUIRED LANDS.

(a) NOTIFICATION OF LEASEHOLDERS.—Within 120 days after the date of enactment of this Act, the Secretary shall provide to the District a written identification of all mineral and grazing leases in effect on Project lands on the date of enactment of this Act and notify all leaseholders of the conveyance authorized by this subtitle.

(b) MANAGEMENT OF LEASES, LICENSES, AND PERMITS.—The District shall assume all rights and obligations of the United States for all mineral and grazing leases, licenses, and permits existing on the Project lands conveyed under section 1333, and shall be entitled to any receipts from such leases, licenses, and permits accruing after the date of conveyance. All such receipts shall be used for purposes for which the Project was authorized and for financing the portion of operations, maintenance, and replacement at the Sumner Dam that, prior to conveyance, was the responsibility of the Bureau of Reclamation, with the exception of major maintenance programs in progress prior to conveyance. The District shall continue to adhere to the current Bureau of Reclamation mineral leasing stipulations for the Project.

(c) AVAILABILITY OF AMOUNTS PAID INTO THE RECLAMATION FUND.—

(1) AMOUNTS IN FUND ON DATE OF ENACTMENT.—Amounts in the reclamation fund on the date of enactment of this Act which exist as construction credits to the Carlsbad Project under the terms of the Mineral Leasing Act for Acquired Lands (30 U.S.C. 351–359) shall be deposited into the general fund of the Treasury and credited to deficit reduction or retirement of the Federal debt.

(2) RECEIPTS AFTER DATE OF ENACTMENT.—Of the receipts from mineral and grazing leases, licenses, and permits on Project lands to be conveyed under section 1333 that are received by the United States after the date of enactment of this Act and before the date of conveyance, up to $200,000 shall be applied to pay the cost referred to in section 1333(c)(3) and the remainder shall be deposited into the general fund of the Treasury of the United States and credited to deficit reduction or retirement of the Federal debt.

SEC. 1337. WATER CONSERVATION PRACTICES.

Nothing in this subtitle shall be construed to limit the ability of the District to voluntarily implement water conservation practices.

SEC. 1338. LIABILITY.

Except as otherwise provided by law, effective on the date of conveyance of the Project under this subtitle, the United States shall not be liable for damages of any kind arising out of any act, omission, or occurrence based on its prior ownership or operation of the conveyed property.

SEC. 1339. FUTURE RECLAMATION BENEFITS.

After completion of the conveyance under this subtitle, the District shall not be eligible for any emergency loan from the Bureau of Reclamation for maintenance or replacement of any facility conveyed under this subtitle.

Subtitle D—Palmetto Bend Project, Texas

SEC. 1341. SHORT TITLE.

This subtitle may be cited as the ''Palmetto Bend Conveyance Act''.

SEC. 1342. DEFINITIONS.

In this subtitle:

(1) STATE.—The term ''State'' means the Lavaca-Navidad River Authority and the Texas Water Development Board, jointly.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(3) PROJECT.—The term ''Project'' means all of the right, title, and interest in and to the Palmetto Bend reclamation project, Texas, authorized by Public Law 90–562 (82 Stat. 999).

SEC. 1343. CONVEYANCE OF PROJECT.

(a) IN GENERAL.—In consideration of the State accepting the obligations of the Federal Government for the Project and subject to the payment by the State of the net present value of the remaining repayment obligation, as determined by Office of Management and Budget Circular A–129 (in effect on the date of enactment of this Act) and the completion of payments by the State required under subsection (b)(3), the Secretary shall convey the Project to the State.

(b) DEADLINE.—

(1) IN GENERAL.—If no changes in Project operations are expected following the conveyance under subsection (a), the Secretary shall complete the conveyance expeditiously, but not later than 180 days after the date of the enactment of this Act.

(2) DEADLINE IF CHANGES IN OPERATIONS INTENDED.—If the State intends to change Project operations as a result of the conveyance under subsection (a), the Secretary—

(A) shall take into account those potential changes for the purpose of completing any required environmental evaluation associated with the conveyance; and

(B) shall complete the conveyance by not later than 2 years after the date of the enactment of this Act.

(3) ADMINISTRATIVE COSTS OF CONVEYANCE.—If the Secretary fails to complete the conveyance under this title before the applicable deadline under paragraph (1) or (2), the full cost of administrative action and environmental compliance for the conveyance shall be borne by the Secretary. If the Secretary completes the conveyance before that deadline, ½ of such cost shall be paid by the State.

SEC. 1344. RELATIONSHIP TO EXISTING OPERATIONS.

(a) IN GENERAL.—Nothing in this subtitle shall be construed as significantly expanding or otherwise changing the use or operation of the Project from its current use and operation.

(b) FUTURE ALTERATIONS.—If the State alters the operations or uses of the Project it shall comply will all applicable laws or regulations governing such changes at that time.

(c) CONDITION.—Subject to the laws of the State of Texas, Lake Texana shall not be used to wheel water originating from the Texas, Colorado River.

SEC. 1345. RELATIONSHIP TO CERTAIN CONTRACT OBLIGATIONS.

Existing obligations of the United States pertaining to the Project shall continue in effect and be assumed by the State.

SEC. 1346. RELATIONSHIP TO OTHER LAWS.

Upon conveyance of the Project under this subtitle, the Reclamation Act of 1902 (82 Stat. 388) and all Acts amendatory thereof or supplemental thereto shall not apply to the Project.

SEC. 1347. LIABILITY.

Except as otherwise provided by law, effective on the date of conveyance of the Project under this subtitle, the United States shall not be liable for damages of any kind arising out of any act, omission, or occurrence based on its prior ownership or operation of the conveyed property.

Subtitle E—Wellton-Mohawk Division, Gila Project, Arizona

SEC. 1351. SHORT TITLE.

This subtitle may be cited as the ''Wellton-Mohawk Division Title Transfer Act of 1998''.

SEC. 1352. DEFINITIONS.

For purposes of this subtitle:

(1) The term ''District'' means the Wellton-Mohawk Irrigation and Drainage District, an irrigation and drainage district created, organized, and existing under and by virtue of the laws of the State of Arizona.

(2) The term ''Project'' means all of the right, title, and interest in and to the Wellton-Mohawk Division, Gila Project, Arizona, held by the United States pursuant to or related to any authorization in the Act of July 30, 1947 (chapter 382; 61 Stat. 628).

(3) The term ''Secretary'' means the Secretary of the Interior.

(4) The term ''withdrawn lands'' means those lands within and adjacent to the District that have been withdrawn from public use for reclamation purposes.

SEC. 1353. CONVEYANCE OF PROJECT.

(a) IN GENERAL.—In consideration of the District accepting the obligations of the Federal Government for the Project, and subject to the payment of fair market value by the District for the withdrawn lands and the completion of payments by the District required under subsection (b)(3), the Secretary shall convey the Project and the withdrawn lands to the District in accordance with the Memorandum of Agreement between the Secretary and the District numbered 8–AA–34–WAO14 and dated July 10, 1998.

(b) DEADLINE.—

(1) IN GENERAL.—The Secretary shall complete the conveyance expeditiously, but not later than 3 years after the date of enactment of this Act.

(2) ADMINISTRATIVE COSTS OF CONVEYANCE.—If the Secretary fails to complete the conveyance under this subtitle before the applicable deadline under paragraph (1), the full cost of administrative action and environmental compliance for the conveyance shall be borne by the Secretary. If the Secretary completes the conveyance before that deadline, ½ of such cost shall be paid by the District.

SEC. 1354. RELATIONSHIP TO EXISTING OPERATIONS.

(a) IN GENERAL.—Nothing in this subtitle shall be construed as significantly expanding or otherwise changing the use or operation of the Project from its current use or operation.

(b) FUTURE ALTERATIONS.—If the District alters the operations or uses of the Project, it shall comply with all applicable laws and regulations governing such changes at that time.

SEC. 1355. LIABILITY.

Except as otherwise provided by law, effective on the date of conveyance of the Project under this subtitle, the United States shall not be held liable under any law for damages of any kind arising out of any act, omission, or occurrence based on its prior ownership or operation of the conveyed property.

SEC. 1356. LANDS TRANSFER.

Pursuant to the Memorandum of Agreement between the Secretary and the District numbered 8–AA–34–WAO14 and dated July 10, 1998, the Secretary may transfer to the District, by sale or exchange, at fair market value, public lands located in or adjacent to the Project, and lands held by the Federal Government on the date of the enactment of this Act pursuant to Public Law 93–320 and Public Law 100–512 and located in or adjacent to the District, other than lands in the Gila River channel.

SEC. 1357. WATER AND POWER CONTRACTS.

Notwithstanding any conveyance or transfer under this subtitle, the Secretary and the Secretary of Energy shall provide for and deliver Colorado River water and Parker-Davis Project Priority Use Power to the District in accordance with the terms of existing contracts with the District, including any amendments and supplements thereto or extensions thereof and as provided under section 2 of the Memorandum of Agreement between the Secretary and the District numbered 8–AA–34–WAO14 and dated July 10, 1998.

Subtitle F—Canadian River Project, Texas

SEC. 1361. SHORT TITLE.

This subtitle may be cited as the ''Canadian River Project Prepayment Act''.

SEC. 1362. DEFINITIONS.

For the purposes of this subtitle:

(1) The term ''Authority'' means the Canadian River Municipal Water Authority, a conservation and reclamation district of the State of Texas.

(2) The term ''Canadian River Project Authorization Act'' means the Act entitled 'An Act to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Canadian River reclamation project, Texas'', approved December 29, 1950 (chapter 1183; 64 Stat. 1124).

(3) The term ''Project'' means all of the right, title, and interest in and to all land and improvements comprising the pipeline and related facilities of the Canadian River Project authorized by the Canadian River Project Authorization Act.

(4) The term ''Secretary'' means the Secretary of the Interior.

SEC. 1363. PREPAYMENT AND CONVEYANCE OF PROJECT.

(a) IN GENERAL.—(1) In consideration of the Authority accepting the obligation of the Federal Government for the Project and subject to the payment by the Authority of the applicable amount under paragraph (2) within the 360-day period beginning on the date of the enactment of this subtitle, the Secretary shall convey the Project to the Authority, as provided in section 2(c)(3) of the Canadian River Project Authorization Act (64 Stat. 1124).

(2) For purposes of paragraph (1), the applicable amount shall be—

(A) $34,806,731, if payment is made by the Authority within the 270-day period beginning on the date of enactment of this title; or

(B) the amount specified in subparagraph (A) adjusted to include interest on that amount since the date of the enactment of this subtitle at the appropriate Treasury bill rate for an equivalent term, if payment is made by the Authority after the period referred to in subparagraph (A).

(3) If payment under paragraph (1) is not made by the Authority within the period specified in paragraph (1), this subtitle shall have no force or effect.

(b) FINANCING.—Nothing in this subtitle shall be construed to affect the right of the Authority to use a particular type of financing.

SEC. 1364. RELATIONSHIP TO EXISTING OPERATIONS.

(a) IN GENERAL.—Nothing in this subtitle shall be construed as significantly expanding or otherwise changing the use or operation of the Project from its current use and operation.

(b) FUTURE ALTERATIONS.—If the Authority alters the operations or uses of the Project it shall comply with all applicable laws or regulations governing such alteration at that time.

(c) RECREATION.—The Secretary of the Interior, acting through the National Park Service, shall continue to operate the Lake Meredith National Recreation Area at Lake Meredith.

(d) FLOOD CONTROL.—The Secretary of the Army, acting through the Corps of Engineers, shall continue to prescribe regulations for the use of storage allocated to flood control at Lake Meredith as prescribed in the Letter of Understanding entered into between the Corps, the Bureau of Reclamation, and the Authority in March and May 1980.

(e) SANFORD DAM PROPERTY.—The Authority shall have the right to occupy and use without payment of lease or rental charges or license or use fees the property retained by the Bureau of Reclamation at Sanford Dam and all buildings constructed by the United States thereon for use as the Authority's headquarters and maintenance facility. Buildings constructed by the Authority on such property, or past and future additions to Government constructed buildings, shall be allowed to remain on the property. The Authority shall operate and maintain such property and facilities without cost to the United States.

SEC. 1365. RELATIONSHIP TO CERTAIN CONTRACT OBLIGATIONS.

(a) PAYMENT OBLIGATIONS EXTINGUISHED.—Provision of consideration by the Authority in accordance with section 603(a) shall extinguish all payment obligations under contract numbered 14–06–500–485 between the Authority and the Secretary.

(b) OPERATION AND MAINTENANCE COSTS.—After completion of the conveyance provided for in section 1363, the Authority shall have full responsibility for the cost of operation and maintenance of Sanford Dam, and shall continue to have full responsibility for operation and maintenance of the Project pipeline and related facilities.

(c) GENERAL.—Rights and obligations under the existing contract No. 14–06–500–485 between the Authority and the United States, other than provisions regarding repayment of construction charge obligation by the Authority and provisions relating to the Project aqueduct, shall remain in full force and effect for the remaining term of the contract.

SEC. 1366. RELATIONSHIP TO OTHER LAWS.

Upon conveyance of the Project under this subtitle, the Reclamation Act of 1902 (82 Stat. 388) and all Acts amendatory thereof or supplemental thereto shall not apply to the Project.

SEC. 1367. LIABILITY.

Except as otherwise provided by law, effective on the date of conveyance of the Project under this subtitle, the United States shall not be liable under any law for damages of any kind arising out of any act, omission, or occurrence relating to the conveyed property.

Subtitle G—Clear Creek Distribution System, California

SEC. 1371. SHORT TITLE.

This subtitle may be cited as the ''Clear Creek Distribution System Conveyance Act''.

SEC. 1372. DEFINITIONS.

For purposes of this subtitle:

(1) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(2) DISTRICT.—The term ''District'' means the Clear Creek Community Services District, a California community services district located in Shasta County, California.

(3) DISTRIBUTION SYSTEM.—The term ''Distribution System'' means all the right title and interest in and to the Clear Creek distribution system as defined in the agreement entitled ''Agreement Between the United States and the Clear Creek Community Services District to Transfer Title to the Clear Creek Distribution System to the Clear Creek Community Services District'' (Agreement No. 8–07–20–L6975).

SEC. 1373. CONVEYANCE OF PROJECT.

(a) IN GENERAL.—In consideration of the District accepting the obligations of the Federal Government for the Distribution System and subject to the completion of payments by the District required under subsection (b)(3), the Secretary shall convey the Distribution System to the District.

(b) DEADLINE.—

(1) IN GENERAL.—If no changes in Project operations are expected following the conveyance under subsection (a), the Secretary shall complete the conveyance expeditiously, but not later than 180 days after the date of the enactment of this Act.

(2) DEADLINE IF CHANGES IN OPERATIONS INTENDED.—If the District intends to change Project operations as a result of the conveyance under subsection (a), the Secretary—

(A) shall take into account those potential changes for the purpose of completing any required environmental evaluation associated with the conveyance; and

(B) shall complete the conveyance by not later than 2 years after the date of the enactment of this Act.

(3) ADMINISTRATIVE COSTS OF CONVEYANCE.—If the Secretary fails to complete the conveyance under this subtitle before the applicable deadline under paragraph (1) or (2), the full cost of administrative action and environmental compliance for the conveyance shall be borne by the Secretary. If the Secretary completes the conveyance before that deadline, ½ of such cost shall be paid by the District.

SEC. 1374. RELATIONSHIP TO EXISTING OPERATIONS.

(a) IN GENERAL.—Nothing in this subtitle shall be construed as significantly expanding or otherwise changing the use or operation of the Distribution System from its current use and operation.

(b) FUTURE ALTERATIONS.—If the District alters the operations or uses of the Distribution System it shall comply with all applicable laws or regulations governing such changes at that time (subject to section 1375).

SEC. 1375. RELATIONSHIP TO CERTAIN CONTRACT OBLIGATIONS.

(a) NATIVE AMERICAN TRUST RESPONSIBILITY.—The Secretary shall ensure that any trust responsibilities to any Native American Tribes that may be affected by the conveyance under this title are protected and fulfilled.

(b) CONTRACT OBLIGATIONS.—Conveyance of the Distribution System under this subtitle—

(1) shall not affect any of the provisions of the District's existing water service contract with the United States (contract number 14–06–200–489–IR3), as it may be amended or supplemented; and

(2) shall not deprive the District of any existing contractual or statutory entitlement to subsequent interim renewals of such contract or to renewal by entering into a long-term water service contract.

SEC. 1376. LIABILITY.

Effective on the date of conveyance of the Distribution System under this subtitle, the United States shall not be liable under any law for damages of any kind arising out of any act, omission, or occurrence based on its prior ownership or operation of the conveyed property.

Subtitle H—Pine River Project, Colorado

SEC. 1381. SHORT TITLE.

This subtitle may be cited as the ''Vallecito Dam and Reservoir Conveyance Act''.

SEC. 1382. DEFINITIONS.

For purposes of this subtitle:

(1) The term ''District'' means the Pine River Irrigation District, a political division of the State of Colorado duly organized, existing, and acting pursuant to the laws thereof with its principal place of business in the city of Bayfield, La Plata County, Colorado.

(2) The term ''Secretary'' means the Secretary of the Interior.

(3) The term the ''Project'' means Vallecito Dam and Reservoir, and associated interests, owned by the United States and authorized in 1937 under the provisions of the Department of the Interior Appropriation Act of June 25, 1910 (36 Stat. 835).

(4) The term ''Repayment Contract'' means Repayment Contract #I1r–1204, between Reclamation and the Pine River Irrigation District, dated April 15, 1940, and amended November 30, 1953, all amendments thereto, and changes pursuant to the Act of July 27, 1954 (68 Stat. 534).

(5) The term ''Tribe'' means the Southern Ute Indian Tribe, a federally recognized Indian tribe located on the Southern Ute Indian Reservation, La Plata County, Colorado.

(6) The term ''Jurisdictional Map'' means the map entitled ''Transfer of Jurisdiction—Vallecito Reservoir, United States Department of Agriculture, Forest Service and United States Department of the Interior, Bureau of Reclamation and the Bureau of Indian Affairs'' dated March, 1998.

SEC. 1383. CONVEYANCE OF PROJECT.

(a) CONVEYANCE TO DISTRICT.—

(1) IN GENERAL.—In consideration of the District accepting the obligations of the Federal Government for the Project and subject to the completion of payments by the District required under subsection (b)(3) and occurrence of the events described in paragraphs (2) and (3) of this subsection, the Secretary shall convey an undivided ⅚ interest in the Project to the District.

(2) SUBMISSION OF MANAGEMENT PLAN.—Prior to any conveyance under paragraph (1), the District shall submit to the Secretary a plan to manage the Project in a manner substantially similar to the manner in which it was managed prior to the transfer and in accordance with applicable Federal and State laws, including provisions—

(A) protecting the interests in the Project held by the Bureau of Indian Affairs for the Tribe;

(B) preserving public access and recreational values and preventing growth on certain lands to be conveyed hereunder, as set forth in an Agreement dated March 20, 1998, between the District and residents of Vallecito Reservoir; and

(C) ensuring that any future change in the use of the water supplied by Vallecito Reservoir shall comply with applicable law.

(3) LIMITATION.—No interest in the Project shall convey under this subsection before the date on which the Secretary receives a copy of a resolution adopted by the Tribe declaring that the terms of the conveyance protects the Indian trust assets of the Tribe.

(b) DEADLINE.—

(1) IN GENERAL.—If no changes in Project operations are expected following the conveyance under subsection (a), the Secretary shall complete the conveyance under subsection (a) expeditiously, but not later than 180 days after the date of the enactment of this Act.

(2) DEADLINE IF CHANGES IN OPERATIONS INTENDED.—If the District intends to change Project operations as a result of the conveyance under subsection (a), the Secretary—

(A) shall take into account those potential changes for the purpose of completing any required environmental evaluation associated with the conveyance; and

(B) shall complete the conveyance by not later than 2 years after the date of the enactment of this Act.

(3) ADMINISTRATIVE COSTS OF CONVEYANCE.—If the District submits a plan in accordance with subsection (a)(2) and the Secretary receives a copy of a resolution described in subsection (a)(3), and the Secretary fails to complete the conveyance under subsection (a) before the applicable deadline under paragraph (1) or (2), the full cost of administrative action and environmental compliance for the conveyance shall be borne by the Secretary. If the Secretary completes the conveyance before that deadline, ½ of such cost shall be paid by the District.

(c) TRIBAL INTERESTS.—At the option of the Tribe, the Secretary shall convey to the Tribe an undivided ⅙ interest in the Project, all interests in lands over which the Bureau of Indian Affairs holds administrative jurisdiction under section 1384(e)(1)(A), and water rights associated with those interests. No consideration or compensation shall be required to be paid to the United States for such conveyance.

(d) RESTRICTION ON PARTITION.—Any conveyance of interests in lands under this subtitle shall be subject to the prohibition that those interests in those lands may not be partitioned. Any quit claim deed or patent evidencing such a conveyance shall expressly prohibit partitioning.

SEC. 1384. RELATIONSHIP TO EXISTING OPERATIONS.

(a) IN GENERAL.—Nothing in this subtitle shall be construed as significantly expanding or otherwise changing the use or operation of the Project from its current use and operation.

(b) DESCRIPTION OF EXISTING CONDITION.—The Secretary shall submit to the District, the Bureau of Indian Affairs, and the State of Colorado a description of the existing condition of Vallecito Dam based on Bureau of Reclamation's current knowledge and understanding.

(c) FUTURE ALTERATIONS.—If the District alters the operations or uses of the Project it shall comply with all applicable laws or regulations governing such changes at that time.

(d) FLOOD CONTROL PLAN.—The District shall work with Corps of Engineers to develop a flood control plan for the operation of Vallecito Dam for flood control purposes.

(e) JURISDICTIONAL TRANSFER OF LANDS.—

(1) INUNDATED LANDS.—To provide for the consolidation of lands associated with the Project to be retained by the Forest Service and the consolidation of lands to be transferred to the District, the administrative jurisdiction of lands inundated by and along the shoreline of Vallecito Reservoir, as shown on the Jurisdictional Map, shall be transferred, as set forth in this subsection, concurrently with any conveyance under section 1383. Except as otherwise shown on the Jurisdictional Map—

(A) for withdrawn lands (approximately 260 acres) lying below the 7,665-foot reservoir water surface elevation level, the Forest Service shall transfer an undivided ⅚ interest to the Bureau of Reclamation and an undivided ⅙ interest to the Bureau of Indian Affairs in trust for the Tribe; and

(B) for Project acquired lands (approximately 230 acres) above the 7,665-foot reservoir water surface elevation level, the Bureau of Reclamation and the Bureau of Indian Affairs shall transfer their interests to the Forest Service.

(2) MAP.—The Jurisdictional Map and legal descriptions of the lands transferred pursuant to paragraph (1) shall be on file and available for public inspection in the offices of the Chief of the Forest Service, the Commissioner of Reclamation, appropriate field offices of those agencies, and the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

(3) ADMINISTRATION.—Following the transfer of administrative jurisdiction under paragraph (1):

(A) All lands that, by reason of the transfer of administrative jurisdiction under paragraph (1), become National Forest System lands within the boundaries of the San Juan National Forest, shall be administered in accordance with the laws, rules, and regulations applicable to the National Forest System.

(B) Bureau of Reclamation withdrawals of land from the San Juan National Forest established by Secretarial Orders on November

9, 1936, October 14, 1937, and June 20, 1945, together designated as Serial No. C–28259, shall be revoked.

(C) The Forest Service shall issue perpetual easements to the District and the Bureau of Indian Affairs, at no cost to the District or the Bureau of Indian Affairs, providing adequate access across all lands subject to Forest Service jurisdiction to insure the District and the Bureau of Indian Affairs the ability to continue to operate and maintain the Project.

(D) The undivided ⅚ interest in National Forest System lands that, by reason of the transfer of administrative jurisdiction under paragraph (1) is to be administered by Bureau of Reclamation, shall be conveyed to the District pursuant to section 1383.

(E) The District and the Bureau of Indian Affairs shall issue perpetual easements to the Forest Service, at no cost to the Forest Service, from National Forest System lands to Vallecito Reservoir to assure continued public access to Vallecito Reservoir when the Reservoir level drops below the 7,665-foot water surface elevation.

(F) The District and the Bureau of Indian Affairs shall issue a perpetual easement to the Forest Service, at no cost to the Forest Service, for the reconstruction, maintenance, and operation of a road from La Plata County Road No. 501 to National Forest System lands east of the Reservoir.

(4) VALID EXISTING RIGHTS.—Nothing in this subsection shall affect any valid existing rights or interests in any existing land use authorization, except that any such land use authorization shall be administered by the agency having jurisdiction over the land after the transfer of administrative jurisdiction under paragraph (1) in accordance with paragraph (3) and other applicable law. Renewal or reissuance of any such authorization shall be in accordance with applicable law and the regulations of the agency having jurisdiction, except that the change of administrative jurisdiction shall not in itself constitute a ground to deny the renewal or reissuance of any such authorization.

(f) FEDERAL DAM CHARGE.—Nothing in this subtitle shall relieve the holder of the Federal Energy Regulatory Commission license for Vallecito Dam in effect on the date of the enactment of this Act from the obligation to make payments under section 10(e)(2) of the Federal Power Act during the term of the license.

SEC. 1385. RELATIONSHIP TO OTHER LAWS.

Upon conveyance of the Project under this subtitle, the Reclamation Act of 1902 (82 Stat. 388) and all Acts amendatory thereof or supplemental thereto shall not apply to the Project.

SEC. 1386. LIABILITY.

Except as otherwise provided by law, effective on the date of conveyance of the Project under this subtitle, the liability of the United States under any law for damages of any kind arising out of any act, omission, or occurrence based on its prior ownership or operation of property in which an interest is conveyed by the United States pursuant to this subtitle shall be limited to the portion of the total damages that bears the same proportion to the total damages as the interest in the property retained by the United States bears to the total interest in the property.

Subtitle I—Technical Corrections and Miscellaneous Provisions

SEC. 1391. TECHNICAL CORRECTIONS.

(a) REDUCTION OF WAITING PERIOD FOR OBLIGATION OF FUNDS PROVIDED UNDER RECLAMATION SAFETY OF DAMS ACT OF1978.—Section 5 of the Reclamation Safety of Dams Act of 1978 (92 Stat. 2471; 43 U.S.C. 509) is amended by striking ''sixty days'' and all that follows through ''day certain)'' and inserting ''30 calendar days''.

(b) ALBUQUERQUE METROPOLITAN AREA RECLAMATION AND REUSE PROJECT.—Section 1621 of the Reclamation Projects Authorization and Adjustment Act of 1992, as added by section 2(a)(2) of the Reclamation Recycling and Water Conservation Act of 1996 (110 Stat. 3292; 43 U.S.C. 390h–12g), is amended—

(1) in the heading by striking ''study'' and inserting ''project''; and

(2) in subsection (a)—

(A) by inserting ''the planning, design, and construction of'' after ''participate in'';

(B) by striking ''Study'' and inserting ''Project''; and

(C) by inserting ''and nonpotable surface water'' after ''impaired groundwater''.

(c) PHOENIX METROPOLITAN WATER RECLAMATION AND REUSE PROJECT.—Section 1608 of the Reclamation Projects Authorization and Adjustment Act of 1992 (106 Stat. 4666; 43 U.S.C. 390h–6) is amended—

(1) by amending subsection (a) to read as follows:

''(a) The Secretary, in cooperation with the city of Phoenix, Arizona, shall participate in the planning, design, and construction of the Phoenix Metropolitan Water Reclamation and Reuse Project to utilize fully wastewater from the regional wastewater treatment plant for direct municipal, industrial, agricultural, and environmental purposes, groundwater recharge, and indirect potable reuse in the Phoenix metropolitan area.'';

(2) in subsection (b) by striking the first sentence; and

(3) by striking subsection (c).

(d) REFUND OF CERTAIN AMOUNTS RECEIVED UNDER RECLAMATION REFORM ACT OF 1982.—

(1) REFUND REQUIRED.—Subject to paragraph (2) and the availability of appropriations, the Secretary of the Interior shall refund fully amounts received by the United States as collections under section 224(i) of the Reclamation Reform Act of 1982 (101 Stat. 1330–268; 43 U.S.C. 390ww(i)) for paid bills (including interest collected) issued by the Secretary of the Interior before January 1, 1994, for full-cost charges that were assessed for failure to file certain certification forms under sections 206 and 224(c) of such Act (96 Stat. 1266, 1272; 43 U.S.C. 390ff, 390ww(c)).

(2) ADMINISTRATIVE FEE.—In the case of a refund of amounts collected in connection with sections 206 and 224(c) of the Reclamation Reform Act of 1982 (96 Stat. 1266, 1272; 43 U.S.C. 390ff, 390ww(c)) with respect to any water year after the 1987 water year, the amount refunded shall be reduced by an administrative fee of $260 for each occurrence.

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection $3,000,000.

(e) EXTENSION OF PERIODS FOR REPAYMENTS FOR NUECES RIVER RECLAMATION PROJECT AND CANADIAN RIVER RECLAMATION PROJECT, TEXAS.—Section 2 of the Emergency Drought Relief Act of 1996 (Public Law 104–318; 110 Stat. 3862) is amended by adding at the end the following new subsection:

''(c) EXTENSION OF PERIODS FOR REPAYMENT.—Notwithstanding any provision of the Reclamation Project Act of 1939 (43 U.S.C. 485 et seq.), the Secretary of the Interior—

''(1) shall extend the period for repayment by the city of Corpus Christi, Texas, and the Nueces River Authority under contract No. 6–07–01–X0675, relating to the Nueces River reclamation project, Texas, until—

''(A) August 1, 2029, for repayment pursuant to the municipal and industrial water supply benefits portion of the contract; and

''(B) until August 1, 2044, for repayment pursuant to the fish and wildlife and recreation benefits portion of the contract; and

''(2) shall extend the period for repayment by the Canadian River Municipal Water Authority under contract No. 14–06–500–485, relating to the Canadian River reclamation project, Texas, until October 1, 2021.''.

(f) SOLANO PROJECT WATER.—

(1) AUTHORIZATION.—The Secretary of the Interior is authorized to enter into contracts with the Solano County Water Agency, or any of its member unit contractors for water from the Solano Project, California, pursuant to the Act of February 21, 1911 (43 U.S.C. 523), for—

(A) the impounding, storage, and carriage of nonproject water for domestic, municipal, industrial, and other beneficial purposes, using any facilities associated with the Solano Project, California, and

(B) the exchange of water among Solano Project contractors, for the purposes set forth in subparagraph (A), using facilities associated with the Solano Project, California.

(2) LIMITATION.—The authorization under paragraph (1) shall be limited to the use of that portion of the Solano Project facilities downstream of Mile 26 of the Putah South Canal (as that canal is depicted on the official maps of the Bureau of Reclamation), which is below the diversion points on the Putah South Canal utilized by the city of Fairfield for delivery of Solano Project water.

(g) FISH PASSAGE AND PROTECTIVE FACILITIES, ROGUE RIVER BASIN, OREGON.—The Secretary of the Interior is authorized to use otherwise available amounts to provide up to $2,000,000 in financial assistance to the Medford Irrigation District and the Rogue River Valley Irrigation District for the design and construction of fish passage and protective facilities at North Fork Little Butte Creek Diversion Dam and South Fork Little Butte Creek Diversion Dam in the Rogue River basin, Oregon, if the Secretary determines in writing that these facilities will enhance the fish recovery efforts currently underway at the Rogue River Basin Project, Oregon.

SEC. 1392. AUTHORIZATION TO CONSTRUCT TEMPERATURE CONTROL DEVICES.

(a) FOLSOM DAM.—The Secretary of the Interior is hereby authorized to construct in accordance with the draft environmental impact statement/environmental impact report for the Central Valley Supply contracts under Public Law 101–514 (section 206) and the report entitled ''Assessment of the Beneficial and Adverse Impacts of Operating a Temperature Control Device (TCD) at the Water Supply Intakes of Folsom Dam'', a temperature control device on Folsom Dam and necessary associated temperature monitoring facilities. The temperature control device and said associated temperature monitoring facilities shall be operated as an integral part of the Central Valley Project for the benefit and propagation of fall-run chinook salmon and steelhead trout in the American River, California.

(b) DEVICE ON NON-CVP FACILITIES.—The Secretary of the Interior is hereby authorized to construct or assist in the construction of 1 or more temperature control devices on existing non-Federal facilities delivering Central Valley Project water supplies from Folsom Reservoir and necessary associated temperature monitoring facilities. These costs of construction of temperature control device and associated temperature monitoring facilities shall be nonreimbursable and operated by the non-Federal facility owner at its expense, in coordination with the Central Valley Project for the benefit and propagation of chinook salmon and steelhead trout in the American River, California.

(c) AUTHORIZATION.—There is hereby authorized to be appropriated for the construction of a temperature control device on Folsom Dam and necessary associated temperature monitoring facilities the sum of $5,000,000 (adjusted for inflation based on October 1997 prices). There is also authorized to be appropriated for the construction of a temperature control device on existing non-Federal facilities and necessary associated temperature monitoring facilities the sum of $2,000,000 (October 1997 prices). There is also authorized to be appropriated, in addition thereto, such amounts as are required for operation, maintenance, and replacement of the temperature control devices on Folsom Dam and associated temperature monitoring facilities.

SEC. 1393. COLUSA BASIN WATERSHED INTEGRATED RESOURCES MANAGEMENT.

(a) SHORT TITLE.—This section may be cited as the ''Colusa Basin Watershed Integrated Resources Management Act''.

(b) AUTHORIZATION OF ASSISTANCE.—The Secretary of the Interior (in this section referred to as the ''Secretary'') may provide financial assistance to the Colusa Basin Drainage District, California (in this section referred to as the ''District''), for use by the District or by local agencies acting pursuant to section 413 of the State of California statute known as the Colusa Basin Drainage Act (California Stats. 1987, ch. 1399), as in effect on the date of the enactment of this Act (in this section referred to as the ''State statute''), for planning, design, environmental compliance, and construction required in carrying out eligible projects in the Colusa Basin Watershed to—

(1)(A) reduce the risk of damage to urban and agricultural areas from flooding or the discharge of drainage water or tailwater;

(B) assist in groundwater recharge efforts to alleviate overdraft and land subsidence; or

(C) construct, restore, or preserve wetland and riparian habitat; and

(2) capture, as an incidental purpose of any of the purposes referred to in paragraph (1), surface or stormwater for conservation, conjunctive use, and increased water supplies.

(c) PROJECT SELECTION.—

(1) ELIGIBLE PROJECTS.—A project shall be an eligible project for purposes of subsection (b) only if it is—

(A) identified in the document entitled ''Colusa Basin Water Management Program'', dated February 1995; and

(B) carried out in accordance with that document and all environmental documentation requirements that apply to the project under the laws of the United States and the State of California.

(2) COMPATIBILITY REQUIREMENT.—The Secretary shall ensure that projects for which assistance is provided under this section are not inconsistent with watershed protection and environmental restoration efforts being carried out under the authority of the Central Valley Project Improvement Act (Public Law 102–575; 106 Stat. 4706 et seq.) or the CALFED Bay-Delta Program.

(d) COST SHARING.—

(1) NON-FEDERAL SHARE.—The Secretary shall require that the District and cooperating non-Federal agencies or organizations pay—

(A) 25 percent of the costs associated with construction of any project carried out with assistance provided under this section; and

(B) 100 percent of any operation, maintenance, and replacement and rehabilitation costs with respect to such a project.

(2) PLANNING, DESIGN, AND COMPLIANCE ASSISTANCE.—Funds appropriated pursuant to this section may be made available to fund all costs incurred for planning, design, and environmental compliance activities by the District or by local agencies acting pursuant to the State statute, in accordance with agreements with the Secretary.

(3) TREATMENT OF CONTRIBUTIONS.—For purposes of this subsection, the Secretary shall treat the value of lands, interests in lands (including rights-of-way and other easements), and necessary relocations contributed by the District to a project as a payment by the District of the costs of the project.

(e) COSTS NONREIMBURSABLE.—Amounts expended pursuant to this section shall be considered nonreimbursable for purposes of the Act of June 17, 1902 (32 Stat. 388; 43 U.S.C. 371 et seq.), and Acts amendatory thereof and supplemental thereto.

(f) AGREEMENTS.—Funds appropriated pursuant to this section may be made available to the District or a local agency only if the District or local agency, as applicable, has entered into a binding agreement with the Secretary—

(1) under which the District or the local agency is required to pay the non-Federal share of the costs of construction required by subsection (d)(1); and

(2) governing the funding of planning, design, and compliance activities costs under subsection (d)(2).

(g) REIMBURSEMENT.—For project work (including work associated with studies, planning, design, and construction) carried out by the District or by a local agency acting pursuant to the State statute referred to in subsection (b) before the date amounts are provided for the project under this section, the Secretary shall, subject to amounts being made available in advance in appropriations Acts, reimburse the District or the local agency, without interest, an amount equal to the estimated Federal share of the cost of such work under subsection (d).

(h) COOPERATIVE AGREEMENTS.—

(1) IN GENERAL.—The Secretary may enter into cooperative agreements and contracts with the District to assist the Secretary in carrying out the purposes of this section.

(2) SUBCONTRACTING.—Under such cooperative agreements and contracts, the Secretary may authorize the District to manage and let contracts and receive reimbursements, subject to amounts being made available in advance in appropriations Acts, for work carried out under such contracts or subcontracts.

(i) RELATIONSHIP TO RECLAMATION REFORM ACT OF 1982.—Activities carried out, and financial assistance provided, under this section shall not be considered a supplemental or additional benefit for purposes of the Reclamation Reform Act of 1982 (96 Stat. 1263; 43 U.S.C. 390aa et seq.).

(j) APPROPRIATIONS AUTHORIZED.—There are authorized to be appropriated to the Secretary to carry out this section $25,000,000, plus such additional amount, if any, as may be required by reason of changes in costs of services of the types involved in the District's projects as shown by engineering and other relevant indexes. Sums appropriated under this subsection shall remain available until expended.

TITLE XIV—PROVISIONS SPECIFIC TO ALASKA

Subtitle A—Land Exchange Near Gustavus and Related Provisions

SEC. 1401. SHORT TITLE.

This subtitle may be cited as the ''Glacier Bay National Park Boundary Adjustment Act of 1998''.

SEC. 1402. LAND EXCHANGE AND WILDERNESS DESIGNATION.

(a) IN GENERAL.—(1) Subject to conditions set forth in subsection (c), if the State of Alaska, in a manner consistent with this subtitle, offers to transfer to the United States the lands identified in paragraph (4) in exchange for the lands identified in paragraph (3), selected from the area described in section 1403(b)(1), the Secretary of the Interior (in this subtitle referred to as the ''Secretary'') shall complete such exchange no later than 6 months after the issuance of a license to Gustavus Electric Company by the Federal Energy Regulatory Commission (in this subtitle referred to as ''FERC''), in accordance with this subtitle. This land exchange shall be subject to the laws applicable to exchanges involving lands managed by the Secretary as part of the National Park System in Alaska and the appropriate process for the exchange of State lands required by State law.

(2) The lands to be conveyed to the United States by the State of Alaska shall be determined by mutual agreement of the Secretary and the State of Alaska. Lands that will be considered for conveyance to the United States pursuant to the process required by State law are lands owned by the State of Alaska in the Long Lake area within Wrangell-St. Elias National Park and Preserve, or other lands owned by the State of Alaska.

(3) If the Secretary and the State of Alaska have not agreed on which lands the State of Alaska will convey by a date not later than 6 months after a license is issued pursuant to this subtitle, the United States shall accept, within 1 year after a license is issued, title to land having a sufficiently equal value to satisfy State and Federal law, subject to clear title and valid existing rights, and absence of environmental contamination, and as provided by the laws applicable to exchanges involving lands managed by the Secretary as part of the National Park System in Alaska and the appropriate process for the exchange of State lands required by State law. Such land shall be accepted by the United States, subject to the other provisions of this subtitle, from among the following State lands in the priority listed:

COPPER RIVER MERIDIAN

(A) T.6 S., R. 12 E., partially surveyed, Sec. 5, lots 1, 2, and 3, NE¼, S½NW¼, and S½. Containing 617.68 acres, as shown on the plat of survey accepted June 9, 1922.

(B) T.6 S., R. 11 E., partially surveyed, Sec. 11, lots 1 and 2, NE¼, S½NW¼, SW¼, and N½SE¼; Sec. 12; Sec. 14, lots 1 and 2, NW¼NW¼. Containing 838.66 acres, as shown on the plat of survey accepted June 9, 1922.

(C) T.6 S., R. 11 E., partially surveyed, Sec. 2, NW¼NE¼ and NW¼. Containing 200.00 acres, as shown on the plat of survey accepted June 9, 1922.

(D) T.6 S., R. 12 E., partially surveyed, Sec. 6, lots 1 through 10, E½SW¼ and SE¼. Containing approximately 529.94 acres, as shown on the plat of survey accepted June 9, 1922.

(4) The lands to be conveyed to the State of Alaska by the United States under paragraph (1) are lands to be designated by the Secretary and the State of Alaska, consistent with sound land management principles, based on those lands determined by FERC with the concurrence of the Secretary and the State of Alaska, in accordance with section 1403(b), to be the minimum amount of land necessary for the construction and operation of a hydroelectric project.

(5) The time periods set forth for the completion of the land exchanges described in this subtitle may be extended as necessary by the Secretary should the processes of State law or Federal law delay completion of an exchange.

(6) For purposes of this subtitle, the term ''land'' means lands, waters, and interests therein.

(b) WILDERNESS.—(1) To ensure that this transaction maintains, within the National Wilderness Preservation System, approximately the same amount of area of designated wilderness as currently exists, the

following lands in Alaska shall be designated as wilderness in the priority listed, upon consummation of the land exchange authorized by this subtitle and shall be administered according to the laws governing national wilderness areas in Alaska:

(A) An unnamed island in Glacier Bay National Park lying southeasterly of Blue Mouse Cove in sections 5, 6, 7, and 8, T. 36 S., R. 54 E., CRM, and shown on United States Geological Survey quadrangle Mt. Fairweather (D–2), Alaska, containing approximately 789 acres.

(B) Cenotaph Island of Glacier Bay National Park lying within Lituya Bay in sections 23, 24, 25, and 26, T. 37 S., R. 47 E., CRM, and shown on United States Geological Survey quadrangle Mt. Fairweather (C–5), Alaska, containing approximately 280 acres.

(C) An area of Glacier Bay National Park lying in T. 31. S., R. 43 E and T. 32 S., R. 43 E., CRM, that is not currently designated wilderness, containing approximately 2,270 acres.

(2) The specific boundaries and acreage of these wilderness designations may be reasonably adjusted by the Secretary, consistent with sound land management principles, to approximately equal, in sum, the total wilderness acreage deleted from Glacier Bay National Park and Preserve pursuant to the land exchange authorized by this subtitle.

(c) CONDITIONS.—Any exchange of lands under this subtitle may occur only if—

(1) following the submission of a complete license application, FERC has conducted economic and environmental analyses under the Federal Power Act (16 U.S.C. 791–828) (notwithstanding provisions of that Act and the Federal regulations that otherwise exempt this project from economic analyses), the National Environmental Policy Act of 1969 (42 U.S.C. 4321–4370), and the Fish and Wildlife Coordination Act (16 U.S.C. 661–666), that conclude, with the concurrence of the Secretary of the Interior with respect to subparagraphs (A) and (B), that the construction and operation of a hydroelectric power project on the lands described in section 1403(b)—

(A) will not adversely impact the purposes and values of Glacier Bay National Park and Preserve (as constituted after the consummation of the land exchange authorized by this section);

(B) will comply with the requirements of the National Historic Preservation Act (16 U.S.C. 470–470w); and

(C) can be accomplished in an economically feasible manner;

(2) FERC held at least one public meeting in Gustavus, Alaska, allowing the citizens of Gustavus to express their views on the proposed project;

(3) FERC has determined, with the concurrence of the Secretary and the State of Alaska, the minimum amount of land necessary to construct and operate this hydroelectric power project; and

(4) Gustavus Electric Company has been granted a license by FERC that requires Gustavus Electric Company to submit an acceptable financing plan to FERC before project construction may commence, and the FERC has approved such plan.

SEC. 1403. ROLE OF FERC.

(a) LICENSE APPLICATION.—(1) The FERC licensing process shall apply to any application submitted by Gustavus Electric Company to the FERC for the right to construct and operate a hydropower project on the lands described in subsection (b).

(2) FERC is authorized to accept and consider an application filed by Gustavus Electric Company for the construction and operation of a hydropower plant to be located on lands within the area described in subsection (b), notwithstanding section 3(2) of the Federal Power Act (16 U.S.C. 796(2)). Such application must be submitted within 3 years after the date of the enactment of this Act.

(3) FERC will retain jurisdiction over any hydropower project constructed on this site.

(b) ANALYSES.—(1) The lands referred to in subsection (a) of this section are lands in the State of Alaska described as follows:

COPPER RIVER MERIDIAN

Township 39 South, Range 59 East, partially surveyed, Section 36 (unsurveyed), SE¼SW¼, S½SW¼SW¼, NE¼SW¼, W½W½NW¼SE¼, and S½SE¼NW¼. Containing approximately 130 acres.

Township 40 South, Range 59 East, partially surveyed, Section 1 (unsurveyed), NW¼, SW¼, W½SE¼, and SW¼SW¼NE¼, excluding U.S. Survey 944 and Native allotment A–442; Section 2 (unsurveyed), fractional, that portion lying above the mean high tide line of Icy Passage, excluding U.S. Survey 944 and U.S. Survey 945; Section 11 (unsurveyed), fractional, that portion lying above the mean high tide line of Icy Passage, excluding U.S. Survey 944; Section 12 (unsurveyed), fractional, NW¼NE¼, W½NW¼SW¼NE¼, and those portions of NW¼ and SW¼ lying above the mean high tide line of Icy Passage, excluding U.S. Survey 944 and Native allotment A–442. Containing approximately 1,015 acres.

(2) Additional lands and acreage will be included as needed in the study area described in paragraph (1) to account for accretion to these lands from natural forces.

(3) With the concurrence of the Secretary and the State of Alaska, the FERC shall determine the minimum amount of lands necessary for construction and operation of such project.

(4) The National Park Service shall participate as a joint lead agency in the development of any environmental document under the National Environmental Policy Act of 1969 in the licensing of such project. Such environmental document shall consider both the impacts resulting from licensing and any land exchange necessary to authorize such project.

(c) ISSUANCE OF LICENSE.—(1) A condition of the license to construct and operate any portion of the hydroelectric power project shall be FERC's approval, prior to any commencement of construction, of a finance plan submitted by Gustavus Electric Company.

(2) The National Park Service, as the existing supervisor of potential project lands ultimately to be deleted from the Federal reservation in accordance with this subtitle, waives its right to impose mandatory conditions on such project lands pursuant to section 4(e) of the Federal Power Act (16 U.S.C. 797(e)).

(3) FERC shall not license or relicense the project, or amend the project license unless it determines, with the Secretary's concurrence, that the project will not adversely impact the purposes and values of Glacier Bay National Park and Preserve (as constituted after the consummation of the land exchange authorized by this subtitle). Additionally, a condition of the license, or any succeeding license, to construct and operate any portion of the hydroelectric power project shall require the licensee to mitigate any adverse effects of the project on the purposes and values of Glacier Bay National Park and Preserve identified by the Secretary after the initial licensing.

(4) A condition of the license to construct and operate any portion of the hydroelectric power project shall be the completion, prior to any commencement of construction, of the land exchange described in this subtitle.

SEC. 1404. ROLE OF SECRETARY OF THE INTERIOR.

(a) SPECIAL USE PERMIT.—Notwithstanding the provisions of the Wilderness Act (16 U.S.C. 1133–1136), the Secretary shall issue a special use permit to Gustavus Electric Company to allow the completion of the analyses referred to in section 1403. The Secretary shall impose conditions in the permit as needed to protect the purposes and values of Glacier Bay National Park and Preserve.

(b) PARK SYSTEM.—The lands acquired from the State of Alaska under this subtitle shall be added to and administered as part of the National Park System, subject to valid existing rights. Upon completion of the exchange of lands under this subtitle, the Secretary shall adjust, as necessary, the boundaries of the affected National Park System units to include the lands acquired from the State of Alaska; and adjust the boundary of Glacier Bay National Park and Preserve to exclude the lands transferred to the State of Alaska under this subtitle. Any such adjustment to the boundaries of National Park System units shall not be considered in applying any acreage limitations under section 103(b) of Public Law 96–487.

(c) WILDERNESS AREA BOUNDARIES.—The Secretary shall make any necessary modifications or adjustments of boundaries of wilderness areas as a result of the additions and deletions caused by the land exchange referenced in section 1402. Any such adjustment to the boundaries of National Park System units shall not be considered in applying any acreage limitations under section 103(b) of Public Law 96–487.

(d) CONCURRENCE OF THE SECRETARY.—Whenever in this subtitle the concurrence of the Secretary is required, it shall not be unlawfully withheld or unreasonably delayed.

SEC. 1405. APPLICABLE LAW.

The authorities and jurisdiction provided in this subtitle shall continue in effect until such time as this subtitle is expressly modified or repealed by Congress.

Subtitle B—Amendments to Alaska Native Claims Settlement Act and Related Provisions

SEC. 1411. AUTOMATIC LAND BANK PROTECTION.

(a) LANDS RECEIVED IN EXCHANGE FROM CERTAIN FEDERAL AGENCIES.—The matter preceding clause (i) of section 907(d)(1)(A) of the Alaska National Interest Lands Conservation Act (43 U.S.C. 1636(d)(1)(A)) is amended by inserting ''or conveyed to a Native Corporation pursuant to an exchange authorized by section 22(f) of Alaska Native Claims Settlement Act or section 1302(h) of this Act or other applicable law'' after ''Settlement Trust''.

(b) LANDS EXCHANGED AMONG NATIVE CORPORATIONS.—Section 907(d)(2)(B) of such Act (43 U.S.C. 1636(d)(2)(B)) is amended—

(1) by striking ''and'' at the end of clause (ii);

(2) by striking the period at the end of clause (iii) and inserting ''; and''; and

(3) by adding at the end the following:

''(iv) lands or interest in lands shall not be considered developed or leased or sold to a third party as a result of an exchange or conveyance of such land or interest in land between or among Native Corporations and trusts, partnerships, corporations, or joint ventures, whose beneficiaries, partners, shareholders, or joint venturers are Native Corporations.''.

(c) ACTIONS BY TRUSTEE SERVING PURSUANT TO AGREEMENT OF NATIVE CORPORATIONS.—Section 907(d)(3)(B) of such Act (43 U.S.C. 1636(d)(3)(B)) is amended—

(1) by striking ''or'' at the end of clause (i);

(2) by striking the period at the end of clause (ii) and inserting ''; or''; and

(3) by adding at the end the following:

''(iii) to actions by any trustee whose right, title, or interest in land or interests in land arises pursuant to an agreement between or among Native Corporations and

trusts, partnerships, or joint ventures whose beneficiaries, partners, shareholders, or joint venturers are Native Corporations.''.

SEC. 1412. DEVELOPMENT BY THIRD-PARTY TRESPASSERS.

Section 907(d)(2)(A)(i) of the Alaska National Interest Lands Conservation Act (43 U.S.C. 1636(d)(2)(A)(i)) is amended—

(1) by inserting ''Any such modification shall be performed by the Native individual or Native Corporation.'' after ''substantial modification.'';

(2) by inserting a period after ''developed state'' the second place it appears; and

(3) by adding ''Any lands previously developed by third-party trespassers shall not be considered to have been developed.''.

SEC. 1413. RETAINED MINERAL ESTATE.

(a) IN GENERAL.—Section 12(c)(4) of the Alaska Native Claims Settlement Act (43 U.S.C. 1611(c)(4)) is amended—

(1) by redesignating subparagraphs (C) and (D) as subparagraphs (E) and (F), respectively, and by inserting after subparagraph (B) the following new subparagraphs:

''(C) Where such public lands are surrounded by or contiguous to subsurface lands obtained by a Regional Corporation under subsections (a) or (b), the Corporation may, upon request, have such public land conveyed to it.

''(D)(i) A Regional Corporation which elects to obtain public lands under subparagraph (C) shall be limited to a total of not more than 12,000 acres. Selection by a Regional Corporation of in lieu surface acres under subparagraph (E) pursuant to an election under subparagraph (C) shall not be made from any lands within a conservation system unit (as that term is defined by section 102(4) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3102(4)).

''(ii) An election to obtain the public lands described in subparagraph (A), (B), or (C) shall include all available parcels within the township in which the public lands are located.

''(iii) For purposes of this subparagraph and subparagraph (C), the term 'Regional Corporation' shall refer only to Doyon, Limited.''; and

(2) in subparagraph (E) (as so redesignated), by striking ''(A) or (B)'' and inserting ''(A), (B), or (C)''.

(b) FAILURE TO APPEAL NOT PROHIBITIVE.—Section 12(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1611(c)) is amended by adding at the end the following:

''(5) Subparagraphs (A), (B), and (C) of paragraph (4) shall apply, notwithstanding the failure of the Regional Corporation to have appealed the rejection of a selection during the conveyance of the relevant surface estate.''.

SEC. 1414. AMENDMENT TO PUBLIC LAW 102–415.

Section 20 of the Alaska Land Status Technical Corrections Act of 1992 (106 Stat. 2129), is amended by adding at the end the following new subsection:

''(h) Establishment of the account under subsection (b) and conveyance of land under subsection (c), if any, shall be treated as though 3,520 acres of land had been conveyed to Gold Creek under section 14(h)(2) of the Alaska Native Claims Settlement Act for which rights to subsurface estate are hereby provided to CIRI. Within 1 year from the date of the enactment of this subsection, CIRI shall select 3,520 acres of land from the area designated for selection by paragraph I.B.(2)(b) of the document identified in section 12(b) (referring to the Talkeetna Mountains) of the Act of January 2, 1976 (43 U.S.C. 1611 note). Not more than five selections shall be made under this subsection, each of which shall be reasonably compact and in whole sections, except when separated by unavailable land or when the remaining entitlement is less than a whole section.''.

SEC. 1415. CLARIFICATION ON TREATMENT OF BONDS FROM A NATIVE CORPORATION.

Section 29(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c)) is amended—

(1) in paragraph (3)(A), by inserting ''and on bonds received from a Native Corporation'' after ''from a Native Corporation''; and

(2) in paragraph (3)(B), by inserting ''or bonds issued by a Native Corporation which bonds shall be subject to the protection of section 7(h) until voluntarily and expressly sold or pledged by the shareholder subsequent to the date of distribution'' before the semicolon.

SEC. 1416. MINING CLAIMS.

Paragraph (3) of section 22(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1621(c)) is amended—

(1) by striking out ''regional corporation'' each place it appears and inserting in lieu thereof ''Regional Corporation''; and

(2) by adding at the end the following: ''The provisions of this section shall apply to Haida Corporation and the Haida Traditional Use Sites, which shall be treated as a Regional Corporation for the purposes of this paragraph, except that any revenues remitted to Haida Corporation under this section shall not be subject to distribution pursuant to section 7(i) of this Act.''.

SEC. 1417. SALE, DISPOSITION, OR OTHER USE OF COMMON VARIETIES OF SAND, GRAVEL, STONE, PUMICE, PEAT, CLAY, OR CINDER RESOURCES.

Subsection (i) of section 7 of the Alaska Native Claims Settlement Act (43 U.S.C. 1606(i)) is amended—

(1) by striking ''Seventy per centum'' and inserting ''(A) Except as provided by subparagraph (B), seventy percent''; and

(2) by adding at the end the following:

''(B) In the case of the sale, disposition, or other use of common varieties of sand, gravel, stone, pumice, peat, clay, or cinder resources made during a fiscal year ending after the date of enactment of this subparagraph, the revenues received by a Regional Corporation shall not be subject to division under subparagraph (A). Nothing in this subparagraph is intended to or shall be construed to alter the ownership of such sand, gravel, stone, pumice, peat, clay, or cinder resources.''.

SEC. 1418. ALASKA NATIVE ALLOTMENT APPLICATIONS.

Section 905(a) of the Alaska National Interest Lands Conservation Act (43 U.S.C. 1634(a)) is amended by adding at the end the following:

''(7) Paragraph (1) of this subsection and subsection (d) shall apply, and paragraph (5) of this subsection shall cease to apply, to an application—

''(A) that is open and pending on the date of enactment of this paragraph,

''(B) if the lands described in the application are in Federal ownership other than as a result of reacquisition by the United States after January 3, 1959, and

''(C) if any protest which is filed by the State of Alaska pursuant to paragraph (5)(B) with respect to the application is withdrawn or dismissed either before, on, or after the date of the enactment of this paragraph.

''(8)(A) Any allotment application which is open and pending and which is legislatively approved by enactment of paragraph (7) shall, when allotted, be made subject to any easement, trail, or right-of-way in existence on the date of the Native allotment applicant's commencement of use and occupancy.

''(B) The jurisdiction of the Secretary is extended to make any factual determinations required to carry out this paragraph.''.

SEC. 1419. VISITOR SERVICES.

Paragraph (1) of section 1307(b) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3197(b)) is amended—

(1) by striking ''Native Corporation'' and inserting ''Native Corporations''; and

(2) by striking ''is most directly affected'' and inserting ''are most directly affected''.

SEC. 1420. LOCAL HIRE REPORT.

(a) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Secretary of the Interior shall transmit to Congress a report.

(b) LOCAL HIRE.—The report required by subsection (a) shall—

(1) indicate the actions taken in carrying out subsection (b) of section 1308 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3198);

(2) address the recruitment processes that may restrict employees hired under subsection (a) of such section from successfully obtaining positions in the competitive service; and

(3) describe the actions of the Secretary of the Interior in contracting with Alaska Native Corporations to provide services with respect to public lands in Alaska.

(c) COOPERATION.—The Secretary of Agriculture shall cooperate with the Secretary of the Interior in carrying out this section with respect to the Forest Service.

SEC. 1421. SHAREHOLDER BENEFITS.

Section 7 of the Alaskan Native Claims Settlement Act (43 U.S.C. 1606) is amended by adding at the end the following:

''(r) BENEFITS FOR SHAREHOLDERS OR IMMEDIATE FAMILIES.—The authority of a Native Corporation to provide benefits to its shareholders who are Natives or descendants of Natives or to its shareholders' immediate family members who are Natives or descendants of Natives to promote the health, education, or welfare of such shareholders or family members is expressly authorized and confirmed. Eligibility for such benefits need not be based on share ownership in the Native Corporation and such benefits may be provided on a basis other than pro rata based on share ownership.''.

Subtitle C—Miscellaneous Provisions

SEC. 1431. MORATORIUM ON FEDERAL MANAGEMENT.

Prior to December 31, 1999, neither the Secretary of the Interior nor the Secretary of Agriculture may issue or implement final regulations, rules, or policies pursuant to title VIII of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3111 et seq.) to assert jurisdiction, management, or control over the navigable waters transferred to the State of Alaska pursuant to the Submerged Lands Act (43 U.S.C. 1301 et seq.) or the Act entitled ''An Act to provide for the admission of the State of Alaska into the Union'', approved July 7, 1958 (Public Law 85–508; 72 Stat. 339).

SEC. 1432. EASEMENT FOR CHUGACH ALASKA CORPORATION.

(a) IN GENERAL.—Notwithstanding any other provision of law, not later than December 11, 1998, the Secretary of Agriculture shall convey to Chugach Alaska Corporation an easement for the construction, use, and maintenance of forest roads and related facilities necessary for access to and economic development of the land interests in the Carbon Mountain and Katalla vicinity that were conveyed to Chugach Alaska Corporation pursuant to the Alaska Native Claims Settlement Act. The public shall be permitted use of the roads pursuant to the terms and conditions contained in the 1982 Chugach Natives, Inc. Settlement Agreement. The location of the easement is depicted on the map entitled ''Carbon Mountain Access Easement'' and dated November 4, 1997. Nothing

in this section waives any legal environmental requirement with respect to the actual road construction.

(b) CONSTRUCTION AND MAINTENANCE.—Construction and maintenance of any roads pursuant to subsection (a) shall be in accordance with the best management practices of the Forest Service as promulgated in the Forest Service Handbook.

(c) SETTLEMENT AGREEMENT TO REMAIN IN FORCE.—Nothing in this section shall be construed as impairing or diminishing any right granted Chugach Alaska Corporation under the 1982 Chugach Natives, Inc. Settlement Agreement.

The CHAIRMAN. No amendment is in order except those specified in section 2 of House Resolution 573. Each amendment may be offered only in the order printed, may be offered only by the Member specified, shall be considered read, debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment and shall not be subject to a demand for division of the question.

The Chairman of the Committee of the Whole may postpone a demand 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.

AMENDMENT NO. 1 IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. HANSEN

Mr. HANSEN. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment No. 1 in the nature of a substitute offered by Mr. HANSEN:

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 ''Omnibus National Parks and Public Lands Act of 1998''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

TITLE I—BOUNDARY ADJUSTMENTS AND RELATED CONVEYANCES

Sec. 101. Fort Davis Historic Site, Fort Davis, Texas.
Sec. 102. Abraham Lincoln Birthplace National Historic Site, Kentucky.
Sec. 103. Grand Staircase-Escalante National Monument, Utah.
Sec. 104. George Washington Birthplace National Monument, Virginia.
Sec. 105. Wasatch-Cache National Forest and Mount Naomi Wilderness, Utah.
Sec. 106. Bandelier National Monument, New Mexico.

TITLE II—OTHER LAND CONVEYANCES AND MANAGEMENT

Subtitle A—Southern Nevada Public Land Management

Sec. 201. Conveyance to Clark County Department of Aviation.

Subtitle B—Conveyance of Canyon Ferry Reservoir Properties

Sec. 221. Findings.
Sec. 222. Purpose.
Sec. 223. Definitions.
Sec. 224. Sale of Properties.
Sec. 225. Management of Bureau of Reclamation recreation area.
Sec. 226. Use of proceeds.
Sec. 227. Montana Fish and Wildlife Conservation Trust.
Sec. 228. Canyon Ferry-Broadwater County Trust.
Sec. 229. Canyon Ferry Cabin Site Transfer Trust.

Subtitle C—Conveyance of National Forest Lands for Public School Purposes

Sec. 231. Authorization of use of National Forest lands for public school purposes.

Subtitle D—Other Conveyances

Sec. 241. Land exchange, El Portal Administrative Site, California.
Sec. 242. Authorization to use land in Merced County, California, for elementary school.
Sec. 243. Issuance of quitclaim deed, Steffens family property, Big Horn County, Wyoming.
Sec. 244. Issuance of quitclaim deed, Lowe family property, Big Horn County, Wyoming.
Sec. 245. Utah schools and lands exchange.
Sec. 246. Land exchange, Routt National Forest, Colorado.
Sec. 247. Hart Mountain jurisdictional transfers, Oregon.
Sec. 248. Sale, lease, or exchange of Idaho school land.
Sec. 249. Transfer of jurisdiction of certain property in San Joaquin County, California, to Bureau of Land Management.
Sec. 250. Conveyance, Camp Owen and related parcels, Kern County, California.
Sec. 251. Treatment of certain land acquired by exchange, Red Cliffs Desert Reserve, Utah.
Sec. 252. Land conveyance, Yavapai County, Arizona.
Sec. 253. Conveyance, Old Coyote Administrative Site, Rio Arriba County, New Mexico.
Sec. 254. Acquisition of real property interests for addition to Chickamauga-Chattanooga National Military Park.
Sec. 255. Land transfers involving Rogue River National Forest and other public lands in Oregon.
Sec. 256. Protection of Oregon and California Railroad grant lands.

TITLE III—HERITAGE AREAS

Subtitle A—Delaware and Lehigh National Heritage Corridor of Pennsylvania

Sec. 301. Change in name of Heritage Corridor.
Sec. 302. Purpose.
Sec. 303. Corridor Commission.
Sec. 304. Powers of Corridor Commission.
Sec. 305. Duties of Corridor Commission.
Sec. 306. Termination of Corridor Commission.
Sec. 307. Duties of other Federal entities.
Sec. 308. Authorization of appropriations.
Sec. 309. Local authority and private property.
Sec. 310. Duties of the Secretary.

Subtitle B—Automobile National Heritage Area of Michigan

Sec. 311. Findings and purposes.
Sec. 312. Definitions.
Sec. 313. Automobile National Heritage Area.
Sec. 314. Designation of partnership as management entity.
Sec. 315. Management duties of the Automobile National Heritage Area Partnership.
Sec. 316. Duties and authorities of Federal agencies.
Sec. 317. Lack of effect on land use regulation and private property.
Sec. 318. Sunset.
Sec. 319. Authorization of appropriations.

Subtitle C—Lackawanna Heritage Valley American Heritage Area of Pennsylvania

Sec. 321. Findings and purpose.
Sec. 322. Lackawanna Heritage Valley American Heritage Area.
Sec. 323. Compact.
Sec. 324. Authorities and duties of management entity.
Sec. 325. Duties and authorities of Federal agencies.
Sec. 326. Sunset.
Sec. 327. Authorization of appropriations.

Subtitle D—Miscellaneous Provisions

Sec. 331. Blackstone River Valley National Heritage Corridor, Massachusetts and Rhode Island.
Sec. 332. Illinois and Michigan Canal National Heritage Corridor, Illinois.

TITLE IV—HISTORIC AREAS

Sec. 401. Battle of Midway National Memorial study.
Sec. 402. Historic lighthouse preservation.
Sec. 403. Thomas Cole National Historic Site, New York.
Sec. 404. Addition of the Paoli Battlefield to the Valley Forge National Historical Park.
Sec. 405. Casa Malpais National Historic Landmark, Arizona.
Sec. 406. Lower East Side Tenement National Historic Site, New York.
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SEC. 101. FORT DAVIS HISTORIC SITE, FORT DAVIS, TEXAS.

The Act entitled ''An Act Authorizing the establishment of a national historic site at Fort Davis, Jeff Davis County, Texas'', approved September 8, 1961 (75 Stat. 488; 16 U.S.C. 461 note), is amended in the first section by striking ''not to exceed four hundred and sixty acres'' and inserting ''not to exceed 476 acres''.

SEC. 102. ABRAHAM LINCOLN BIRTHPLACE NATIONAL HISTORIC SITE, KENTUCKY.

(a) IN GENERAL.—Upon acquisition of the land known as Knob Creek Farm pursuant to subsection (b), the boundary of the Abraham Lincoln Birthplace National Historic Site, established by the Act of July 17, 1916 (39 Stat. 385, chapter 247; 16 U.S.C. 211 et seq.), is revised to include such land. Lands acquired pursuant to this section shall be administered by the Secretary of the Interior as part of the historic site.

(b) ACQUISITION OF KNOB CREEK FARM.—The Secretary of the Interior may acquire, by donation only, the approximately 228 acres of land known as Knob Creek Farm in Larue County, Kentucky, as generally depicted on a map entitled ''Knob Creek Farm Unit, Abraham Lincoln National Historic Site'', numbered 338/80,077, and dated October 1998. Such map shall be on file and available for public inspection in the appropriate offices of the National Park Service.

(c) STUDY AND REPORT.—The Secretary of the Interior shall study the Knob Creek Farm in Larue County, Kentucky, and not later than 1 year after the date of enactment of this Act, submit a report to the Congress containing the results of the study. The purpose of the study shall be to:

(1) Identify significant resources associated with the Knob Creek Farm and the early boyhood of Abraham Lincoln.

(2) Evaluate the threats to the long-term protection of the Knob Creek Farm's cultural, recreational, and natural resources.

(3) Examine the incorporation of the Knob Creek Farm into the operations of the Abraham Lincoln Birthplace National Historic Site and establish a strategic management plan for implementing such incorporation. In developing the plan, the Secretary shall—

(A) determine infrastructure requirements and property improvements needed at Knob Creek Farm to meet National Park Service standards;

(B) identify current and potential uses of Knob Creek Farm for recreational, interpretive, and educational opportunities; and

(C) project costs and potential revenues associated with acquisition, development, and operation of Knob Creek Farm.

(d) AUTHORIZATION.—There are authorized to be appropriated such sums as may be necessary to carry out subsection (c).

SEC. 103. GRAND STAIRCASE-ESCALANTE NATIONAL MONUMENT, UTAH.

(a) EXCLUSION OF CERTAIN LANDS.—The boundaries of the Grand Staircase-Escalante National Monument in the State of Utah are hereby modified to exclude the following lands:

(1) The parcel known as Henrieville Town, Utah, as generally depicted on the map entitled ''Henrieville Town Exclusion, Garfield County, Utah'', dated March 25, 1998.

(2) The parcel known as Cannonville Town, Utah, as generally depicted on the map entitled ''Cannonville Town Exclusion, Garfield County, Utah'', dated March 25, 1998.

(3) The parcel known as Tropic Town, Utah, as generally depicted on the map entitled ''Tropic Town Parcel'', dated July 21, 1998.

(4) The parcel known as Boulder Town, Utah, as generally depicted on the map entitled ''Boulder Town Exclusion, Garfield County, Utah'', dated March 25, 1998.

(b) INCLUSION OF CERTAIN ADDITIONAL LANDS.—The boundaries of the Grand Staircase-Escalante National Monument are hereby modified to include the parcel known as East Clark Bench, as generally depicted on the map entitled ''East Clark Bench Inclusion, Kane County, Utah'', dated March 25, 1998.

(c) MAPS.—The maps referred to in subsections (a) and (b) shall be on file and available for public inspection in the office of the Grand Staircase-Escalante National Monument in the State of Utah and in the office of the Director of the Bureau of Land Management.

(d) LAND CONVEYANCE, TROPIC TOWN, UTAH.—The Secretary of the Interior shall convey to Garfield County School District, Utah, all right, title, and interest of the United States in and to the lands shown on the map entitled ''Tropic Town Parcel'' and dated July 21, 1998, in accordance with section 1 of the Act of June 14, 1926 (43 U.S.C. 869; commonly known as the Recreation and Public Purposes Act), for use as the location for a school and for other education purposes.

(e) LAND CONVEYANCE, KODACHROME BASIN STATE PARK, UTAH.—The Secretary shall transfer to the State of Utah all right, title, and interest of the United States in and to the lands shown on the map entitled ''Kodachrome Basin Conveyance No. 1 and No. 2'' and dated July 21, 1998, in accordance with section 1 of the Act of June 14, 1926 (43 U.S.C. 869; commonly known as the Recreation and Public Purposes Act), for inclusion of the lands in Kodachrome Basin State Park.

(f) UTILITY CORRIDOR DESIGNATION, U.S. ROUTE 89, KANE COUNTY, UTAH.—There is hereby designated a utility corridor with regard to U.S. Route 89, in Kane County, Utah. The utility corridor shall run from the boundary of Glen Canyon Recreation Area easterly to Mount Carmel Jct. and shall consist of the following:

(1) Bureau of Land Management lands located on the north side of U.S. Route 89 within 240 feet of the center line of the highway.

(2) Bureau of Land Management lands located on the south side of U.S. Route 89 within 500 feet of the center line of the highway.

SEC. 104. GEORGE WASHINGTON BIRTHPLACE NATIONAL MONUMENT, VIRGINIA.

(a) ADDITION.—The boundaries of the George Washington Birthplace National Monument are modified to include the property generally known as George Washington's Boyhood Home, Ferry Farm, located in Stafford County, Virginia, across the Rappahannock River from Fredericksburg, Virginia, comprising approximately 85 acres. The boundary modification is generally depicted on the map entitled ''George Washington Birthplace National Monument Boundary Map'', numbered 322/80,020 and dated April 1998. The Secretary of the Interior shall keep the map on file and available for public inspection in appropriate offices of the National Park Service.

(b) ACQUISITION OF EASEMENT.—After enactment of this section, the Secretary of the Interior may acquire no more than a less than fee interest in the property described in subsection (a) to ensure the preservation of the important cultural and natural resources associated with Ferry Farm.

(c) RESOURCE STUDY.—Not later than 18 months after the date on which funds are made available to carry out this section, the Secretary of the Interior shall submit to the Committee on Energy and Natural Resources

of the Senate and the Committee on Resources of the House of Representatives a resource study of the property described in subsection (a). The study shall—

(1) identify the full range of resources and historic themes associated with Ferry Farm, including those associated with George Washington's tenure at the property described in subsection (a) and those associated with the Civil War period;

(2) identify alternatives for further National Park Service involvement at the property described in subsection (a) beyond those that may be provided for in the acquisition authorized under subsection (b); and

(3) include cost estimates for any necessary acquisition, development, interpretation, operation, and maintenance associated with the alternatives identified.

(d) AGREEMENTS.—Upon completion of the resource study under subsection (c), the Secretary of the Interior may enter into agreements with the owner of the property described in subsection (a) or other entities for the purpose of providing programs, services, facilities, or technical assistance that further the preservation and public use of the property.

SEC. 105. WASATCH-CACHE NATIONAL FOREST AND MOUNT NAOMI WILDERNESS, UTAH.

(a) BOUNDARY ADJUSTMENT.—To correct a faulty land survey, the boundaries of the Wasatch–Cache National Forest in the State of Utah and the boundaries of the Mount Naomi Wilderness, which is located within the Wasatch–Cache National Forest and was established as a component of the National Wilderness Preservation System in section 102(a)(1) of the Utah Wilderness Act of 1984 (Public Law 98–428; 98 Stat. 1657), are hereby modified to exclude the parcel of land known as the D. Hyde property, which encompasses an area of cultivation and private use, as generally depicted on the map entitled ''D. Hyde Property Section 7 Township 12 North Range 2 East SLB & M'', dated July 23, 1998.

(b) LAND CONVEYANCE.—The Secretary of Agriculture shall convey to Darrell Edward Hyde of Cache County, Utah, all right, title, and interest of the United States in and to the parcel of land identified in subsection (a). As part of the conveyance, the Secretary shall release, on behalf of the United States, any claims of the United States against Darrell Edward Hyde for trespass or unauthorized use of the parcel before its conveyance.

(c) WILDERNESS ADDITION.—To prevent any net loss of wilderness within the State of Utah, the boundaries of the Mount Naomi Wilderness are hereby modified to include a parcel of land comprising approximately 7.25 acres, identified as the ''Mount Naomi Wilderness Boundary Realignment Consideration'' on the map entitled ''Mount Naomi Wilderness Addition'', dated September 25, 1998.

SEC. 106. BANDELIER NATIONAL MONUMENT, NEW MEXICO.

(a) FINDINGS.—Congress finds the following:

(1) Bandelier National Monument (in this section referred to as the ''Monument'') was established by Presidential proclamation on February 11, 1916, to preserve the archaeological resources of a ''vanished people, with as much land as may be necessary for the proper protection thereof. . .'' (Presidential Proclamation No. 1322; 39 Stat. 1764).

(2) At various times since the establishment of the Monument, the Congress and the President have adjusted the boundaries and purpose of the Monument to further preservation of archaeological and natural resources within the Monument:

(A) On February 25, 1932, the Otowi Section of the Santa Fe National Forest (some 4,699 acres of land) was transferred to the Monument from the Santa Fe National Forest (Presidential Proclamation No. 1991; 47 Stat. 2503).

(B) On December 9, 1959, 3,600 acres of Frijoles Mesa were transferred to the National Park Service from the Atomic Energy Commission, and such lands were subsequently added to the Monument on January 9, 1961, because of ''pueblo-type archeological ruins germane to those in the monument area'' (Presidential Proclamation No. 3388; 75 Stat. 1014).

(C) On May 27, 1963, Upper Canyon, consisting of 2,882 acres of land previously administered by the Atomic Energy Commission, was added to the Monument to preserve the lands ''unusual scenic character together with geologic and topographic features, the preservation of which would implement the purposes of such monument (Presidential Proclamation No. 3539; 77 Stat. 1006).

(D) In 1976, concerned about upstream land management activities that could result in flooding and erosion in the Monument, Congress enacted Public Law 94–578 (90 Stat. 2732, 2736) to include the headwaters of the Rito de los Frijoles and the Cañada de Cochiti Grant (a total of 7,310 acres) within the boundaries of the Monument.

(E) In 1976, Congress enacted Public Law 94–567 (90 Stat. 2692), which created the Bandelier Wilderness, a 23,267 acres area that covers over 70 percent of the Monument.

(3) The Monument still has potential threats from flooding, erosion, and water quality deterioration because of the mixed ownership of the upper watersheds, along its western border, particularly in Alamo Canyon.

(b) PURPOSE.—The purpose of this section is to modify the boundaries of the Monument to allow for acquisition and enhanced protection of the lands within the Monument's upper watershed.

(c) BOUNDARY MODIFICATION.—Effective on the date of enactment of this Act, the boundaries of the Monument are hereby modified to include approximately 935 acres of land, comprised of the Elk Meadows subdivision, the Gardner parcel, the Clark parcel, and the Baca Land & Cattle Co. lands within the Upper Alamo watershed, as depicted on the National Park Service map entitled ''Proposed Boundary Expansion Map Bandelier National Monument'' dated July 1997. Such map shall be on file and available for public inspection in the offices of the Director of the National Park Service, Department of the Interior.

(d) ACQUISITION AUTHORITY—

(1) ACQUISITION METHODS.—Subject to paragraphs (2), (3), and (4), the Secretary of the Interior may acquire lands and interests therein within the boundaries of the area added to the Monument by this section by donation, purchase with donated or appropriated funds, transfer with another Federal agency, or exchange.

(2) CONSENT OF OWNER REQUIRED.—Lands or interests therein may be acquired under paragraph (1) only with the consent of the owner of the lands.

(3) STATE AND LOCAL LANDS.—Lands or interests therein owned by the State of New Mexico, or a political subdivision thereof, may be acquired under paragraph (1) only by donation or exchange.

(4) ACQUISITION OF LESS THAN FEE INTERESTS IN LAND.—The Secretary may acquire less than fee interests in land only if the Secretary determines that such less than fee acquisition will adequately protect the Monument from flooding, erosion, and degradation of its drainage waters.

(e) ADMINISTRATION.—The Secretary of the Interior, acting through the Director of the National Park Service, shall manage the Monument, including lands added to the Monument by this section, in accordance with this section, the provisions of law generally applicable to units of National Park System, including the Act of August 25, 1916 (16 U.S.C. 1 et seq.; commonly known as the National Park Service Organic Act), and such specific laws as heretofore have been enacted regarding the Monument.

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out the purpose of this section.

TITLE II—OTHER LAND CONVEYANCES AND MANAGEMENT

Subtitle A—Southern Nevada Public Land Management

SEC. 201. CONVEYANCE TO CLARK COUNTY DEPARTMENT OF AVIATION.

(a) CONVEYANCE REQUIRED.—Notwithstanding the land use planning requirements contained in sections 202 and 203 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1711 and 1712), but subject to subsection (b) of this section, the Secretary of the Interior shall convey to the Department of Aviation of Clark County, Nevada (in this section referred to as the ''Aviation Department''), all right, title, and interest of the United States in and to the public lands identified for disposition on the map entitled ''Ivanpah Valley Airport Selections, #1'' and dated September 30, 1998, for the purpose of developing an airport facility and related infrastructure. Such map shall be on file and available for public inspection in the offices of the Director and the Las Vegas District of the Bureau of Land Management.

(b) AIRSPACE STUDY AND MITIGATION OF ADVERSE EFFECTS.—The conveyance identified in subsection (a) shall not occur unless each of the following occur:

(1) The Aviation Department conducts an airspace assessment to identify any adverse effect on access to the Las Vegas Basin under visual flight rules that would result from the construction and operation of a commercial or primary airport, or both, on the land to be conveyed.

(2) The Federal Aviation Administration certifies to the Secretary that the Aviation Department's assessment is thorough and that alternatives have been developed to address each adverse effect identified in the assessment, including alternatives that ensure access to the Las Vegas Basin under visual flight rules at a level that is equal to or better than existing access.

(3) The Aviation Department enters into an agreement with the Secretary to retain ownership of nearby Jean Airport and to maintain and develop Jean Airport as a general aviation airport.

(c) PHASED CONVEYANCES.—The Secretary shall convey the lands identified in subsection (a) in smaller parcels over a period of up to 20 years, as may be required to carry out the phased construction and development of the airport facility and infrastructure on the lands to be conveyed. As consideration for the conveyance of each parcel, the Aviation Department shall pay to the United States an amount equal to the fair market value of the parcel.

(d) DETERMINATIONS OF FAIR MARKET VALUE.—During the 3-year period beginning on the date of the enactment of this Act, the fair market value of a parcel to be conveyed under subsection (a) shall be based on an appraisal of the fair market value as of a date not later than 6 months after the date of the enactment of this Act. The fair market value of each parcel conveyed after the end of such period shall be based on a subsequent appraisal. An appraisal conducted after such period shall consider the parcel in its unimproved state and shall not reflect any enhancement in value to the parcel based upon

the existence or planned construction of infrastructure on or near the parcel.

(e) REVERSIONARY INTEREST.—During the 5-year period beginning 20 years after the date on which the Secretary conveys the first parcel under subsection (a), if the Secretary determines that the Aviation Department is not developing or progressing toward the development of the conveyed lands as an airport facility, the Secretary may exercise a right to reenter the conveyed lands. Any determination of the Secretary under this subsection shall be made on the record after an opportunity for a hearing. If the Secretary exercises a right to reenter the conveyed lands under this subsection, the Secretary shall reimburse the Aviation Department for all payments made to the United States under subsection (c).

(f) WITHDRAWAL.—The public lands referred to in subsection (a) are hereby withdrawn from mineral entry under the Act of May 10, 1872 (30 U.S.C. 22 et seq.; popularly known as the Mining Law of 1872), and the Mineral Leasing Act (30 U.S.C. 181 et seq.).

(g) MOJAVE NATIONAL PRESERVE OVERFLIGHTS.—The Secretary of Transportation shall consult with the Secretary in the preparation of an airspace management plan for the Ivanpah Airport which avoids, to the maximum extent practicable, overflights of the Mojave National Preserve in California consistent with Federal Aviation Administration recommendations for safety.

Subtitle B—Conveyance of Canyon Ferry Reservoir Properties

SEC. 221. FINDINGS.

The Congress finds that the conveyance of the Properties described in section 224(b) to the Lessees of those Properties for fair market value would have the beneficial results of—

(1) reducing Pick-Sloan project debt for the Canyon Ferry Reservoir;

(2) providing a permanent source of funding to acquire and improve public access, to conserve fish and wildlife, and to enhance public hunting, fishing, and recreational opportunities in the State of Montana;

(3) eliminating Federal payments in lieu of taxes and associated management expenditures in connection with the Federal Government's ownership of the Properties while increasing local tax revenues from the new owners of the Properties; and

(4) eliminating expensive and contentious disputes between the Secretary of the Interior and Lessees while ensuring that the Federal Government receives full and fair value for the conveyance of the Properties.

SEC. 222. PURPOSE.

The purpose of this subtitle is to establish terms and conditions under which the Secretary of the Interior shall convey, for fair market value, certain Properties around Canyon Ferry Reservoir in the State of Montana, to the Lessees of the Properties.

SEC. 223. DEFINITIONS.

In this subtitle:

(1) CABIN TRUST.—The terms ''Cabin Trust'' and ''Canyon Ferry Cabin Site Transfer Trust'' mean the Canyon Ferry Cabin Site Transfer Trust established pursuant to section 229.

(2) CFRA.—The term ''CFRA'' means the Canyon Ferry Recreation Association, Incorporated, a Montana corporation.

(3) COMMISSIONERS.—The term ''Commissioners'' means the Board of Commissioners for Broadwater County, Montana.

(4) COUNTY TRUST.—The terms ''County Trust'' and ''Canyon Ferry-Broadwater County Trust'' mean the Canyon Ferry-Broadwater County Trust established pursuant to section 228.

(5) LESSEE.—The term ''Lessee'' means the leaseholder (or permit holder) of any one of the cabin sites described in section 224(b) on the date of the enactment of this subtitle and the heirs, executors, and assigns of the leaseholder's (or permit holder's) interest in that cabin site.

(6) PROPERTY.—The term ''Property'' means any one of the cabin sites described in section 224(b).

(7) PROPERTIES.—The term ''Properties'' means all 265 of the cabin sites (and related parcels) described in section 224(b).

(8) PURCHASER.—The term ''Purchaser'' means a person or entity, excluding CFRA or a Lessee, that purchases the Properties under section 224.

(9) RESERVOIR.—The terms ''Reservoir'' and ''Canyon Ferry Reservoir'' mean the Canyon Ferry Reservoir in the State of Montana.

(10) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(11) STATE TRUST.—The terms ''State Trust'' and ''Montana Fish and Wildlife Conservation Trust'' mean the Montana Fish and Wildlife Conservation Trust established pursuant to section 227.

SEC. 224. SALE OF PROPERTIES.

(a) SALE REQUIRED.—Subject to subsection (c) and section 228(a), and notwithstanding any other provision of law, the Secretary shall sell at fair market value—

(1) all right, title, and interest of the United States in and to all (but not fewer than all) of the Properties, subject to valid existing rights; and

(2) perpetual easements for—

(A) vehicular access to each Property;

(B) access to and the use of one dock per Property; and

(C) access to and the use of all boathouses, ramps, retaining walls, and other improvements for which access is provided in the Property leases as of the date of the enactment of this subtitle.

(b) DESCRIPTION OF PROPERTIES.—

(1) IN GENERAL.—The Properties to be conveyed are—

(A) the 265 cabin sites of the Bureau of Reclamation located along the northern end of the Reservoir in portions of sections 2, 11, 12, 13, 15, 22, 23, and 26, Township 10 North, Range 1 West; and

(B) any small parcels contiguous to the Property (not including shoreline or land needed to provide public access to the shoreline of the Reservoir) that the Secretary determines should be conveyed in order to eliminate inholdings and facilitate administration of surrounding land remaining in Federal ownership.

(2) ACREAGE; LEGAL DESCRIPTION.—The acreage and legal description of each Property and of each parcel determined by the Secretary under paragraph (1)(B) shall be determined by agreement between the Secretary and CFRA.

(c) PURCHASE PROCESS.—

(1) IN GENERAL.—The Secretary shall—

(A) solicit sealed bids for the Properties;

(B) subject to paragraph (2), sell the Properties to the bidder that submits the highest bid above the minimum bid determined under paragraph (2); and

(C) only accept bids that provide for the purchase of all of the Properties in one bundle.

(2) MINIMUM BID.—Before accepting bids, the Secretary, in consultation with CFRA, shall establish a minimum bid based on an appraisal of the fair market value of the Properties, exclusive of the value of private improvements made by leaseholders of the Properties before the date of the conveyance. The appraisal shall be conducted in conformance with the Uniform Standards of Professional Appraisal Practice.

(3) RIGHT OF FIRST REFUSAL.—If the highest bidder is a person other than CFRA, CFRA shall have the right to match the highest bid and purchase the Properties at a price equal to the amount of that other person's bid.

(d) TERMS OF CONVEYANCE FOR PURCHASER OTHER THAN CFRA.—

(1) APPLICATION OF SUBSECTION.—This subsection applies in the event that the highest bidder for the Properties is other than CFRA, and CFRA does not match the highest bid as authorized in subsection (c)(3).

(2) PAYMENT AND CONVEYANCE.—The Secretary shall convey the Properties to the Purchaser upon the payment by the Purchaser of the bid amount. The Secretary shall use the proceeds as provided in section 226.

(3) PURCHASER TO EXTEND OPTION TO PURCHASE OR TO CONTINUE LEASING.—

(A) PURCHASE OPTION.—The Purchaser shall give each Lessee of a Property conveyed under this section an option to purchase the Property at fair market value as determined under subsection (c)(2).

(B) RIGHT TO CONTINUE LEASE.—A Lessee that is unable or unwilling to purchase a Property shall be provided the opportunity to continue to lease the Property for fair market value rent under the same terms and conditions as apply under the existing lease for the Property, including the right to renew the term of the existing lease for two consecutive five-year terms.

(C) COMPENSATION FOR IMPROVEMENTS.—If a Lessee declines to purchase a Property, the Purchaser shall compensate the Lessee for the fair market value, as determined pursuant to customary appraisal procedures, of all improvements made to the Property. The Lessee may sell the improvements to the Purchaser at any time, but the sale shall be completed by the final termination of the lease, after all renewals as provided in subparagraph (B).

(4) PROPERTY DESCRIPTIONS AND HISTORICAL USE.—The Purchaser shall honor the existing descriptions of the Properties and historical use restrictions for the Properties.

(e) TERMS OF CONVEYANCE FOR CFRA.—

(1) APPLICATION OF SUBSECTION.—This subsection applies in the event that CFRA is the highest bidder or matches the highest bid as authorized in subsection (c)(3).

(2) TIME FOR CONVEYANCE.—The Secretary shall close on a Property within 45 days after receipt of the purchase request from the Lessee of the Property or CFRA.

(3) TIME FOR PAYMENT.—At the closing for a Property to be purchased by the Lessee or CFRA, the Lessee or CFRA shall deliver to the Secretary payment for the Property. The Secretary shall use the proceeds as provided in section 226.

(4) PURCHASE AMOUNT.—The Secretary and CFRA shall determine the purchase amount of each Property based on the appraisal conducted pursuant to subsection (c)(2), the amount bid pursuant to subsection (c)(1), and the proportionate share of administrative costs pursuant to subsection (g). The total purchase amount for all Properties shall equal the total bid amount plus administrative costs pursuant to subsection (g).

(5) TIME FOR PURCHASE.—CFRA and the Lessees shall complete purchase of at least 75 percent of the Properties not later than August 1 of the year that is at least 12 months after title to the first Property is transferred by the Secretary to a Lessee.

(6) EFFECT OF FAILURE TO COMPLETE PURCHASE.—On the August 1 determined under paragraph (5), the Secretary shall convey, without consideration, to the Canyon Ferry Cabin Site Transfer Trust the fee title to any Property not purchased by CFRA or a Lessee before that date.

(7) COSTS.—The Lessee shall reimburse CFRA for a proportionate share of the costs

to CFRA of completing the transactions, including any interest charges.

(f) CONTINUED PUBLIC ACCESS TO RESERVOIR.—The Secretary, the Purchaser, CFRA, and subsequent owners of each Property shall ensure that existing public access to and along the shoreline of the Reservoir is not obstructed.

(g) ADMINISTRATIVE COSTS.—Any reasonable administrative cost incurred by the Secretary incident to the conveyance under subsection (a) shall be reimbursed by the Purchaser or CFRA, as the case may be.

(h) TIMING.—The Secretary shall make every effort to complete the conveyance under subsection (a) not later than one year after the date on which the conditions specified in section 228(a) are satisfied.

(i) CLOSING.—

(1) IN GENERAL.—The Secretary shall complete no real estate closings under this section until the Secretary is prepared to close on every individual Property. Real estate closings to complete the conveyance under subsection (a) may be staggered to facilitate the conveyance as agreed to by the Secretary and the Purchaser or CFRA, as the case may be.

(2) CONVEYANCE TO LESSEE.—If a Lessee elects to purchase a Property from the Purchaser or CFRA, the Secretary, upon request by the Lessee, shall have the conveyance documents prepared in the Lessee's name or names in order to minimize the time and documents required to complete the closing for the Property.

SEC. 225. MANAGEMENT OF BUREAU OF RECLAMATION RECREATION AREA.

(a) CONTRACT FOR CAMPGROUND MANAGEMENT.—Not later than six months after the date of the enactment of this subtitle, the Secretary shall—

(1) offer to enter into a contract with the Board of Commissioners for Broadwater County, Montana, under which the Commissioners would undertake the management of the Bureau of Reclamation recreation area known as Silos recreation area;

(2) enter into such a contract if mutually agreed upon by the Secretary and the Commissioners; and

(3) grant necessary easements to Broadwater County, Montana, for access roads within and adjacent to the Silos recreation area.

(b) CONCESSION INCOME.—Any income generated by any concessions which may be granted by the Commissioners at the Silos recreation area shall be deposited in the Canyon Ferry-Broadwater County Trust established pursuant to section 228 and may be disbursed by the manager of the County Trust as part of the income of the County Trust.

SEC. 226. USE OF PROCEEDS.

Proceeds received by the United States from the conveyances under this subtitle shall be used as follows:

(1) 10 percent of the proceeds shall be applied by the Secretary of the Treasury to reduce the outstanding debt for the Pick-Sloan project at Canyon Ferry Reservoir.

(2) 90 percent of the proceeds shall be deposited into the State Trust.

SEC. 227. MONTANA FISH AND WILDLIFE CONSERVATION TRUST.

(a) ESTABLISHMENT OF STATE TRUST.—

(1) ESTABLISHMENT.—The Secretary shall establish a nonprofit charitable permanent perpetual public trust in Montana to be known as the ''Montana Fish and Wildlife Conservation Trust'', to provide a permanent source of funding to acquire publicly accessible land and interests in land, including easements and conservation easements, in Montana from willing sellers at fair market value to—

(A) restore and conserve fisheries habitat, including riparian habitat;

(B) restore and conserve wildlife habitat;

(C) enhance public hunting, fishing, and recreational opportunities; and

(D) improve public access to public lands.

(2) CONSULTATION.—The Secretary shall establish the State Trust in consultation with the Montana congressional delegation and the Governor of the State of Montana.

(b) STATE TRUST MANAGER.—The State Trust shall be managed by a manager who shall be responsible for—

(1) investing the corpus of the State Trust; and

(2) disbursing funds from the State Trust at the request of the Joint State-Federal Agency Board established under subsection (c) upon receipt of a request for disbursement that complies with the requirements of such subsection.

(c) JOINT STATE-FEDERAL AGENCY BOARD.—

(1) ESTABLISHMENT.—An advisory board for the State Trust shall be established by the State Trust and shall be known as the ''Joint State-Federal Agency Board''. The Joint State-Federal Agency Board shall consist of the following persons:

(A) A Forest Service employee working in Montana designated by the Forest Service.

(B) A Bureau of Land Management employee working in Montana designated by the Bureau of Land Management.

(C) A Bureau of Reclamation employee working in Montana designated by the Bureau of Reclamation.

(D) A Fish and Wildlife Service employee working in Montana designated by the United States Fish and Wildlife Service.

(E) A Fish, Wildlife, and Parks employee designated by the Montana Department of Fish, Wildlife, and Parks.

(2) SUBMISSION OF DISBURSEMENT REQUEST.—A request for disbursement from the State Trust may be submitted to the manager of the State Trust if the request satisfies a purpose of the State Trust specified in subsection (a) and is agreed to by a majority of the members of the Joint State-Federal Agency Board.

(3) CONSULTATION AND CONSIDERATION.—Before submitting a request for disbursement to the manager of the State Trust, the Joint State-Federal Agency Board shall consult with the Citizen Advisory Board established under subsection (d) regarding the merits of the request and after consideration of the plan for the State Trust prepared under subsection (e). The Joint State-Federal Agency Board shall also notify members of the public, including local governments, of proposed requests for disbursement and shall provide an opportunity for public comment. The Joint State-Federal Agency Board shall consider any comments or recommendations for requests submitted by members of the public or the Citizen Advisory Board.

(d) CITIZEN ADVISORY BOARD.—The Joint State-Federal Agency Board shall appoint, from nominations submitted by the Secretary, a Citizen Advisory Board consisting of four members, including one representative with a demonstrated commitment to improving public access to public lands and to fish and wildlife conservation from each of the following:

(1) A Montana organization representing agricultural landowners.

(2) A Montana organization representing hunters.

(3) A Montana organization representing fishermen.

(4) A Montana nonprofit land trust or environmental organization.

(e) STATE TRUST PLAN.—The Citizen Advisory Board, in consultation with the Joint State-Federal Agency Board and the Montana Association of Counties, shall prepare (and periodically update) a plan for the management and use of the State Trust. The plan shall include recommendations regarding appropriate requests for disbursement from the State Trust. The plan shall be designed to maximize effectiveness of State Trust expenditures considering public needs and requests, availability of property, alternative sources of funding, and availability of matching funds.

(f) TREATMENT OF PRINCIPAL AND EARNINGS.—

(1) PRINCIPAL.—The principal amount of the State Trust shall be inviolate.

(2) EARNINGS.—Earnings on amounts in the State Trust shall be used to carry out subsection (a) and to administer the State Trust and Citizen Advisory Board.

(g) LOCAL PURPOSES.—No more than 50 percent of the income from the State Trust in any given year shall be utilized outside the watershed of the Missouri River in Montana, from Holter Dam upstream to the confluence of the Jefferson, Gallatin, and Madison Rivers.

(h) MANAGEMENT OF ACQUISITIONS.—Land and interests in land acquired under this section shall be managed for the purposes specified in subsection (a).

SEC. 228. CANYON FERRY-BROADWATER COUNTY TRUST.

(a) TRUST REQUIRED AS CONDITION ON CONVEYANCES.—The Secretary may not sell the Properties under section 224 unless and until—

(1) the Board of Commissioners for Broadwater County, Montana, establishes a nonprofit charitable permanent perpetual public trust, to be known as the ''Canyon Ferry-Broadwater County Trust''; and

(2) at least $3,000,000, or some lesser amount as offset by in-kind contributions made before full funding of the County Trust, is deposited as the initial corpus of the County Trust.

(b) REDUCTION FOR IN-KIND CONTRIBUTIONS.—The amount required to be deposited in the County Trust under subsection (a)(2) may be reduced to reflect in-kind contributions made in Broadwater County and related to the improvement of access to those portions of the Reservoir lying within Broadwater County or for the creation and improvement of new and existing recreational areas within Broadwater County. In kind contributions, including the value of such contributions, the nature and type of contribution, and the entity providing the contribution, must be approved in advance by the commissioners, but in kind contributions may not include any contribution made by Broadwater County.

(c) COUNTY TRUST MANAGEMENT.—The County Trust shall be managed by a nonprofit foundation or other independent trustee to be selected by the Commissioners. The selected person or entity shall be referred to as the ''trust manager''.

(d) USE.—

(1) IN GENERAL.—The trust manager shall invest the corpus of the County Trust and shall disburse funds from the County Trust only as provided in this subsection.

(2) SILO RECREATION AREA.—A sum not to exceed $500,000 may be expended from the corpus of the County Trust to pay for the planning and construction of a harbor at the Silos recreation area.

(3) OTHER USES.—The balance of the principal of the County Trust shall be inviolate. Income derived from the County Trust may be expended for the improvement of access to those portions of Canyon Ferry Reservoir lying within Broadwater County, Montana, and for the creation and improvement of new and existing recreational areas within Broadwater County.

(4) LIMITATION.—All interest earned on the principal of the County Trust shall be reinvested and considered part of the corpus of the County Trust until the sum of $3,000,000, or such lesser amount as offset by in-kind contributions (as defined under subsection (b)), is deposited as the initial corpus of the County Trust.

(5) DISBURSEMENT.—The trust manager shall either approve or reject any request for disbursement, but shall not make any expenditure except on the recommendation of the advisory committee established under subsection (e).

(e) ADVISORY COMMITTEE.—

(1) APPOINTMENT.—The Commissioners shall appoint an advisory committee consisting of not less than three nor more than five persons.

(2) DUTIES.—The advisory committee shall meet on a regular basis to establish priorities and prepare requests for the disbursement of funds from the County Trust, except that the advisory committee shall recommend only such expenditures as are approved by the Commissioners.

(f) NO OFFSET.—Neither the corpus of the County Trust nor its interest shall be used to reduce or replace the regular operating expenses of the Secretary at the Reservoir, unless such use is authorized by the Commissioners.

SEC. 229. CANYON FERRY CABIN SITE TRANSFER TRUST.

(a) ESTABLISHMENT.—The Secretary shall establish a trust in Montana, to be known as the ''Canyon Ferry Cabin Site Transfer Trust''.

(b) PURPOSES.—The purposes of the Canyon Ferry Cabin Site Transfer Trust are as follows:

(1) To receive each unsold Property transferred by the Secretary under section 224(e)(6).

(2) To provide all appropriate real estate management services, including collecting rents, paying taxes, enforcing lease terms and selling Property.

(3) To pay to the State Trust any income generated from the Cabin Trust after the payment of management fees, costs, and expenses.

(c) TRUST TERM.—

(1) ESTABLISHMENT.—The Cabin Trust shall be established on August 1 of the year that is at least 12 months after title to the first Property is transferred by the Secretary to a Lessee.

(2) TERMINATION.—The Cabin Trust shall terminate after the completion of the last sale of a Property under its management.

(d) ADMINISTRATION.—The Cabin Trust shall be managed by a trust manager who shall administer it consistent with the purposes of this section.

(e) CONTINUATION OF LEASES.—

(1) IN GENERAL.—The Cabin Trust shall allow a Lessee that is unable or unwilling to purchase a Property to continue to lease the Property pursuant to the terms and conditions of the lease in effect for the Property on the date of the enactment of this subtitle.

(2) RENTAL PAYMENTS.—All rents received during the continuation of a lease under paragraph (1) shall be paid to the Cabin Trust.

(3) LIMITATION ON RIGHT TO TRANSFER LEASE.—Subject to valid existing rights, a Lessee may not sell or otherwise assign or transfer the leasehold without purchasing the Property from the Cabin Trust and conveying the fee interest in the Property. In the event of a sale by a Lessee to a third party, it shall be permissible for a simultaneous closing to be conducted wherein the Lessee conveys its interest in the leasehold improvements to the third party and the Cabin Trust conveys the fee title to the third party.

(f) CONVEYANCE BY CABIN TRUST.—All conveyances of a Property and any related parcels described in section 224(b)(1)(B) by the Cabin Trust shall be at fair market value as determined by a new appraisal, but in no event may the Cabin Trust convey any Property to a Lessee for an amount less than the value established for the Property by the appraisal conducted pursuant to section 224(c)(2).

(g) SALE PROCEEDS.—All proceeds from the sale of a Property received by the Cabin Trust shall be distributed by the trust manager as follows:

(1) 10 percent of the proceeds shall be paid to the Secretary of the Treasury to be applied to the reduction of the outstanding debt for the Pick-Sloan project at Canyon Ferry Reservoir.

(2) 90 percent of the proceeds shall be paid to the Montana Fish and Wildlife Conservation Trust.

(h) COSTS.—The Lessee, or a third party acquiring a Property with the cooperation of the Lessee, shall reimburse the Cabin Trust for a proportionate share of the costs to the Cabin Trust of completing the transactions contemplated by this section. In addition, the Lessee, or a third party acquiring a Property with the cooperation of the Lessee, shall reimburse the Cabin Trust for costs, including costs of the new appraisal, associated with conveying the Property from the Cabin Trust to the Lessee or a third party.

Subtitle C—Conveyance of National Forest Lands for Public School Purposes

SEC. 231. AUTHORIZATION OF USE OF NATIONAL FOREST LANDS FOR PUBLIC SCHOOL PURPOSES.

(a) TRANSFERS.—The Secretary of Agriculture may, upon a finding that the transfer of certain National Forest lands for local public school purposes would serve the public interest, authorize the transfer of up to 40 acres of National Forest lands to a local governmental entity for public school purposes. The Secretary may make available only those National Forest lands that have been identified for disposal or exchange or are not otherwise needed for National Forest purposes. The Secretary shall make such transfers using the least amount of land required for the efficient operation of the project involved.

(b) COSTS.—Such transfers may be made at discounted or no-cost. The Secretary shall provide for a no-cost transfer to a local governmental entity for public school purposes if the Secretary determines that the charges for such lands would impose an undue hardship on the local governmental entity.

(c) CONDITIONS.—Such transfers shall be conditioned on the requirement that the lands so transferred will be used solely for public school purposes.

(d) DEADLINE FOR CONSIDERATION OF APPLICATION FOR USE FOR SCHOOL.—If the Secretary receives an application from a duly qualified applicant that is a local education agency seeking a conveyance of land under this section for use for an elementary or secondary school, including a public charter school, the Secretary shall—

(1) before the end of the 10-day period beginning on the date of that receipt, provide notice of that receipt to the applicant; and

(2) before the end of the 90-day period beginning on the date of that receipt—

(A) determine whether or not to convey land pursuant to the application, and notify the applicant of that determination; or

(B) report to the Congress and the applicant the reasons that determination has not been made.

Subtitle D—Other Conveyances

SEC. 241. LAND EXCHANGE, EL PORTAL ADMINISTRATIVE SITE, CALIFORNIA.

(a) AUTHORIZATION OF EXCHANGE.—If the non-Federal lands described in subsection (b) are conveyed to the United States in accordance with this section, the Secretary of the Interior shall convey to the party conveying the non-Federal lands all right, title, and interest of the United States in and to a parcel of land consisting of approximately 8 acres administered by the Department of Interior as part of the El Portal Administrative Site in the State of California, as generally depicted on the map entitled ''El Portal Administrative Site Land Exchange'', dated June 1998.

(b) RECEIPT OF NON-FEDERAL LANDS.—The parcel of non-Federal lands referred to in subsection (a) consists of approximately 8 acres, known as the Yosemite View parcel, which is located adjacent to the El Portal Administrative Site, as generally depicted on the map referred to in subsection (a). Title to the non-Federal lands must be acceptable to the Secretary of the Interior, and the conveyance shall be subject to such valid existing rights of record as may be acceptable to the Secretary. The parcel shall conform with the title approval standards applicable to Federal land acquisitions.

(c) EQUALIZATION OF VALUES.—If the value of the Federal land and non-Federal lands to be exchanged under this section are not equal in value, the difference in value shall be equalized through a cash payment or the provision of goods or services as agreed upon by the Secretary and the party conveying the non-Federal lands.

(d) APPLICABILITY OF OTHER LAWS.—Except as otherwise provided in this section, the Secretary of the Interior shall process the land exchange authorized by this section in the manner provided in part 2200 of title 43, Code of Federal Regulations, as in effect on the date of the enactment of this subtitle.

(e) BOUNDARY ADJUSTMENT.—Upon completion of the land exchange, the Secretary shall adjust the boundaries of the El Portal Administrative Site as necessary to reflect the exchange. Lands acquired by the Secretary under this section shall be administered as part of the El Portal Administrative Site.

(f) MAP.—The map referred to in subsection (a) shall be on file and available for inspection in appropriate offices of the Department of the Interior.

(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Interior may require such additional terms and conditions in connection with the land exchange under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 242. AUTHORIZATION TO USE LAND IN MERCED COUNTY, CALIFORNIA, FOR ELEMENTARY SCHOOL.

(a) REMOVAL OF RESTRICTIONS.—Notwithstanding the restrictions otherwise applicable under the terms of conveyance by the United States of any of the land described in subsection (b) to Merced County, California, or under any agreement concerning any part of such land between such county and the Secretary of the Interior or any other officer or agent of the United States, the land described in subsection (b) may be used for the purpose specified in subsection (c).

(b) LAND AFFECTED.—The land referred to in subsection (a) is the north 25 acres of the 40 acres located in the northwest quarter of the southwest quarter of section 20, township 7 south, range 13 east, Mount Diablo base line and Meridian in Merced County, California, conveyed to such county by deed recorded in volume 1941 at page 441 of the official records in Merced County, California.

(c) AUTHORIZED USES.—Merced County, California, may authorize the use of the land described in subsection (b) for an elementary school serving children without regard to their race, creed, color, national origin,

physical or mental disability, or sex, operated by a nonsectarian organization on a nonprofit basis and in compliance with all applicable requirements of the laws of the United States and the State of California. If Merced County permits such lands to be used for such purposes, the county shall include information concerning such use in the periodic reports to the Secretary of the Interior required under the terms of the conveyance of such lands to the county by the United States. Any violation of the provisions of this subsection shall be deemed to be a breach of the conditions and covenants under which such lands were conveyed to Merced County by the United States, and shall have the same effect as provided by deed whereby the United States conveyed the lands to the county. Except as specified in this subsection, nothing in this section shall increase or diminish the authority or responsibility of the county with respect to the land.

SEC. 243. ISSUANCE OF QUITCLAIM DEED, STEFFENS FAMILY PROPERTY, BIG HORN COUNTY, WYOMING.

(a) ISSUANCE.—Subject to valid existing rights and subsection (d), the Secretary of the Interior is directed to issue, without consideration, a quitclaim deed to Marie Wambeke of Big Horn County, Wyoming, the personal representative of the estate of Fred Steffens, to the land described in subsection (b).

(b) LAND DESCRIPTION.—The land referred to in subsection (a) is the approximately 80-parcel known as ''Farm Unit C'' in the E½NW¼ of Section 27, Township 57 North, Range 97 West, 6th Principal Meridian, Wyoming.

(c) REVOCATION OF WITHDRAWAL.—The Bureau of Reclamation withdrawal for the Shoshone Reclamation Project under Secretarial Order dated October 21, 1913, is hereby revoked with respect to the land described in subsection (b).

(d) RESERVATION OF MINERAL INTERESTS.—All minerals underlying the land described in subsection (b) are hereby reserved to the United States.

SEC. 244. ISSUANCE OF QUITCLAIM DEED, LOWE FAMILY PROPERTY, BIG HORN COUNTY, WYOMING.

(a) ISSUANCE.—Subject to valid existing rights and subsection (c), the Secretary of the Interior is directed to issue, without consideration, a quitclaim deed to John R. and Margaret J. Lowe of Big Horn County, Wyoming, to the land described in subsection (b).

(b) LAND DESCRIPTION.—The land referred to in subsection (a) is the approximately 40-acre parcel located in the SW¼SE¼ of Section 11, Township 51 North, Range 96 West, 6th Principal Meridian, Wyoming.

(c) RESERVATION OF MINERAL INTERESTS.—All minerals underlying the land described in subsection (b) are hereby reserved to the United States.

SEC. 245. UTAH SCHOOLS AND LANDS EXCHANGE.

(a) FINDINGS.—The Congress finds the following:

(1) The State of Utah owns approximately 176,600 acres of land, as well as approximately 24,165 acres of mineral interests, administered by the Utah School and Institutional Trust Lands Administration, within the exterior boundaries of the Grand Staircase-Escalante National Monument, established by Presidential proclamation on September 18, 1996, pursuant to section 2 of the Antiquities Act of 1906 (16 U.S.C. 431). The State of Utah also owns approximately 200,000 acres of land, and 76,000 acres of mineral interests, administered by the Utah School and Institutional Trust Lands Administration, within the exterior boundaries of several units of the National Park System and the National Forest System, and within certain Indian reservations in Utah. These lands were granted by Congress to the State of Utah pursuant to the Utah Enabling Act, chap. 138, 28 Stat. 107 (1894), to be held in trust for the benefit of the State's public school system and other public institutions.

(2) Many of the State school trust lands within the monument may contain significant economic quantities of mineral resources, including coal, oil, and gas, tar sands, coalbed methane, titanium, uranium, and other energy and metalliferous minerals. Certain State school trust lands within the Monument, like the Federal lands comprising the Monument, have substantial non-economic scientific, historic, cultural, scenic, recreational, and natural resources, including ancient Native American archaeological sites and rare plant and animal communities.

(3) Development of surface and mineral resources on State school trust lands within the monument could be incompatible with the preservation of these scientific and historic resources for which the monument was established. Federal acquisition of State school trust lands within the monument would eliminate this potential incompatibility, and would enhance management of the Grand Staircase-Escalante National Monument.

(4) The United States owns lands and interest in lands outside of the monument that can be transferred to the State of Utah in exchange for the monument inholdings without jeopardizing Federal management objectives or needs.

(5) In 1993, Congress passed and the President signed Public Law 103–93, which contained a process for exchanging State of Utah school trust inholdings in the National Park System, the National Forest System, and certain Indian reservations in Utah. Among other things, it identified various Federal lands and interests in land that were available to exchange for these State inholdings.

(6) Although Public Law 103–93 offered the hope of a prompt, orderly exchange of State inholdings for Federal lands elsewhere, implementation of the legislation has been very slow. Completion of this process is realistically estimated to be many years away, at great expense to both the State and the United States in the form of expert witnesses, lawyers, appraisers, and other litigation costs.

(7) The State also owns approximately 2,560 acres of land in or near the Alton coal field which has been declared an area unsuitable for coal mining under the terms of the Surface Mining Control and Reclamation Act. This land is also administered by the Utah School and Institutional Trust Lands Administration, but its use is limited given this declaration.

(8) The large presence of State school trust land inholdings in the monument, national parks, national forests, and Indian reservations make land and resource management in these areas difficult, costly, and controversial for both the State of Utah and the United States.

(9) It is in the public interest to reach agreement on exchange of inholdings, on terms fair to both the State and the United States. Agreement saves much time and delay in meeting the expectations of the State school and institutional trusts, in simplifying management of Federal and Indian lands and resources, and in avoiding expensive, protracted litigation under Public Law 103–93.

(10) The State of Utah and the United States have reached an agreement under which the State would exchange of all its State school trust lands within the monument, and specified inholdings in national parks, forests, and Indian reservations that are subject to Public Law 103–93, for various Federal lands and interests in lands located outside the monument, including Federal lands and interests identified as available for exchange in Public Law 103–93 and additional Federal lands and interests in lands.

(11) The State school trust lands to be conveyed to the Federal Government include properties within units of the National Park System, the National Forest System, and the Grand Staircase-Escalante National Monument. The Federal assets made available for exchange with the State were selected with a great sensitivity to environmental concerns and a belief and expectation by both parties that Federal assets to be conveyed to the State would be unlikely to trigger significant environmental controversy.

(12) The parties agreed at the outset of negotiations to avoid identifying Federal assets for conveyance to the State where any of the following was known to exist or likely to be an issue as a result of foreseeable future uses of the land: significant wildlife resources, endangered species habitat, significant archaeological resources, areas of critical environmental concern, coal resources requiring surface mining to extract the mineral deposits, wilderness study areas, significant recreational areas, or any other lands known to raise significant environmental concerns of any kind.

(13) The parties further agreed that the use of any mineral interests obtained by the State of Utah where the Federal Government retains surface and other interest, will not conflict with established Federal land and environmental management objectives, and shall be fully subject to all environmental regulations applicable to development of non-Federal mineral interest on Federal lands.

(14) Because the inholdings to be acquired by the Federal Government include properties within the boundaries of some of the most renowned conservation land units in the United States, and because a mission of the Utah School and Institutional Trust Lands Administration is to produce economic benefits for Utah's public schools and other beneficiary institutions, the exchange of lands called for in this agreement will resolve many longstanding environmental conflicts and further the interest of the State trust lands, the school children of Utah, and these conservation resources.

(15) Under this Agreement taken as a whole, the State interests to be conveyed to the United States by the State of Utah, and the Federal interests and payments to be conveyed to the State of Utah by the United States, are approximately equal in value.

(16) The purpose of this section is to enact into law and direct prompt implementation of this historic agreement.

(b) RATIFICATION OF AGREED EXCHANGE BETWEEN THE STATE OF UTAH AND THE DEPARTMENT OF THE INTERIOR.—

(1) AGREEMENT.—The State of Utah and the Department of the Interior have agreed to exchange certain Federal lands, Federal mineral interests, and payment of money for lands and mineral interests managed by the Utah School and Institutional Trust Lands Administration, lands and mineral interests of approximately equal value inheld within the Grand Staircase-Escalante National Monument the Goshute and Navajo Indian Reservations, units of the National Park System, the National Forest System, and the Alton coal fields.

(2) RATIFICATION.—All terms, conditions, procedures, covenants, reservations, and other provisions set forth in the document entitled ''Agreement to Exchange Utah

School Trust Lands Between the State of Utah and the United States of America'' (in this section referred to as the ''Agreement'') are hereby incorporated in this section, are ratified and confirmed, and set forth the obligations and commitments of the United States, the State of Utah, and Utah School and Institutional Trust Lands Administration, as a matter of Federal law.

(c) LEGAL DESCRIPTIONS.—

(1) IN GENERAL.—The maps and legal descriptions referred to in the Agreement depict the lands subject to the conveyances.

(2) PUBLIC AVAILABILITY.—The maps and descriptions referred to in the Agreement shall be on file and available for public inspection in the offices of the Secretary of the Interior and the Utah State Director of the Bureau of Land Management.

(3) CONFLICT.—In case of conflict between the maps and the legal descriptions, the legal descriptions shall control.

(d) COSTS.—The United States and the State of Utah shall each bear its own respective costs incurred in the implementation of this section.

(e) REPEAL OF PUBLIC LAW 103–93 AND PUBLIC LAW 104–211.—The provisions of Public Law 103–93 (107 Stat. 995), other than section 7(b)(1), section 7(b)(3), and section 10(b) thereof, are hereby repealed. Public Law 104–211 (110 Stat. 3013) is hereby repealed.

(f) CASH PAYMENT PREVIOUSLY AUTHORIZED.—As previously authorized and made available by section 7(b)(1) and (b)(3) of Public Law 103–93, upon completion of all conveyances described in the Agreement, the United States shall pay $50,000,000 to the State of Utah from funds not otherwise appropriated from the Treasury.

(g) SCHEDULE FOR CONVEYANCES.—All conveyances under sections 2 and 3 of the Agreement shall be completed within 70 days after the enactment of this Act.

SEC. 246. LAND EXCHANGE, ROUTT NATIONAL FOREST, COLORADO.

(a) AUTHORIZATION OF EXCHANGE.—If the non-Federal lands described in subsection (b) are conveyed to the United States in accordance with this section, the Secretary of Agriculture shall convey to the party conveying the non-Federal lands all right, title, and interest of the United States in and to a parcel of land consisting of approximately 84 acres within the Routt National Forest in the State of Colorado, as generally depicted on the map entitled ''Miles Land Exchange'', Routt National Forest, dated May 1996.

(b) RECEIPT OF NON-FEDERAL LANDS.—The parcel of non-Federal lands referred to in subsection (a) consists of approximately 84 acres, known as the Miles parcel, located adjacent to the Routt National Forest, as generally depicted on the map entitled ''Miles Land Exchange'', Routt National Forest, dated May 1996. Title to the non-Federal lands must be acceptable to the Secretary of Agriculture, and the conveyance shall be subject to such valid existing rights of record as may be acceptable to the Secretary of Agriculture. The parcel shall conform with the title approval standards applicable to Federal land acquisitions.

(c) APPROXIMATELY EQUAL IN VALUE.—The values of both the Federal and non-Federal lands to be exchanged under this section are deemed to be approximately equal in value, and no additional valuation determinations are required.

(d) APPLICABILITY OF OTHER LAWS.—Except as otherwise provided in this section, the Secretary of Agriculture shall process the land exchange authorized by this section in the manner provided in subpart A of part 254 of title 36, Code of Federal Regulations.

(e) MAPS.—The maps referred to in subsections (a) and (b) shall be on file and available for inspection in the office of the Forest Supervisor, Routt National Forest, and in the office of the Chief of the Forest Service.

(f) BOUNDARY ADJUSTMENT.—Upon approval and acceptance of title by the Secretary of Agriculture, the non-Federal lands conveyed to the United States under this section shall become part of the Routt National Forest, and the boundaries of the Routt National Forest shall be adjusted to reflect the land exchange. Upon receipt of the non-Federal lands, the Secretary of Agriculture shall manage the lands in accordance with the laws and regulations pertaining to the National Forest System. For purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–9), the boundaries of the Routt National Forest, as adjusted by this section, shall be considered to be the boundaries of the National Forest as of January 1, 1965.

(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of Agriculture may require such additional terms and conditions in connection with the conveyances under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 247. HART MOUNTAIN JURISDICTIONAL TRANSFERS, OREGON.

(a) TRANSFER FROM THE BUREAU OF LAND MANAGEMENT TO THE UNITED STATES FISH AND WILDLIFE SERVICE.—

(1) IN GENERAL.—Administrative jurisdiction over the parcels of land identified for transfer to the United States Fish and Wildlife Service on the map entitled ''Hart Mountain Jurisdictional Transfer'', dated February 26, 1998, comprising approximately 12,100 acres of land in Lake County, Oregon, located adjacent to or within the Hart Mountain National Antelope Refuge, is transferred from the Bureau of Land Management to the United States Fish and Wildlife Service.

(2) INCLUSION IN REFUGE.—The parcels of land described in paragraph (1) shall be included in the Hart Mountain National Antelope Refuge.

(3) WITHDRAWAL.—Subject to valid existing rights, the parcels of land described in paragraph (1)—

(A) are withdrawn from—

(i) surface entry under the public land laws;

(ii) leasing under the mineral leasing laws and Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.); and

(iii) location and entry under the mining laws; and

(B) shall be treated as parcels of land subject to the provisions of Executive Order No. 7523 of December 21, 1936, as amended by Executive Order No. 7895 of May 23, 1938, and Presidential Proclamation No. 2416 of July 25, 1940, that withdrew parcels of land for the Hart Mountain National Antelope Refuge.

(4) MANAGEMENT.—The land described in paragraph (1) shall be included in the Hart Mountain National Antelope Refuge and managed in accordance with the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.), and other applicable law and with management plans and agreements between the Bureau of Land Management and the United States Fish and Wildlife Service for the Hart Mountain Refuge.

(b) CONTINUED MANAGEMENT OF GUANO CREEK WILDERNESS STUDY AREA BY THE BUREAU OF LAND MANAGEMENT.—

(1) IN GENERAL.—The parcels of land identified for cooperative management on the map entitled ''Hart Mountain Jurisdictional Transfer'', dated February 26, 1998, comprising approximately 10,900 acres of land in Lake County, Oregon, located south of the Hart Mountain National Antelope Refuge, shall be retained under the jurisdiction of the Bureau of Land Management.

(2) MANAGEMENT.—The parcels of land described in paragraph (1) that are within the Guano Creek Wilderness Study Area Act shall be managed so as not to impair the suitability of the area for designation as wilderness, in accordance with current and future management plans and agreements (including the agreement known as the ''Shirk Ranch Agreement'', dated September 30, 1997), until such date as Congress enacts a law directing otherwise.

(c) TRANSFER FROM THE UNITED STATES FISH AND WILDLIFE SERVICE TO THE BUREAU OF LAND MANAGEMENT.—

(1) IN GENERAL.—Administrative jurisdiction over the parcels of land identified for transfer to the Bureau of Land Management on the map entitled ''Hart Mountain Jurisdictional Transfer'', dated February 26, 1998, comprising approximately 7,700 acres of land in Lake County, Oregon, located adjacent to or within the Hart Mountain National Antelope Refuge, is transferred from the United States Fish and Wildlife Service to the Bureau of Land Management.

(2) REMOVAL FROM REFUGE.—The parcels of land described in paragraph (1) are removed from the Hart Mountain National Antelope Refuge, and the boundary of the refuge is modified to reflect that removal.

(3) REVOCATION OF WITHDRAWAL.—The provisions of Executive Order No. 7523 of December 21, 1936, as amended by Executive Order No. 7895 of May 23, 1938, and Presidential Proclamation No. 2416 of July 25, 1940, that withdrew the parcels of land for the refuge, shall be of no effect with respect to the parcels of land described in paragraph (1).

(4) STATUS.—The parcels of land described in paragraph (1)—

(A) are designated as public land; and

(B) shall be open to—

(i) surface entry under the public land laws;

(ii) leasing under the mineral leasing laws and the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.); and

(iii) location and entry under the mining laws.

(5) MANAGEMENT.—The land described in paragraph (1) shall be managed in accordance with the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.) and other applicable law, and the agreement known as the ''Shirk Ranch Agreement'', dated September 30, 1997.

(d) MAP.—A copy of the map described in subsections (a), (b), and (c) and such additional legal descriptions as are applicable shall be kept on file and available for public inspection in the Office of the Regional Director of Region 1 of the United States Fish and Wildlife Service, the local District Office of the Bureau of Land Management, the Committee on Energy and Natural Resources of the Senate, and the Committee on Resources of the House of Representatives.

(e) CORRECTION OF REFERENCE TO WILDLIFE REFUGE.—Section 28 of the Act of August 13, 1954 (68 Stat. 718, chapter 732; 72 Stat. 818; 25 U.S.C. 564w–1), is amended in subsections (f) and (g) by striking ''Klamath Forest National Wildlife Refuge'' each place it appears and inserting ''Klamath Marsh National Wildlife Refuge''.

SEC. 248. SALE, LEASE, OR EXCHANGE OF IDAHO SCHOOL LAND.

The Act of July 3, 1890 (commonly known as the ''Idaho Admission Act'') (26 Stat. 215, chapter 656), is amended by striking section 5 and inserting the following:

''SEC. 5. SALE, LEASE, OR EXCHANGE OF SCHOOL LAND.

''(a) SALE.—

''(1) IN GENERAL.—Except as provided in subsection (c), all land granted under this Act for educational purposes shall be sold only at public sale.

''(2) USE OF PROCEEDS.—

''(A) IN GENERAL.—Proceeds of the sale of school land—

''(i) except as provided in clause (ii), shall be deposited in the public school permanent endowment fund and expended only for the support of public schools; and

''(ii)(I) may be deposited in a land bank fund to be used to acquire, in accordance with State law, other land in the State for the benefit of the beneficiaries of the public school permanent endowment fund; or

''(II) if the proceeds are not used to acquire other land in the State within a period specified by State law, shall be transferred to the public school permanent endowment fund.

''(B) EARNINGS RESERVE FUND.—Earnings on amounts in the public school permanent endowment fund shall be deposited in an earnings reserve fund to be used for the support of public schools of the State in accordance with State law.

''(b) LEASE.—Land granted under this Act for educational purposes may be leased in accordance with State law.

''(c) EXCHANGE.—

''(1) IN GENERAL.—Land granted for educational purposes under this Act may be exchanged for other public or private land.

''(2) VALUATION.—The values of exchanged lands shall be approximately equal, or, if the values are not approximately equal, the values shall be equalized by the payment of funds by the appropriate party.

''(3) EXCHANGES WITH THE UNITED STATES.—

''(A) IN GENERAL.—A land exchange with the United States shall be limited to Federal land within the State that is subject to exchange under the law governing the administration of the Federal land.

''(B) PREVIOUS EXCHANGES.—All land exchanges made with the United States before the date of enactment of this paragraph are approved.

''(d) RESERVATION FOR SCHOOL PURPOSES.—Land granted for educational purposes, whether surveyed or unsurveyed, shall not be subject to preemption, homestead entry, or any other form of entry under the land laws of the United States, but shall be reserved for school purposes only.''.

SEC. 249. TRANSFER OF JURISDICTION OF CERTAIN PROPERTY IN SAN JOAQUIN COUNTY, CALIFORNIA, TO BUREAU OF LAND MANAGEMENT.

(a) TRANSFER.—The property described in subsection (b) is hereby transferred by operation of law upon the enactment of this Act from the administrative jurisdiction of the Federal Bureau of Prisons, United States Department of Justice, to the Bureau of Land Management, United States Department of the Interior. The Attorney General of the United States and the Secretary of the Interior shall take such actions as may be necessary to carry out such transfer.

(b) PROPERTY DESCRIPTION.—The property referred to in subsection (a) is a portion of a 200-acre property located in the San Joaquin Valley, approximately 55 miles east of San Francisco, 2 miles to the west of the City of Tracy, California, municipal limits, approximately 1.25 miles west of Interstate 5 (I–5) and ½ mile southeast of the I–580/I–205 split as indicated by Exhibit I–3, formerly a Federal Aviation Administration (FAA) antenna field, known as the ''Tracy Site''.

SEC. 250. CONVEYANCE, CAMP OWEN AND RELATED PARCELS, KERN COUNTY, CALIFORNIA.

(a) CONVEYANCE REQUIRED.—The Secretary of Agriculture shall convey, without consideration, to Kern County, California, all right, title, and interest of the United States in and to three parcels of land under the jurisdiction of the Forest Service in Kern County, as follows

(1) Approximately 104 acres known as Camp Owen.

(2) Approximately 4 acres known as Wofford Heights Park.

(3) Approximately 3.4 acres known as the French Gulch maintenance yard.

(b) CONDITION ON CONVEYANCE.—The lands conveyed under this section shall be subject to valid existing rights of record.

(c) TIME FOR CONVEYANCE.—The Secretary shall complete the conveyance under this section within three months after the date of the enactment of this Act.

(d) LEGAL DESCRIPTIONS.—The exact acreage and legal description of the lands to be conveyed under this section shall be determined by a survey satisfactory to the Secretary.

SEC. 251. TREATMENT OF CERTAIN LAND ACQUIRED BY EXCHANGE, RED CLIFFS DESERT RESERVE, UTAH.

(a) LIMITATION ON LIABILITY.—In support of the habitat conservation plan of Washington County, Utah, for the protection of the desert tortoise and surrounding habitat, the transfer of the land described in subsection (b) from the city of St. George, Utah, to the United States shall convey no liability on the United States that did not already exist with the United States on the date of the transfer of the land.

(b) DESCRIPTION OF LAND.—The land referred to in subsection (a) is a parcel of approximately 15 acres of land located within the Red Cliffs Desert Reserve in Washington County, Utah, that was formerly used as a landfill by the city of St. George.

SEC. 252. LAND CONVEYANCE, YAVAPAI COUNTY, ARIZONA.

(a) CONVEYANCE REQUIRED.—Notwithstanding any other provision of law, the Secretary of the Interior shall convey, without consideration and for educational related purposes, to Embry-Riddle Aeronautical University, Florida, a nonprofit corporation authorized to do business in the State of Arizona, all right, title, and interest of the United States, if any, to a parcel of real property consisting of approximately 16 acres in Yavapai County, Arizona, which is more fully described as the parcel lying east of the east right-of-way boundary of the Willow Creek Road in the southwest one-quarter of the southwest one-quarter (SW¼SW¼) of section 2, township 14 north, range 2 west, Gila and Salt River meridian.

(b) TERMS OF CONVEYANCE.—Subject to the limitation that the land to be conveyed is to be used only for educational related purposes, the conveyance under subsection (a) is to be made without any other conditions, limitations, reservations, restrictions, or terms by the United States.

SEC. 253. CONVEYANCE, OLD COYOTE ADMINISTRATIVE SITE, RIO ARRIBA COUNTY, NEW MEXICO.

(a) CONVEYANCE OF PROPERTY.—Not later than one year after the date of enactment of this Act, the Secretary of the Interior (referred to in this section as the ''Secretary'') shall convey to the County of Rio Arriba, New Mexico (referred to in this section as the ''County''), subject to the terms and conditions stated in subsection (b), all right, title, and interest of the United States in and to the land (including all improvements on the land) known as the ''Old Coyote Administrative Site'' located approximately ½ mile east of the Village of Coyote, New Mexico, on State Road 96, comprising one tract of 130.27 acres (as described in Public Land Order 3730), and one tract of 276.76 acres (as described in Executive Order 4599).

(b) TERMS AND CONDITIONS.—

(1) Consideration for the conveyance described in subsection (a) shall be—

(A) an amount that is consistent with the special pricing program for Governmental entities under the Recreation and Public Purposes Act; and

(B) an agreement between the Secretary and the County indemnifying the Government of the United States from all liability of the Government that arises from the property.

(2) The lands conveyed by this Act shall be used for public purposes. If such lands cease to be used for public purposes, at the option of the United States, such lands will revert to the United States.

(c) LAND WITHDRAWALS.—Land withdrawals under Public Land Order 3730 and Executive Order 4599 as extended in the Federal Register on May 25, 1989 (54 F.R. 22629), shall be revoked simultaneous with the conveyance of the property under subsection (a).

SEC. 254. ACQUISITION OF REAL PROPERTY INTERESTS FOR ADDITION TO CHICKAMAUGA-CHATTANOOGA NATIONAL MILITARY PARK.

The Secretary of the Interior may acquire private lands, easements, and buildings within the areas authorized for acquisition for Chickamauga-Chattanooga National Military Park, by donation, purchase with donated or appropriated funds, or by exchange. Lands acquired by the Secretary pursuant to this section shall be administered by the Secretary as part of the park.

SEC. 255. LAND TRANSFERS INVOLVING ROGUE RIVER NATIONAL FOREST AND OTHER PUBLIC LANDS IN OREGON.

(a) TRANSFER FROM PUBLIC DOMAIN TO NATIONAL FOREST.—

(1) LAND TRANSFER.—The public domain lands depicted on the map entitled ''BLM/Rogue River N.F. Administrative Jurisdiction Transfer'' and dated April 28, 1998, consisting of approximately 2,058 acres within the external boundaries of Rogue River National Forest in the State of Oregon are hereby added to and made a part of Rogue River National Forest.

(2) ADMINISTRATIVE JURISDICTION.—Administrative jurisdiction over the lands described in paragraph (1) is hereby transferred from the Secretary of the Interior to the Secretary of Agriculture. Subject to valid existing rights, the Secretary of Agriculture shall manage such lands as part of Rogue River National Forest in accordance with the Act of March 1, 1911 (commonly known as the Weeks Law), and under the laws, rules, and regulations applicable to the National Forest System.

(b) TRANSFER FROM NATIONAL FOREST TO PUBLIC DOMAIN.—

(1) LAND TRANSFER.—The Federal lands depicted on the map entitled ''BLM/Rogue River N.F. Administrative Jurisdiction Transfer'' and dated April 28, 1998, consisting of approximately 1,632 acres within the external boundaries of Rogue River National Forest, are hereby transferred to unreserved public domain status, and their status as part of Rogue River National Forest and the National Forest System is hereby revoked.

(2) ADMINISTRATIVE JURISDICTION.—Administrative jurisdiction over the lands described in paragraph (1) is hereby transferred from the Secretary of Agriculture to the Secretary of the Interior. Subject to valid existing rights, the Secretary of the Interior shall administer such lands under the laws, rules, and regulations applicable to unreserved public domain lands.

(c) RESTORATION OF STATUS OF CERTAIN NATIONAL FOREST LANDS AS REVESTED RAILROAD GRANT LANDS.—

(1) RESTORATION OF EARLIER STATUS.—The Federal lands depicted on the map entitled ''BLM/Rogue River N.F. Administrative Jurisdiction Transfer'' and dated April 28, 1998, consisting of approximately 4,298 acres within the external boundaries of Rogue River National Forest, are hereby restored to the status of revested Oregon and California Railroad grant lands, and their status as

part of Rogue River National Forest and the National Forest System is hereby revoked.

(2) ADMINISTRATIVE JURISDICTION.—Administrative jurisdiction over the lands described in paragraph (1) is hereby transferred from the Secretary of Agriculture to the Secretary of the Interior. Subject to valid existing rights, the Secretary of the Interior shall administer such lands under the Act of August 28, 1937 (43 U.S.C. 1181a et seq.), and other laws, rules, and regulations applicable to revested Oregon and California Railroad grant lands under the administrative jurisdiction of the Secretary of the Interior.

(d) ADDITION OF CERTAIN REVESTED RAILROAD GRANT LANDS TO NATIONAL FOREST.—

(1) LAND TRANSFER.—The revested Oregon and California Railroad grant lands depicted on the map entitled ''BLM/Rogue River N.F. Administrative Jurisdiction Transfer'' and dated April 28, 1998, consisting of approximately 960 acres within the external boundaries of Rogue River National Forest, are hereby added to and made a part of Rogue River National Forest.

(2) ADMINISTRATIVE JURISDICTION.—Administrative jurisdiction over the lands described in paragraph (1) is hereby transferred from the Secretary of the Interior to the Secretary of Agriculture. Subject to valid existing rights, the Secretary of Agriculture shall manage such lands as part of the Rogue River National Forest in accordance with the Act of March 1, 1911 (commonly known as the Weeks Law), and under the laws, rules, and regulations applicable to the National Forest System.

(3) DISTRIBUTION OF RECEIPTS.—Notwithstanding the sixth paragraph under the heading ''FOREST SERVICE'' in the Act of May 23, 1908 and section 13 of the Act of March 1, 1911 (16 U.S.C. 500), revenues derived from the lands described in paragraph (1) shall be distributed in accordance with the Act of August 28, 1937 (43 U.S.C. 1181a et seq.).

(e) BOUNDARY ADJUSTMENT.—The boundaries of Rogue River National Forest are hereby adjusted to encompass the lands transferred to the administrative jurisdiction of the Secretary of Agriculture under this section and to exclude private property interests adjacent to the exterior boundaries of Rogue River National Forest, as depicted on the map entitled ''Rogue River National Forest Boundary Adjustment'' and dated April 28, 1998.

(f) MAPS.—Within 60 days after the date of the enactment of this Act, the maps referred to in this section shall be available for public inspection in the office of the Chief of the Forest Service.

(g) MISCELLANEOUS REQUIREMENTS.—As soon as practicable after the date of the enactment of this Act, the Secretary of the Interior and the Secretary of Agriculture shall revise the public land records relating to the lands transferred under this section to reflect the administrative, boundary, and other changes made by this section. The Secretaries shall publish in the Federal Register appropriate notice to the public of the changes in administrative jurisdiction made by this section with regard to lands described in this section.

SEC. 256. PROTECTION OF OREGON AND CALIFORNIA RAILROAD GRANT LANDS.

(a) DEFINITIONS.—For purposes of this section:

(1) O&C LANDS.—The term ''O&C lands'' means the lands that—

(A) revested in the United States under the Act of June 9, 1916 (Chapter 137; 39 Stat. 218), commonly known as Oregon and California Railroad grant lands; and

(B) are managed by the Secretary of the Interior through the Bureau of Land Management under the Act of August 28, 1937 (43 U.S.C. 1181a et seq.).

(2) CBWR LANDS.—The term ''CBWR lands'' means the lands that—

(A) were reconveyed to the United States under the Act of February 26, 1919 (Chapter 47; 40 Stat. 1179), commonly known as Coos Bay Wagon Road grant lands; and

(B) are managed by the Secretary of the Interior through the Bureau of Land Management under the Act of August 28, 1937 (43 U.S.C. 1181a et seq.).

(3) PUBLIC DOMAIN LANDS.—The term ''public domain lands'' has the meaning given the term ''public lands'' in the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.), except that the term does not include O&C lands and CBWR lands.

(4) O&C GEOGRAPHIC AREA.—The term ''O&C geographic area'' means all lands in the State of Oregon located within the boundaries of the Bureau of Land Management's Medford District, Roseburg District, Eugene District, Salem District, Coos Bay District, and Klamath Resource Area of the Lakeview District, as those districts and that resource area were constituted on January 1, 1998.

(5) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(b) POLICY OF NO NET LOSS OF O&C LANDS.—In carrying out sales, purchases, and exchanges of lands located in the O&C geographic area, the Secretary shall seek to ensure that such sales, purchases, and exchanges do not decrease the number of acres of O&C lands.

(c) DETERMINATION OF WHETHER LOSS OCCURRED.—Not later than April 1 of each fiscal year, the Secretary shall determine whether there has been a net reduction in the number of acres of O&C lands during the preceding fiscal year as a result of the disposal of lands by the United States under any provision of law.

(d) ACTIONS IN EVENT OF A LOSS OF O&C LANDS.—

(1) DESIGNATION OF REPLACEMENT LANDS.—If the Secretary determines under subsection (c) for a fiscal year that a reduction in the number of acres of O&C lands occurred, the Secretary shall designate a number of acres of forested public domain lands within the O&C geographic area, equal to the number of acres of that reduction, for treatment as O&C lands under subsection (e). The Secretary shall make the designation under this paragraph within 90 days after the date on which the Secretary made the determination under subsection (c).

(2) LANDS DESIGNATED.—The Secretary shall designate under paragraph (1) forested public domain lands that are stocked with timber in volumes per acre that are not less than the average volumes per acre found on the O&C lands that were disposed of during the fiscal year involved. Public domain lands designated under paragraph (1) shall be selected from public domain lands within similar land allocations, under the resource management plans then in effect, as the O&C lands that were disposed of.

(e) TREATMENT OF DESIGNATED LANDS.—Public domain lands designated by the Secretary under subsection (d) shall for all purposes have the same status, be administered, and be otherwise treated as lands that were revested in the United States pursuant to the Act of June 9, 1916 (chapter 137; 39 Stat. 218), and managed by the Secretary under the Act of August 28, 1937 (43 U.S.C. 1181a et seq.).

(f) CONGRESSIONAL NOTIFICATION.—Not later than September 30 of each fiscal year in which public domain lands are designated under subsection (d), the Secretary shall submit to Congress a report describing each designation of lands under such subsection in that fiscal year.

TITLE III—HERITAGE AREAS

Subtitle A—Delaware and Lehigh National Heritage Corridor of Pennsylvania

SEC. 301. CHANGE IN NAME OF HERITAGE CORRIDOR.

The Delaware and Lehigh Navigation Canal National Heritage Corridor Act of 1988 (Public Law 100–692; 102 Stat. 4552; 16 U.S.C. 461 note) is amended by striking ''Delaware and Lehigh Navigation Canal National Heritage Corridor'' each place it appears (except section 4(a)) and inserting ''Delaware and Lehigh National Heritage Corridor''.

SEC. 302. PURPOSE.

Section 3(b) of such Act (102 Stat. 4552) is amended as follows:

(1) By inserting after ''subdivisions'' the following: ''in enhancing economic development within the context of preservation and''.

(2) By striking ''and surrounding the Delaware and Lehigh Navigation Canal in the Commonwealth'' and inserting ''the Corridor''.

SEC. 303. CORRIDOR COMMISSION.

(a) MEMBERSHIP.—Section 5(b) of such Act (102 Stat. 4553) is amended as follows:

(1) In the matter preceding paragraph (1), by striking ''appointed not later than 6 months after the date of enactment of this Act''.

(2) By striking paragraph (2) and inserting the following:

''(2) 3 individuals appointed by the Secretary upon consideration of individuals recommended by the governor, of whom—

''(A) 1 shall represent the Pennsylvania Department of Conservation and Natural Resources;

''(B) 1 shall represent the Pennsylvania Department of Community and Economic Development; and

''(C) 1 shall represent the Pennsylvania Historical and Museum Commission.''.

(3) In paragraph (3), by striking ''the Secretary, after receiving recommendations from the Governor, of whom'' and all that follows through ''Delaware Canal region'' and inserting the following: ''the Secretary upon consideration of individuals recommended by the governor, of whom—

''(A) 1 shall represent a city, 1 shall represent a borough, and 1 shall represent a township; and

''(B) 1 shall represent each of the 5 counties of Luzerne, Carbon, Lehigh, Northampton, and Bucks in Pennsylvania''.

(4) In paragraph (4)—

(A) By striking ''8 individuals'' and inserting ''9 individuals''.

(B) By striking ''the Secretary, after receiving recommendations from the Governor, who shall have'' and all that follows through ''Canal region. A vacancy'' and inserting the following: ''the Secretary upon consideration of individuals recommended by the governor, of whom—

''(A) 3 shall represent the northern region of the Corridor;

''(B) 3 shall represent the middle region of the Corridor; and

''(C) 3 shall represent the southern region of the Corridor.

A vacancy''.

(b) TERMS.—Section 5 of such Act (102 Stat. 4553) is amended by striking subsection (c) and inserting the following:

''(c) TERMS.—The following provisions shall apply to a member of the Commission appointed under paragraph (3) or (4) of subsection (b):

''(1) LENGTH OF TERM.—The member shall be appointed for a term of 3 years.

''(2) CARRYOVER.—The member shall serve until a successor is appointed by the Secretary.

''(3) REPLACEMENT.—If the member resigns or is unable to serve due to incapacity or death, the Secretary shall appoint, not later than 60 days after receiving a nomination of the appointment from the Governor, a new member to serve for the remainder of the term.

''(4) TERM LIMITS.—A member may serve for not more than 6 years.''

SEC. 304. POWERS OF CORRIDOR COMMISSION.

(a) CONVEYANCE OF REAL ESTATE.—Section 7(g)(3) of such Act (102 Stat. 4555) is amended in the first sentence by inserting ''or nonprofit organization'' after ''appropriate public agency''.

(b) COOPERATIVE AGREEMENTS.—Section 7(h) of such Act (102 Stat. 4555) is amended as follows:

(1) In the first sentence, by inserting ''any non-profit organization,'' after ''subdivision of the Commonwealth,''.

(2) In the second sentence, by inserting ''such nonprofit organization,'' after ''such political subdivision,''.

SEC. 305. DUTIES OF CORRIDOR COMMISSION.

Section 8(b) of such Act (102 Stat. 4556) is amended in the matter preceding paragraph (1) by inserting '', cultural, natural, recreational, and scenic'' after ''interpret the historic''.

SEC. 306. TERMINATION OF CORRIDOR COMMISSION.

Section 9(a) of such Act (102 Stat. 4556) is amended by striking ''5 years after the date of enactment of this Act'' and inserting ''5 years after the date of enactment of the Omnibus National Parks and Public Lands Act of 1998''.

SEC. 307. DUTIES OF OTHER FEDERAL ENTITIES.

Section 11 of such Act (102 Stat. 4557) is amended in the matter preceding paragraph (1) by striking ''the flow of the Canal or the natural'' and inserting ''directly affecting the purposes of the Corridor''.

SEC. 308. AUTHORIZATION OF APPROPRIATIONS.

(a) COMMISSION.—Section 12(a) of such Act (102 Stat. 4558) is amended by striking ''$350,000'' and inserting ''$1,000,000''.

(b) MANAGEMENT ACTION PLAN.—Section 12 of such Act (102 Stat. 4558) is amended by adding at the end the following:

''(c) MANAGEMENT ACTION PLAN.—

''(1) IN GENERAL.—To implement the management action plan created by the Commission, there is authorized to be appropriated $1,000,000 for each of fiscal years 2000 through 2007.

''(2) LIMITATION ON EXPENDITURES.—Amounts made available under paragraph (1) shall not exceed 50 percent of the costs of implementing the management action plan.''.

SEC. 309. LOCAL AUTHORITY AND PRIVATE PROPERTY.

Such Act is further amended—

(1) by redesignating section 13 (102 Stat. 4558) as section 14; and

(2) by inserting after section 12 the following:

''SEC. 13. LOCAL AUTHORITY AND PRIVATE PROPERTY.

''The Commission shall not interfere with—

''(1) the private property rights of any person; or

''(2) any local zoning ordinance or land use plan of the Commonwealth of Pennsylvania or any political subdivision of Pennsylvania.''.

SEC. 310. DUTIES OF THE SECRETARY.

Section 10 of such Act (102 Stat. 4557) is amended by striking subsection (d) and inserting the following:

''(d) TECHNICAL ASSISTANCE AND GRANTS.—The Secretary, upon request of the Commission, is authorized to provide grants and technical assistance to the Commission or units of government, nonprofit organizations, and other persons, for development and implementation of the Plan.''.

Subtitle B—Automobile National Heritage Area of Michigan

SEC. 311. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) the industrial, cultural, and natural heritage legacies of Michigan's automobile industry are nationally significant;

(2) in the areas of Michigan including and in proximity to Detroit, Dearborn, Pontiac, Flint, and Lansing, the design and manufacture of the automobile helped establish and expand the United States industrial power;

(3) the industrial strength of automobile manufacturing was vital to defending freedom and democracy in 2 world wars and played a defining role in American victories;

(4) the economic strength of our Nation is connected integrally to the vitality of the automobile industry, which employs millions of workers and upon which 1 out of 7 United States jobs depends;

(5) the industrial and cultural heritage of the automobile industry in Michigan includes the social history and living cultural traditions of several generations;

(6) the United Auto Workers and other unions played a significant role in the history and progress of the labor movement and the automobile industry;

(7) the Department of the Interior is responsible for protecting and interpreting the Nation's cultural and historic resources, and there are significant examples of these resources within Michigan to merit the involvement of the Federal Government to develop programs and projects in cooperation with the Automobile National Heritage Area Partnership, Incorporated, the State of Michigan, and other local and governmental bodies, to adequately conserve, protect, and interpret this heritage for the educational and recreational benefit of this and future generations of Americans;

(8) the Automobile National Heritage Area Partnership, Incorporated would be an appropriate entity to oversee the development of the Automobile National Heritage Area; and

(9) 2 local studies, ''A Shared Vision for Metropolitan Detroit'' and ''The Machine That Changed the World'', and a National Park Service study, ''Labor History Theme Study: Phase III; Suitability-Feasibility'', demonstrated that sufficient historical resources exist to establish the Automobile National Heritage Area.

(b) PURPOSE.—The purpose of this subtitle is to establish the Automobile National Heritage Area to—

(1) foster a close working relationship with all levels of government, the private sector, and the local communities in Michigan and empower communities in Michigan to conserve their automotive heritage while strengthening future economic opportunities; and

(2) conserve, interpret, and develop the historical, cultural, natural, and recreational resources related to the industrial and cultural heritage of the Automobile National Heritage Area.

SEC. 312. DEFINITIONS.

For purposes of this subtitle:

(1) BOARD.—The term ''Board'' means the Board of Directors of the Partnership.

(2) HERITAGE AREA.—The term ''Heritage Area'' means the Automobile National Heritage Area established by section 313.

(3) PARTNERSHIP.—The term ''Partnership'' means the Automobile National Heritage Area Partnership, Incorporated (a nonprofit corporation established under the laws of the State of Michigan).

(4) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

SEC. 313. AUTOMOBILE NATIONAL HERITAGE AREA.

(a) ESTABLISHMENT.—There is established in the State of Michigan the Automobile National Heritage Area.

(b) BOUNDARIES.—

(1) IN GENERAL.—Subject to paragraph (2), the boundaries of the Heritage Area shall include lands in Michigan that are related to the following corridors:

(A) The Rouge River Corridor.

(B) The Detroit River Corridor.

(C) The Woodward Avenue Corridor.

(D) The Lansing Corridor.

(E) The Flint Corridor.

(F) The Sauk Trail/Chicago Road Corridor.

(2) SPECIFIC BOUNDARIES.—The specific boundaries of the Heritage Area shall be those specified in the management plan approved under section 315.

(3) MAP.—The Secretary shall prepare a map of the Heritage Area which shall be on file and available for public inspection in the office of the Director of the National Park Service.

(4) CONSENT OF LOCAL GOVERNMENTS.—(A) The Partnership shall provide to the government of each city, village, and township that has jurisdiction over property proposed to be included in the Heritage Area written notice of that proposal.

(B) Property may not be included in the Heritage Area if—

(i) the Partnership fails to give notice of the inclusion in accordance with subparagraph (A);

(ii) any local government to which the notice is required to be provided objects to the inclusion, in writing to the Partnership, by not later than the end of the period provided pursuant to clause (iii); or

(iii) fails to provide a period of at least 60 days for objection under clause (ii).

(c) ADMINISTRATION.—The Heritage Area shall be administered in accordance with this subtitle.

(d) ADDITIONS AND DELETIONS OF LANDS.—The Secretary may add or remove lands to or from the Heritage Area in response to a request from the Partnership.

SEC. 314. DESIGNATION OF PARTNERSHIP AS MANAGEMENT ENTITY.

(a) IN GENERAL.—The Partnership shall be the management entity for the Heritage Area.

(b) FEDERAL FUNDING.—

(1) AUTHORIZATION TO RECEIVE FUNDS.—The Partnership may receive amounts appropriated to carry out this subtitle.

(2) DISQUALIFICATION.—If a management plan for the Heritage Area is not submitted to the Secretary as required under section 315 within the time specified in that section, the Partnership shall cease to be authorized to receive Federal funding under this subtitle until such a plan is submitted to the Secretary.

(c) AUTHORITIES OF PARTNERSHIP.—The Partnership may, for purposes of preparing and implementing the management plan for the Heritage Area, use Federal funds made available under this subtitle—

(1) to make grants to the State of Michigan, its political subdivisions, nonprofit organizations, and other persons;

(2) to enter into cooperative agreements with or provide technical assistance to the State of Michigan, its political subdivisions, nonprofit organizations, and other organizations;

(3) to hire and compensate staff;

(4) to obtain money from any source under any program or law requiring the recipient of such money to make a contribution in order to receive such money; and

(5) to contract for goods and services.

(d) PROHIBITION OF ACQUISITION OF REAL PROPERTY.—The Partnership may not use

Federal funds received under this subtitle to acquire real property or any interest in real property.

SEC. 315. MANAGEMENT DUTIES OF THE AUTOMOBILE NATIONAL HERITAGE AREA PARTNERSHIP.

(a) HERITAGE AREA MANAGEMENT PLAN.—

(1) SUBMISSION FOR REVIEW BY SECRETARY.—The Board of Directors of the Partnership shall, within 3 years after the date of enactment of this subtitle, develop and submit for review to the Secretary a management plan for the Heritage Area.

(2) PLAN REQUIREMENTS, GENERALLY.—A management plan submitted under this section shall—

(A) present comprehensive recommendations for the conservation, funding, management, and development of the Heritage Area;

(B) be prepared with public participation;

(C) take into consideration existing Federal, State, county, and local plans and involve residents, public agencies, and private organizations in the Heritage Area;

(D) include a description of actions that units of government and private organizations are recommended to take to protect the resources of the Heritage Area; and

(E) specify existing and potential sources of Federal and non-Federal funding for the conservation, management, and development of the Heritage Area.

(3) ADDITIONAL PLAN REQUIREMENTS.—The management plan also shall include the following, as appropriate:

(A) An inventory of resources contained in the Heritage Area, including a list of property in the Heritage Area that should be conserved, restored, managed, developed, or maintained because of the natural, cultural, or historic significance of the property as it relates to the themes of the Heritage Area. The inventory may not include any property that is privately owned unless the owner of the property consents in writing to that inclusion.

(B) A recommendation of policies for resource management that consider and detail the application of appropriate land and water management techniques, including (but not limited to) the development of intergovernmental cooperative agreements to manage the historical, cultural, and natural resources and recreational opportunities of the Heritage Area in a manner consistent with the support of appropriate and compatible economic viability.

(C) A program for implementation of the management plan, including plans for restoration and construction and a description of any commitments that have been made by persons interested in management of the Heritage Area.

(D) An analysis of means by which Federal, State, and local programs may best be coordinated to promote the purposes of this subtitle.

(E) An interpretive plan for the Heritage Area.

(4) APPROVAL AND DISAPPROVAL OF THE MANAGEMENT PLAN.—

(A) IN GENERAL.—Not later than 180 days after submission of the Heritage Area management plan by the Board, the Secretary shall approve or disapprove the plan. If the Secretary has taken no action after 180 days, the plan shall be considered approved.

(B) DISAPPROVAL AND REVISIONS.—If the Secretary disapproves the management plan, the Secretary shall advise the Board, in writing, of the reasons for the disapproval and shall make recommendations for revision of the plan. The Secretary shall approve or disapprove proposed revisions to the plan not later than 60 days after receipt of such revisions from the Board. If the Secretary has taken no action for 60 days after receipt, the plan and revisions shall be considered approved.

(b) PRIORITIES.—The Partnership shall give priority to the implementation of actions, goals, and policies set forth in the management plan for the Heritage Area, including—

(1) assisting units of government, regional planning organizations, and nonprofit organizations—

(A) in conserving the natural and cultural resources in the Heritage Area;

(B) in establishing and maintaining interpretive exhibits in the Heritage Area;

(C) in developing recreational opportunities in the Heritage Area;

(D) in increasing public awareness of and appreciation for the natural, historical, and cultural resources of the Heritage Area;

(E) in the restoration of historic buildings that are located within the boundaries of the Heritage Area and related to the theme of the Heritage Area; and

(F) in ensuring that clear, consistent, and environmentally appropriate signs identifying access points and sites of interest are put in place throughout the Heritage Area; and

(2) consistent with the goals of the management plan, encouraging economic viability in the affected communities by appropriate means.

(c) CONSIDERATION OF INTERESTS OF LOCAL GROUPS.—The Partnership shall, in preparing and implementing the management plan for the Heritage Area, consider the interest of diverse units of government, businesses, private property owners, and nonprofit groups within the Heritage Area.

(d) PUBLIC MEETINGS.—The Partnership shall conduct public meetings at least annually regarding the implementation of the Heritage Area management plan.

(e) ANNUAL REPORTS.—The Partnership shall, for any fiscal year in which it receives Federal funds under this subtitle or in which a loan made by the Partnership with Federal funds under section 314(c)(1) is outstanding, submit an annual report to the Secretary setting forth its accomplishments, its expenses and income, and the entities to which it made any loans and grants during the year for which the report is made.

(f) COOPERATION WITH AUDITS.—The Partnership shall, for any fiscal year in which it receives Federal funds under this subtitle or in which a loan made by the Partnership with Federal funds under section 314(c)(1) is outstanding, make available for audit by the Congress, the Secretary, and appropriate units of government all records and other information pertaining to the expenditure of such funds and any matching funds, and require, for all agreements authorizing expenditure of Federal funds by other organizations, that the receiving organizations make available for such audit all records and other information pertaining to the expenditure of such funds.

(g) DELEGATION.—The Partnership may delegate the responsibilities and actions under this section for each corridor identified in section 313(b)(1). All delegated actions are subject to review and approval by the Partnership.

SEC. 316. DUTIES AND AUTHORITIES OF FEDERAL AGENCIES.

(a) TECHNICAL ASSISTANCE AND GRANTS.—

(1) IN GENERAL.—The Secretary may provide technical assistance and, subject to the availability of appropriations, grants to units of government, nonprofit organizations, and other persons upon request of the Partnership, and to the Partnership, regarding the management plan and its implementation.

(2) PROHIBITION OF CERTAIN REQUIREMENTS.—The Secretary may not, as a condition of the award of technical assistance or grants under this section, require any recipient of such technical assistance or a grant to enact or modify land use restrictions.

(3) DETERMINATIONS REGARDING ASSISTANCE.—The Secretary shall decide if a unit of government, nonprofit organization, or other person shall be awarded technical assistance or grants and the amount of that assistance. Such decisions shall be based on the relative degree to which the assistance effectively fulfills the objectives contained in the Heritage Area management plan and achieves the purposes of this subtitle. Such decisions shall give consideration to projects which provide a greater leverage of Federal funds.

(b) PROVISION OF INFORMATION.—In cooperation with other Federal agencies, the Secretary shall provide the general public with information regarding the location and character of the Heritage Area.

(c) OTHER ASSISTANCE.—The Secretary may enter into cooperative agreements with public and private organizations for the purposes of implementing this subsection.

(d) DUTIES OF OTHER FEDERAL AGENCIES.—Any Federal entity conducting any activity directly affecting the Heritage Area shall consider the potential effect of the activity on the Heritage Area management plan and shall consult with the Partnership with respect to the activity to minimize the adverse effects of the activity on the Heritage Area.

SEC. 317. LACK OF EFFECT ON LAND USE REGULATION AND PRIVATE PROPERTY.

(a) LACK OF EFFECT ON AUTHORITY OF LOCAL GOVERNMENT.—Nothing in this subtitle shall be construed to modify, enlarge, or diminish any authority of Federal, State, or local governments to regulate any use of land under any other law or regulation.

(b) LACK OF ZONING OR LAND USE POWERS.—Nothing in this subtitle shall be construed to grant powers of zoning or land use control to the Partnership.

(c) LOCAL AUTHORITY AND PRIVATE PROPERTY NOT AFFECTED.—Nothing in this subtitle shall be construed to affect or to authorize the Partnership to interfere with—

(1) the rights of any person with respect to private property; or

(2) any local zoning ordinance or land use plan of the State of Michigan or a political subdivision thereof.

SEC. 318. SUNSET.

The Secretary may not make any grant or provide any assistance under this subtitle after September 30, 2014.

SEC. 319. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated under this subtitle not more than $1,000,000 for any fiscal year. Not more than a total of $10,000,000 may be appropriated for the Heritage Area under this subtitle.

(b) 50 PERCENT MATCH.—Federal funding provided under this subtitle, after the designation of the Heritage Area, may not exceed 50 percent of the total cost of any activity carried out with any financial assistance or grant provided under this subtitle.

Subtitle C—Lackawanna Heritage Valley American Heritage Area of Pennsylvania

SEC. 321. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds the following:

(1) The industrial and cultural heritage of northeastern Pennsylvania inclusive of Lackawanna, Luzerne, Wayne, and Susquehanna counties, related directly to anthracite and anthracite-related industries, is nationally significant, as documented in the United States Department of the Interior-National Parks Service, National Register of Historic Places, Multiple Property Documentation submittal of the Pennsylvania Historic and Museum Commission (1996).

(2) These industries include anthracite mining, ironmaking, textiles, and rail transportation.

(3) The industrial and cultural heritage of the anthracite and related industries in this region includes the social history and living cultural traditions of the people of the region.

(4) The labor movement of the region played a significant role in the development of the Nation including the formation of many key unions such as the United Mine Workers of America, and crucial struggles to improve wages and working conditions, such as the 1900 and 1902 anthracite strikes.

(5) The Department of the Interior is responsible for protecting the Nation's cultural and historic resources, and there are significant examples of these resources within this 4-county region to merit the involvement of the Federal Government to develop programs and projects, in cooperation with the Lackawanna Heritage Valley Authority, the Commonwealth of Pennsylvania, and other local and governmental bodies, to adequately conserve, protect, and interpret this heritage for future generations, while providing opportunities for education and revitalization.

(6) The Lackawanna Heritage Valley Authority would be an appropriate management entity for a Heritage Area established in the region.

(b) PURPOSE.—The objectives of the Lackawanna Heritage Valley American Heritage Area are as follows:

(1) To foster a close working relationship with all levels of government, the private sector, and the local communities in the anthracite coal region of northeastern Pennsylvania and empower the communities to conserve their heritage while continuing to pursue economic opportunities.

(2) To conserve, interpret, and develop the historical, cultural, natural, and recreational resources related to the industrial and cultural heritage of the 4-county region of northeastern Pennsylvania.

SEC. 322. LACKAWANNA HERITAGE VALLEY AMERICAN HERITAGE AREA.

(a) ESTABLISHMENT.—There is hereby established the Lackawanna Heritage Valley American Heritage Area (in this subtitle referred to as the ''Heritage Area'').

(b) BOUNDARIES.—The Heritage Area shall be comprised of all or parts of the counties of Lackawanna, Luzerne, Wayne, and Susquehanna in Pennsylvania, determined pursuant to the compact under section 323.

(c) MANAGEMENT ENTITY.—The management entity for the Heritage Area shall be the Lackawanna Heritage Valley Authority.

SEC. 323. COMPACT.

To carry out the purposes of this subtitle, the Secretary of the Interior (in this subtitle referred to as the ''Secretary'') shall enter into a compact with the management entity. The compact shall include information relating to the objectives and management of the area, including each of the following:

(1) A delineation of the boundaries of the Heritage Area.

(2) A discussion of the goals and objectives of the Heritage Area, including an explanation of the proposed approach to conservation and interpretation and a general outline of the protection measures committed to by the partners.

SEC. 324. AUTHORITIES AND DUTIES OF MANAGEMENT ENTITY.

(a) AUTHORITIES OF THE MANAGEMENT ENTITY.—The management entity may, for purposes of preparing and implementing the management plan developed under subsection (b), use funds made available through this subtitle for the following:

(1) To make loans and grants to, and enter into cooperative agreements with States and their political subdivisions, private organizations, or any person.

(2) To hire and compensate staff.

(b) MANAGEMENT PLAN.—The management entity shall develop a management plan for the Heritage Area that presents comprehensive recommendations for the Heritage Area's conservation, funding, management, and development. Such plan shall take into consideration existing State, county, and local plans and involve residents, public agencies, and private organizations working in the Heritage Area. It shall include actions to be undertaken by units of government and private organizations to protect the resources of the Heritage Area. It shall specify the existing and potential sources of funding to protect, manage, and develop the Heritage Area. Such plan shall include, as appropriate, the following:

(1) An inventory of the resources contained in the Heritage Area, including a list of any property in the Heritage Area that is related to the themes of the Heritage Area and that should be preserved, restored, managed, developed, or maintained because of its natural, cultural, historic, recreational, or scenic significance.

(2) A recommendation of policies for resource management which considers and details application of appropriate land and water management techniques, including, but not limited to, the development of intergovernmental cooperative agreements to protect the Heritage Area's historical, cultural, recreational, and natural resources in a manner consistent with supporting appropriate and compatible economic viability.

(3) A program for implementation of the management plan by the management entity, including plans for restoration and construction, and specific commitments of the identified partners for the first 5 years of operation.

(4) An analysis of ways in which local, State, and Federal programs may best be coordinated to promote the purposes of this subtitle.

(5) An interpretation plan for the Heritage Area.

The management entity shall submit the management plan to the Secretary for approval within 3 years after the date of enactment of this subtitle. If a management plan is not submitted to the Secretary as required within the specified time, the Heritage Area shall no longer qualify for Federal funding.

(c) DUTIES OF MANAGEMENT ENTITY.—The management entity shall—

(1) give priority to implementing actions set forth in the compact and management plan, including steps to assist units of government, regional planning organizations, and nonprofit organizations in preserving the Heritage Area;

(2) assist units of government, regional planning organizations, and nonprofit organizations in establishing and maintaining interpretive exhibits in the Heritage Area; assist units of government, regional planning organizations, and nonprofit organizations in developing recreational resources in the Heritage Area;

(3) assist units of government, regional planning organizations, and nonprofit organizations in increasing public awareness of and appreciation for the natural, historical, and architectural resources and sites in the Heritage Area; assist units of government, regional planning organizations and nonprofit organizations in the restoration of any historic building relating to the themes of the Heritage Area;

(4) encourage by appropriate means economic viability in the Heritage Area consistent with the goals of the plan; encourage local governments to adopt land use policies consistent with the management of the Heritage Area and the goals of the plan;

(5) assist units of government, regional planning organizations, and nonprofit organizations to ensure that clear, consistent, and environmentally appropriate signs identifying access points and sites of interest are put in place throughout the Heritage Area;

(6) consider the interests of diverse governmental, business, and nonprofit groups within the Heritage Area;

(7) conduct public meetings at least quarterly regarding the implementation of the management plan;

(8) submit substantial changes (including any increase of more than 20 percent in the cost estimates for implementation) to the management plan to the Secretary for the Secretary's approval; for any year in which Federal funds have been received under this subtitle, submit an annual report to the Secretary setting forth its accomplishments, its expenses and income, and the entity to which any loans and grants were made during the year for which the report is made; and

(9) for any year in which Federal funds have been received under this subtitle, make available for audit all records pertaining to the expenditure of such funds and any matching funds, and require, for all agreements authorizing expenditure of Federal funds by other organizations, that the receiving organizations make available for audit all records pertaining to the expenditure of such funds.

(d) PROHIBITION ON THE ACQUISITION OF REAL PROPERTY.—The management entity may not use Federal funds received under this subtitle to acquire real property or an interest in real property. Nothing in this subtitle shall preclude any management entity from using Federal funds from other sources for their permitted purposes.

SEC. 325. DUTIES AND AUTHORITIES OF FEDERAL AGENCIES.

(a) TECHNICAL AND FINANCIAL ASSISTANCE.—

(1) IN GENERAL.—The Secretary may, upon request of the management entity, provide technical and financial assistance to the management entity to develop and implement the management plan. In assisting the management entity, the Secretary shall give priority to actions that in general assist in—

(A) conserving the significant natural, historic, and cultural resources which support its themes; and

(B) providing educational, interpretive, and recreational opportunities consistent with its resources and associated values.

(2) SPENDING FOR NON-FEDERALLY OWNED PROPERTY.—The Secretary may spend Federal funds directly on non-federally owned property to further the purposes of this subtitle, especially in assisting units of government in appropriate treatment of districts, sites, buildings, structures, and objects listed or eligible for listing on the National Register of Historic Places. The Historic American Building Survey/Historic American Engineering Record shall conduct those studies necessary to document the industrial, engineering, building, and architectural history of the region.

(b) APPROVAL AND DISAPPROVAL OF COMPACTS AND MANAGEMENT PLANS.—The Secretary, in consultation with the Governor of Pennsylvania, shall approve or disapprove a compact or management plan submitted under this subtitle not later than 90 days after receiving such compact or management plan.

(c) ACTION FOLLOWING DISAPPROVAL.—If the Secretary disapproves a submitted compact or management plan, the Secretary shall advise the management entity in writing of the reasons therefore and shall make recommendations for revisions in the compact

or plan. The Secretary shall approve or disapprove a proposed revision within 90 days after the date it is submitted.

(d) APPROVING AMENDMENTS.—The Secretary shall review substantial amendments to the management plan for the Heritage Area. Funds appropriated pursuant to this subtitle may not be expended to implement the changes made by such amendments until the Secretary approves the amendments.

SEC. 326. SUNSET.

The Secretary may not make any grant or provide any assistance under this subtitle after September 30, 2012.

SEC. 327. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated under this subtitle not more than $1,000,000 for any fiscal year. Not more than a total of $10,000,000 may be appropriated for the Heritage Area under this subtitle.

(b) 50 PERCENT MATCH.—Federal funding provided under this subtitle, after the designation of the Heritage Area, may not exceed 50 percent of the total cost of any assistance or grant provided or authorized under this subtitle.

Subtitle D—Miscellaneous Provisions

SEC. 331. BLACKSTONE RIVER VALLEY NATIONAL HERITAGE CORRIDOR, MASSACHUSETTS AND RHODE ISLAND.

Section 10(b) of the Act entitled ''An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island'', approved November 10, 1986 (Public Law 99–647; 16 U.S.C. 461 note), is amended by striking ''For fiscal year 1996, 1997, and 1998,'' and inserting ''For fiscal years 1998, 1999, and 2000,''.

SEC. 332. ILLINOIS AND MICHIGAN CANAL NATIONAL HERITAGE CORRIDOR, ILLINOIS.

(a) EXTENSION OF COMMISSION.—Section 111(a) of the Illinois and Michigan Canal National Heritage Corridor Act of 1984 (Public Law 98–398; 98 Stat. 1456; 16 U.S.C. 461 note) is amended by striking ''ten'' and inserting ''20''.

(b) REPEAL OF EXTENSION AUTHORITY.—Section 111 of such Act (16 U.S.C. 461 note) is further amended—

(1) by striking ''(a) TERMINATION.—''; and

(2) by striking subsection (b).

TITLE IV—HISTORIC AREAS

SEC. 401. BATTLE OF MIDWAY NATIONAL MEMORIAL STUDY.

(a) FINDINGS.—The Congress makes the following findings:

(1) September 2, 1998, marked the 53d anniversary of the United States victory over Japan in World War II.

(2) The Battle of Midway proved to be the turning point in the war in the Pacific, as United States Navy forces inflicted such severe losses on the Imperial Japanese Navy during the battle that the Imperial Japanese Navy never again took the offensive against United States or allied forces.

(3) During the Battle of Midway on June 4, 1942, an outnumbered force of the United States Navy, consisting of 29 ships and other units of the Armed Forces under the command of Admiral Nimitz and Admiral Spruance, outmaneuvered and out-fought 350 ships of the Imperial Japanese Navy.

(4) It is in the public interest to study whether Midway Atoll should be established as a national memorial to the Battle of Midway to express the enduring gratitude of the American people for victory in the battle and to inspire future generations of Americans with the heroism and sacrifice of the members of the Armed Forces who achieved that victory.

(5) The historic structures on Midway Atoll should be protected and maintained.

(b) PURPOSE.—The purpose of this section shall be to require a study of the feasibility and suitability of designating the Midway Atoll as a national memorial to the Battle of Midway within the boundaries of the Midway Atoll National Wildlife Refuge. The study of the Midway Atoll and its environs shall include, but not be limited to, identification of interpretive opportunities for the educational and inspirational benefit of present and future generations, and of the unique and significant circumstances involving the defense of the island by the United States in World War II and the Battle of Midway.

(c) STUDY OF THE ESTABLISHMENT OF MIDWAY ATOLL AS A NATIONAL MEMORIAL TO THE BATTLE OF MIDWAY.—

(1) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Secretary of the Interior, acting through the Director of the United States Fish and Wildlife Service, shall carry out a study of the suitability and feasibility of establishing Midway Atoll as a national memorial to the Battle of Midway. The Secretary shall carry out the study in consultation with the Director of the National Park Service, the International Midway Memorial Foundation, Inc. (referred to in this section as the ''Foundation''), the Veterans of Foreign Wars, the Battle of Coral Sea Association, the American Legion, or other appropriate veterans group, respectively, and the Midway Phoenix Corporation.

(2) CONSIDERATIONS.—In studying the establishment of Midway Atoll as a national memorial to the Battle of Midway under paragraph (1), the Secretary shall address the following:

(A) The appropriate Federal agency to manage such a memorial, and whether and under what conditions to lease or otherwise allow the Foundation or another appropriate entity to administer, maintain, and fully utilize for use as a national memorial to the Battle of Midway the lands (including any equipment, facilities, infrastructure, and other improvements) and waters of Midway Atoll if designated as a national memorial.

(B) Whether designation as a national memorial would conflict with current management of Midway Atoll as a wildlife refuge and whether, and under what circumstances, the needs and requirements of the wildlife refuge should take precedence over the needs and requirements of a national memorial on Midway Atoll.

(C) Whether, and under what conditions, to permit the use of the facilities on Sand Island for purposes other than a wildlife refuge or a national memorial.

(D) Whether to impose conditions on public access to Midway Atoll if designated as a national memorial.

(d) REPORT.—Upon completion of the study required under paragraph (1), the Secretary shall submit to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report on the study, which shall include any recommendations for further legislative action. The report shall also include an inventory of all known past and present facilities and structures of historical significance on Midway Atoll and its environs. The report shall include a description of each historic facility and structure and a discussion of how each will contribute to the designation and interpretation of the proposed national memorial.

(e) CONTINUING DISCUSSIONS.—Nothing in this section shall be construed to delay or prohibit discussions or agreements between the Foundation, the Veterans of Foreign Wars, the Battle of Coral Sea Association, the American Legion, or any other appropriate veterans group, or the Midway Phoenix Corporation and the United States Fish and Wildlife Service or any other Government entity regarding the future role of the Foundation or the Midway Phoenix Corporation on Midway Atoll.

(f) EXISTING AGREEMENT.—This section shall not affect any agreement in effect on the date of the enactment of this Act between the United States Fish and Wildlife Service and Midway Phoenix Corporation.

(g) AUTHORIZATION.—There are authorized to be appropriated to carry out this section not more than $100,000.

SEC. 402. HISTORIC LIGHTHOUSE PRESERVATION.

(a) PRESERVATION OF HISTORIC LIGHT STATIONS.—Title III of the National Historic Preservation Act (16 U.S.C. 470w–470w–6) is amended by adding the following new section after section 307:

''SEC. 308. HISTORIC LIGHTHOUSE PRESERVATION.

''(a) IN GENERAL.—In order to provide a national historic light station program, the Secretary shall—

''(1) collect and disseminate information concerning historic light stations, including historic lighthouses and associated structures;

''(2) foster educational programs relating to the history, practice, and contribution to society of historic light stations;

''(3) sponsor or conduct research and study into the history of light stations;

''(4) maintain a listing of historic light stations; and

''(5) assess the effectiveness of the program established by this section regarding the conveyance of historic light stations.

''(b) CONVEYANCE OF HISTORIC LIGHT STATIONS.—

''(1) Within one year of the date of enactment of this section, the Secretary and the Administrator of General Services shall establish a process for identifying, and selecting, an eligible entity to which a historic light station could be conveyed for education, park, recreation, cultural, or historic preservation purposes.

''(2) The Secretary shall review all applicants for the conveyance of a historic light station, when the historic light station has been identified as excess to the needs of the agency with administrative jurisdiction over the historic light station, and forward to the Administrator a single approved application for the conveyance of the historic light station. When selecting an eligible entity, the Secretary may consult with the State Historic Preservation Officer of the state in which the historic light station is located. A priority of consideration shall be afforded public entities that submit applications in which the public entity enters into a partnership with a nonprofit organization whose primary mission is historic light station preservation.

''(3)(A) Except as provided in paragraph (B), the Administrator shall convey, by quitclaim deed, without consideration, all right, title, and interest of the United States in and to the historic light station, subject to the conditions set forth in subsection (c). The conveyance of a historic light station under this section shall not be subject to the provisions of 42 U.S.C. 11301 et seq.

''(B)(i) Historic light stations located within the exterior boundaries of a unit of the National Park System or a refuge within the National Wildlife Refuge System shall be conveyed or sold only with the approval of the Secretary.

''(ii) If the Secretary approves the conveyance or sale of a historic light station referenced in this paragraph, such conveyance or sale shall be subject to the conditions set forth in subsection (c) and any other terms

or conditions the Secretary considers necessary to protect the resources of the park unit or wildlife refuge.

''(iii) For those historic light stations referenced in this paragraph, the Secretary is encouraged to enter cooperative agreements with appropriate eligible entities, as provided in this Act, to the extent such cooperative agreements are consistent with the Secretary's responsibilities to manage and administer the park unit or wildlife refuge, as appropriate.

''(c) TERMS OF CONVEYANCE.—

''(1) The conveyance of a historic light station shall be made subject to any conditions the Administrator considers necessary to ensure that—

''(A) the lights, antennas, sound signal, electronic navigation equipment, and associated light station equipment located at the historic light station, which are active aids to navigation, shall continue to be operated and maintained by the United States for as long as needed for this purpose;

''(B) the eligible entity to which the historic light station is conveyed under this section shall not interfere or allow interference in any manner with aids to navigation without the express written permission of the head of the agency responsible for maintaining the aids to navigation;

''(C) there is reserved to the United States the right to relocate, replace, or add any aid to navigation located at the historic light station as may be necessary for navigation purposes;

''(D) the eligible entity to which the historic light station is conveyed under this section shall maintain the historic light station in accordance with this Act, the Secretary's Standards for the Treatment of Historic Properties, and other applicable laws;

''(E) the eligible entity to which the historic light station is conveyed under this section shall make the historic light station available for education, park, recreation, cultural or historic preservation purposes for the general public at reasonable times and under reasonable conditions; and

''(F) the United States shall have the right, at any time, to enter the historic light station without notice for purposes of maintaining and inspecting aids to navigation and ensuring compliance with paragraph (C), to the extent that it is not possible to provide advance notice.

''(2) The Secretary, the Administrator, and any eligible entity to which a historic light station is conveyed under this section, shall not be required to maintain any active aids to navigation associated with a historic light station.

''(3) In addition to any term or condition established pursuant to this subsection, the conveyance of a historic light station shall include a condition that the historic light station in its existing condition, at the option of the Administrator, revert to the United States if—

''(A) the historic light station or any part of the historic light station ceases to be available for education, park, recreation, cultural, or historic preservation purposes for the general public at reasonable times and under reasonable conditions which shall be set forth in the eligible entity's application;

''(B) the historic light station or any part of the historic light station ceases to be maintained in a manner that ensures its present or future use as an aid to navigation or compliance with this Act, the Secretary's Standards for the Treatment of Historic Properties, and other applicable laws; or

''(C) at least 30 days before the reversion, the Administrator provides written notice to the owner that the historic light station is needed for national security purposes.

''(d) DESCRIPTION OF PROPERTY.—The Administrator shall prepare the legal description of any historic light station conveyed under this section. The Administrator may retain all right, title, and interest of the United States in and to any historical artifact, including any lens or lantern, that is associated with the historic light station and located at the light station at the time of conveyance. All conditions placed with the deed of title to the historic light station shall be construed as covenants running with the land. No submerged lands shall be conveyed to non-Federal entities.

''(e) RESPONSIBILITIES OF CONVEYEES.—Each eligible entity to which a historic light station is conveyed under this section shall use and maintain the historic light station in accordance with this section, and have such conditions recorded with the deed of title to the historic light station.

''(f) DEFINITIONS.—For purposes of this section and sections 309 and 310:

''(1) HISTORIC LIGHT STATION.—The term 'historic light station' includes the light tower, lighthouse, keepers dwelling, garages, storage sheds, oil house, fog signal building, boat house, barn, pumphouse, tramhouse support structures, piers, walkways, and related real property and improvements associated therewith; provided that the light tower or lighthouse shall be included in or eligible for inclusion in the National Register of Historic Places.

''(2) ELIGIBLE ENTITY.—The term 'eligible entity' shall mean—

''(A) any department or agency of the Federal government; or

''(B) any department or agency of the state in which the historic light station is located, the local government of the community in which the historic light station is located, nonprofit corporation, educational agency, or community development organization that—

''(i) has agreed to comply with the conditions set forth in subsection (c) and to have such conditions recorded with the deed of title to the historic light station;

''(ii) is financially able to maintain the historic light station in accordance with the conditions set forth in subsection (c); and

''(iii) can indemnify the Federal government to cover any loss in connection with the historic light station, or any expenses incurred due to reversion.

''(3) ADMINISTRATOR.—The term 'Administrator' means the Administrator of General Services.''.

(b) SALE OF EXCESS LIGHT STATIONS.—Title III of the National Historic Preservation Act (16 U.S.C. 470w–470w–6) is amended by adding the following new section after section 308:

''SEC. 309. HISTORIC LIGHT STATION SALES.

''In the event no applicants are approved for the conveyance of a historic light station pursuant to section 308, the historic light station shall be offered for sale. Terms of such sales shall be developed by the Administrator. Conveyance documents shall include all necessary covenants to protect the historical integrity of the historic light station and ensure that any active aids to navigation located at the historic light station are operated and maintained by the United States for as long as needed for that purpose. Net sale proceeds shall be transferred to the National Maritime Heritage Grant Program, established by section 4 of the National Maritime Heritage Act of 1994 (Public Law 103–451; 16 U.S.C. 5403), within the Department of the Interior.''.

(c) TRANSFER OF HISTORIC LIGHT STATIONS TO FEDERAL AGENCIES.—Title III of the National Historic Preservation Act (16 U.S.C. 470w–470w–6) is amended by adding the following new section after section 309:

''SEC. 310. TRANSFER OF HISTORIC LIGHT STATIONS TO FEDERAL AGENCIES.

''After the date of enactment of this section, any department or agency of the Federal government, to which a historic light station is conveyed, shall maintain the historic light station in accordance with this Act, the Secretary's Standards for the Treatment of Historic Properties, and other applicable laws.''.

(d) FUNDING.—There are hereby authorized to be appropriated to the Secretary of the Interior such sums as may be necessary to carry out this section.

SEC. 403. THOMAS COLE NATIONAL HISTORIC SITE, NEW YORK.

(a) DEFINITIONS.—As used in this section:

(1) The term ''historic site'' means the Thomas Cole National Historic Site established by subsection (c).

(2) The term ''Hudson River artists'' means artists who were associated with the Hudson River school of landscape painting.

(3) The term ''plan'' means the general management plan developed pursuant to subsection (e)(4).

(4) The term ''Secretary'' means the Secretary of the Interior.

(5) The term ''Society'' means the Greene County Historical Society of Greene County, New York, which owns the Thomas Cole home, studio, and other property comprising the historic site.

(b) FINDINGS AND PURPOSES.—

(1) FINDINGS.—Congress finds the following:

(A) The Hudson River school of landscape painting was inspired by Thomas Cole and was characterized by a group of 19th century landscape artists who recorded and celebrated the landscape and wilderness of America, particularly in the Hudson River Valley region in the State of New York.

(B) Thomas Cole is recognized as America's most prominent landscape and allegorical painter of the mid-19th century.

(C) Located in Greene County, New York, the Thomas Cole House, also known as Thomas Cole's Cedar Grove, is listed on the National Register of Historic Places and has been designated as a National Historic Landmark.

(D) Within a 15 mile radius of the Thomas Cole House, an area that forms a key part of the rich cultural and natural heritage of the Hudson River Valley region, significant landscapes and scenes painted by Thomas Cole and other Hudson River artists, such as Frederic Church, survive intact.

(E) The State of New York has established the Hudson River Valley Greenway to promote the preservation, public use, and enjoyment of the natural and cultural resources of the Hudson River Valley region.

(F) Establishment of the Thomas Cole National Historic Site will provide opportunities for the illustration and interpretation of cultural themes of the heritage of the United States and unique opportunities for education, public use, and enjoyment.

(2) PURPOSES.—The purposes of this section are—

(A) to preserve and interpret the home and studio of Thomas Cole for the benefit, inspiration, and education of the people of the United States;

(B) to help maintain the integrity of the setting in the Hudson River Valley region that inspired artistic expression;

(C) to coordinate the interpretive, preservation, and recreational efforts of Federal, State, and other entities in the Hudson Valley region in order to enhance opportunities for education, public use, and enjoyment; and

(D) to broaden understanding of the Hudson River Valley region and its role in American history and culture.

(c) ESTABLISHMENT OF THOMAS COLE NATIONAL HISTORIC SITE.—

(1) ESTABLISHMENT.—There is established, as an affiliated area of the National Park System, the Thomas Cole National Historic Site in the State of New York.

(2) DESCRIPTION.—The historic site shall consist of the home and studio of Thomas Cole, comprising approximately 3.4 acres, located at 218 Spring Street, in the village of Catskill, New York, as generally depicted on the boundary map numbered TCH/80002, and dated March 1992.

(d) RETENTION OF OWNERSHIP AND MANAGEMENT OF HISTORIC SITE BY GREENE COUNTY HISTORICAL SOCIETY.—The Greene County Historical Society of Greene County, New York, shall continue to own, manage, and operate the historic site.

(e) ADMINISTRATION OF HISTORIC SITE.—

(1) APPLICABILITY OF NATIONAL PARK SYSTEM LAWS.—The historic site shall be administered by the Society in a manner consistent with this Act and all laws generally applicable to units of the National Park System, including the Act of August 25, 1916 (16 U.S.C. 1 et seq.; commonly known as the National Park Service Organic Act), and the Act of August 21, 1935 (16 U.S.C. 461 et seq.; commonly known as the Historic Sites, Buildings, and Antiquities Act).

(2) COOPERATIVE AGREEMENTS.—

(A) ASSISTANCE TO SOCIETY.—The Secretary may enter into cooperative agreements with the Society to preserve the Thomas Cole House and other structures in the historic site and to assist with education programs and research and interpretation of the Thomas Cole House and associated landscapes.

(B) OTHER ASSISTANCE.—To further the purposes of this section, the Secretary may enter into cooperative agreements with the State of New York, the Society, the Thomas Cole Foundation, and other public and private entities to facilitate public understanding and enjoyment of the lives and works of the Hudson River artists through the provision of assistance to develop, present, and fund art exhibits, resident artist programs, and other appropriate activities related to the preservation, interpretation, and use of the historic site.

(3) ARTIFACTS AND PROPERTY.—

(A) PERSONAL PROPERTY GENERALLY.—The Secretary may acquire personal property associated with, and appropriate for, the interpretation of the historic site.

(B) WORKS OF ART.—The Secretary may acquire works of art associated with Thomas Cole and other Hudson River artists for the purpose of display at the historic site.

(4) GENERAL MANAGEMENT PLAN.—Within two complete fiscal years after the date of the enactment of this Act, the Secretary shall develop a general management plan for the historic site with the cooperation of the Society. Upon the completion of the plan, the Secretary shall provide a copy of the plan to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate. The plan shall include recommendations for regional wayside exhibits, to be carried out through cooperative agreements with the State of New York and other public and private entitles. The plan shall be prepared in accordance with section 12(b) of Public Law 91–383 (16 U.S.C. 1a–1 et seq.; commonly known as the National Park System General Authorities Act).

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 404. ADDITION OF THE PAOLI BATTLEFIELD TO THE VALLEY FORGE NATIONAL HISTORICAL PARK.

(a) BOUNDARY MODIFICATION.—Section 2(a) of the Act of July 4, 1976 (Public Law 94–337; 90 Stat. 796; 16 U.S.C. 410aa–1), is amended by adding the following after the first sentence thereof: ''The park shall also include the Paoli Battlefield, located in the Borough of Malvern, Pennsylvania, as depicted on the map numbered 001 and dated July 24, 1996 (hereinafter in this Act referred to as the 'Paoli Battlefield Addition').''

(b) ACQUISITION OF LANDS.—Section 4(a) of the Act of July 4, 1976 (Public Law 94–337; 90 Stat. 796; 16 U.S.C. 410aa–3), is amended by adding the following before the period at the end thereof: '', except that there is authorized to be appropriated an additional amount of not more than $2,500,000 for the acquisition of property within the Paoli Battlefield Addition if non-Federal monies in the amount of not less than $1,000,000 are available for the acquisition (and subsequent donation to the National Park Service) of such property''.

(c) COOPERATIVE MANAGEMENT.—Section 3 of the Act of July 4, 1976 (Public Law 94–337; 90 Stat. 796; 16 U.S.C. 410aa–2), is amended by adding the following at the end thereof: ''The Secretary may enter into a cooperative agreement with the Borough of Malvern for the management by the Borough of the Paoli Battlefield Addition.''.

SEC. 405. CASA MALPAIS NATIONAL HISTORIC LANDMARK, ARIZONA.

(a) FINDINGS.—The Congress finds and declares that—

(1) the Casa Malpais National Historic Landmark was occupied by one of the largest and most sophisticated Mogollon communities in the United States;

(2) the landmark includes a 58-room masonry pueblo, including stairways, Great Kiva complex, and fortification walls, a prehistoric trail, and catacomb chambers where the deceased were placed;

(3) the Casa Malpais was designated as a national historic landmark by the Secretary of the Interior in 1964; and

(4) the State of Arizona and the community of Springerville are undertaking a program of interpretation and preservation of the landmark.

(b) PURPOSE.—It is the purpose of this section to assist in the preservation and interpretation of the Casa Malpais National Historic Landmark for the benefit of the public.

(c) COOPERATIVE AGREEMENTS.—

(1) IN GENERAL.—In furtherance of the purpose of this section, the Secretary of the Interior is authorized to enter into cooperative agreements with the State of Arizona and the town of Springerville, Arizona, pursuant to which the Secretary may provide technical assistance to interpret, operate, and maintain the Casa Malpais National Historic Landmark and may also provide financial assistance for planning, staff training, and development of the Casa Malpais National Historic Landmark, but not including other routine operations.

(2) ADDITIONAL PROVISIONS.—Any such agreement may also contain provisions that—

(A) the Secretary, acting through the Director of the National Park Service, shall have right to access at all reasonable times to all public portions of the property covered by such agreement for the purpose of interpreting the landmark; and

(B) no changes or alterations shall be made in the landmark except by mutual agreement between the Secretary and the other parties to all such agreements.

(d) APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to provide financial assistance in accordance with this section.

SEC. 406. LOWER EAST SIDE TENEMENT NATIONAL HISTORIC SITE, NEW YORK.

(a) FINDINGS.—Congress finds that—

(1) immigration, and the resulting diversity of cultural influences, is a key factor in defining American identity; the majority of United States citizens trace their ancestry to persons born in nations other than the United States;

(2) the latter part of the 19th century and the early part of the 20th century marked a period in which the volume of immigrants coming to the United States far exceeded that of any time prior to or since that period;

(3) no single identifiable neighborhood in the United States absorbed a comparable number of immigrants than the Lower East Side neighborhood of Manhattan in New York City;

(4) the Lower East Side Tenement at 97 Orchard Street in New York City is an outstanding survivor of the vast number of humble buildings that housed immigrants to New York City during the greatest wave of immigration in American history;

(5) the Lower East Side Tenement is owned and operated as a museum by the Lower East Side Tenement Museum;

(6) the Lower East Side Tenement Museum is dedicated to interpreting immigrant life within a neighborhood long associated with the immigrant experience in the United States, New York's Lower East Side, and its importance to United States history; and

(7) the National Park Service found the Lower East Side Tenement at 97 Orchard Street to be nationally significant; the Secretary of the Interior declared it a National Historic Landmark on April 19, 1994, and the National Park Service through a special resource study found the Lower East Side Tenement suitable and feasible for inclusion in the National Park System.

(b) PURPOSES.—The purposes of this section are—

(1) to ensure the preservation, maintenance, and interpretation of this site and to interpret at the site the themes of immigration, tenement life in the later half of the 19th century and the first half of the 20th century, the housing reform movement, and tenement architecture in the United States;

(2) to ensure continued interpretation of the nationally significant immigrant phenomenon associated with New York City's Lower East Side and its role in the history of immigration to the United States; and

(3) to enhance the interpretation of the Castle Clinton, Ellis Island, and Statue of Liberty National Monuments.

(c) DEFINITIONS.—As used in this section:

(1) HISTORIC SITE.—The term ''historic site'' means the Lower East Side Tenement at 97 Orchard Street on Manhattan Island in New York City, New York, and designated as a national historic site by subsection (d)(1).

(2) LOWER EAST SIDE TENEMENT MUSEUM.—The term ''Lower East Side Tenement Museum'' means the Lower East Side Tenement Museum, a nonprofit organization established in New York City, which owns and operates the tenement building at 97 Orchard Street and manages other properties in the vicinity of 97 Orchard Street as administrative and program support facilities for 97 Orchard Street.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(d) ESTABLISHMENT OF HISTORIC SITE.—

(1) DESIGNATION.—To further the purposes of this section and the Act entitled ''An Act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes'', approved August 21, 1935 (16 U.S.C. 461 et seq.), the Lower East Side Tenement at 97 Orchard Street, in the City of New York, State of New York, is designated a national historic site to be known as

''Lower East Side Tenement National Historic Site''.

(2) STATUS AS AFFILIATED SITE.—The Lower East Side Tenement National Historic Site shall be an affiliated site of the National Park System. The Secretary shall coordinate the operation and interpretation of the historic site with that of the Lower East Side Tenement Historic Site and the Statue of Liberty, Ellis Island, and Castle Clinton National Monument, as the historic site's story and interpretation of the immigrant experience in the United States is directly related to the themes and purposes of these national monuments.

(3) OWNERSHIP AND OPERATION.—The Lower East Side Tenement National Historic Site shall continue to be owned, operated, and managed by the Lower East Side Tenement Museum.

(e) MANAGEMENT OF HISTORIC SITE.—

(1) COOPERATIVE AGREEMENT.—The Secretary is authorized to enter into a cooperative agreement with the Lower East Side Tenement Museum to ensure the marking, interpretation, and preservation of the historic site.

(2) ASSISTANCE.—The Secretary is authorized to provide technical and financial assistance to the Lower East Side Tenement Museum to mark, interpret, and preserve the historic site, including the making of preservation-related capital improvements and repairs.

(3) MANAGEMENT PLAN.—The Secretary shall, working with the Lower East Side Tenement Museum, develop a general management plan for the historic site to define the National Park Service's roles and responsibilities with regard to the interpretation and the preservation of the historic site. The plan shall also outline how interpretation and programming for the Lower East Side Tenement National Historic Site and the Statue of Liberty, Ellis Island, and Castle Clinton national monuments will be integrated and coordinated so as to enhance the stories at each of the 4 sites. Such plan shall be completed within 2 years after the enactment of this Act.

(4) SAVINGS CLAUSE.—Nothing in this section authorizes the Secretary to acquire the property at 97 Orchard Street or to assume overall financial responsibility for the operation, maintenance, or management of the Lower East Side Tenement National Historic Site.

(f) APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 407. GATEWAY VISITOR CENTER AUTHORIZATION, INDEPENDENCE NATIONAL HISTORICAL PARK.

(a) FINDINGS AND PURPOSE.—

(1) FINDINGS.—The Congress finds the following:

(A) The National Park Service completed and approved in 1997 a general management plan for Independence National Historical Park that establishes goals and priorities for the park's future.

(B) The general management plan for Independence National Historical Park calls for the revitalization of Independence Mall and recommends as a critical component of the Independence Mall's revitalization the development of a new ''Gateway Visitor Center''.

(C) Such a visitor center would replace the existing park visitor center and would serve as an orientation center for visitors to the park and to city and regional attractions.

(D) Subsequent to the completion of the general management plan, the National Park Service undertook and completed a design project and master plan for Independence Mall which includes the Gateway Visitor Center.

(E) Plans for the Gateway Visitor Center call for it to be developed and managed, in cooperation with the Secretary of the Interior, by a nonprofit organization which represents the various public and civic interests of the greater Philadelphia metropolitan area.

(F) The Gateway Visitor Center Corporation, a nonprofit organization, has been established to raise funds for and cooperate in a program to design, develop, construct, and operate the proposed Gateway Visitor Center.

(2) PURPOSE.—The purpose of this section is to authorize the Secretary of the Interior to enter into a cooperative agreement with the Gateway Visitor Center Corporation to construct and operate a regional visitor center on Independence Mall.

(b) GATEWAY VISITOR CENTER AUTHORIZATION.—

(1) AGREEMENT.—The Secretary of the Interior, in administering the Independence National Historical Park, may enter into an agreement under appropriate terms and conditions with the Gateway Visitor Center Corporation (a nonprofit corporation established under the laws of the State of Pennsylvania) to facilitate the construction and operation of a regional Gateway Visitor Center on Independence Mall.

(2) OPERATIONS OF CENTER.—The Agreement shall authorize the Corporation to operate the Center in cooperation with the Secretary and to provide at the Center information, interpretation, facilities, and services to visitors to Independence National Historical Park, its surrounding historic sites, the city of Philadelphia, and the region, in order to assist in their enjoyment of the historic, cultural, educational, and recreational resources of the greater Philadelphia area.

(3) MANAGEMENT-RELATED ACTIVITIES.—The Agreement shall authorize the Secretary to undertake at the Center activities related to the management of Independence National Historical Park, including, but not limited to, provision of appropriate visitor information and interpretive facilities and programs related to Independence National Historical Park.

(4) ACTIVITIES OF CORPORATION.—The Agreement shall authorize the Corporation, acting as a private nonprofit organization, to engage in activities appropriate for operation of a regional visitor center that may include, but are not limited to, charging fees, conducting events, and selling merchandise, tickets, and food to visitors to the Center.

(5) USE OF REVENUES.—Revenues from activities engaged in by the Corporation shall be used for the operation and administration of the Center.

(6) PROTECTION OF PARK.—Nothing in this section authorizes the Secretary or the Corporation to take any actions in derogation of the preservation and protection of the values and resources of Independence National Historical Park.

(7) DEFINITIONS.—In this subsection:

(A) AGREEMENT.—The term ''Agreement'' means an agreement under this section between the Secretary and the Corporation.

(B) CENTER.—The term ''Center'' means a Gateway Visitor Center constructed and operated in accordance with the Agreement.

(C) CORPORATION.—The term ''Corporation'' means the Gateway Visitor Center Corporation (a nonprofit corporation established under the laws of the State of Pennsylvania).

(D) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

SEC. 408. TUSKEGEE AIRMEN NATIONAL HISTORIC SITE, ALABAMA.

(a) DEFINITIONS.—As used in this section:

(1) HISTORIC SITE.—The term ''historic site'' means the Tuskegee Airmen National Historic Site as established by subsection (d).

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(3) TUSKEGEE AIRMEN.—The term ''Tuskegee Airmen'' means the thousands of men and women who were trained at Tuskegee University's Moton Field to serve in America's African-American Air Force units during World War II and those men and women who participate in the Tuskegee Experience today, who are represented by Tuskegee Airmen, Inc.

(4) TUSKEGEE UNIVERSITY.—The term ''Tuskegee University'' means the institution of higher education by that name located in the State of Alabama and founded by Booker T. Washington in 1881, formerly named Tuskegee Institute.

(b) FINDINGS.—The Congress finds the following:

(1) The struggle of African-Americans for greater roles in North American military conflicts spans the 17th, 18th, 19th, and 20th centuries. Opportunities for African-American participation in the United States military were always very limited and controversial. Quotas, exclusion, and racial discrimination were based on the prevailing attitude in the United States, particularly on the part of the United States military, that African-Americans did not possess the intellectual capacity, aptitude, and skills to be successful fighters.

(2) As late as the 1940's these perceptions continued within the United States military. Key leaders within the United States Army Air Corps did not believe that African-Americans possessed the capacity to become successful military pilots. After succumbing to pressure exerted by civil rights groups and the black press, the Army decided to train a small number of African-American pilot cadets under special conditions. Although prejudice and discrimination against African-Americans was a national phenomenon, not just a southern trait, it was more intense in the South where it had hardened into rigidly enforced patterns of segregation. Such was the environment where the military chose to locate the training of the Tuskegee Airmen.

(3) The military selected Tuskegee Institute (now known as Tuskegee University) as a civilian contractor for a variety of reasons. These included the school's existing facilities, engineering and technical instructors, and a climate with ideal flying conditions year round. Tuskegee Institute's strong interest in providing aeronautical training for African-American youths was also an important factor. Students from the school's civilian pilot training program had some of the best test scores when compared to other students from programs across the Southeast.

(4) In 1941 the United States Army Air Corps awarded a contract to Tuskegee Institute to operate a primary flight school at Moton Field. Tuskegee Institute (now known as Tuskegee University) chose an African-American contractor who designed and constructed Moton Field, with the assistance of its faculty and students, as the site for its military pilot training program. The field was named for the school's second president, Robert Russa Moton. Consequently, Tuskegee Institute was one of a very few American institutions (and the only African-American institution) to own, develop, and control facilities for military flight instruction.

(5) Moton Field, also known as the Primary Flying Field or Airport Number 2, was the only primary flight training facility for African-American pilot candidates in the United States Army Air Corps during World War II. The facility symbolizes the entrance of African-American pilots into the United States Army Air Corps, although on the

basis of a policy of segregation that was mandated by the military and institutionalized in the South. The facility also symbolizes the singular role of Tuskegee Institute (Tuskegee University) in providing leadership as well as economic and educational resources to make that entry possible.

(6) The Tuskegee Airmen were the first African-American soldiers to complete their training successfully and to enter the United States Army Air Corps. Almost 1,000 aviators were trained as America's first African-American military pilots. In addition, more than 10,000 military and civilian African-American men and women served as flight instructors, officers, bombardiers, navigators, radio technicians, mechanics, air traffic controllers, parachute riggers, electrical and communications specialists, medical professionals, laboratory assistants, cooks, musicians, supply, firefighting, and transportation personnel.

(7) Although military leaders were hesitant to use the Tuskegee Airmen in combat, the Airmen eventually saw considerable action in North Africa and Europe. Acceptance from United States Army Air Corps units came slowly, but their courageous and, in many cases, heroic performance earned them increased combat opportunities and respect.

(8) The successes of the Tuskegee Airmen proved to the American public that African-Americans, when given the opportunity, could become effective military leaders and pilots. This helped pave the way for desegregation of the military, beginning with President Harry S. Truman's Executive Order 9981 in 1948. The Tuskegee Airmen's success also helped set the stage for civil rights advocates to continue the struggle to end racial discrimination during the civil rights movement of the 1950's and 1960's.

(9) The story of the Tuskegee Airmen also reflects the struggle of African-Americans to achieve equal rights, not only through legal attacks on the system of segregation, but also through the techniques of nonviolent direct action. The members of the 477th Bombardment Group, who staged a nonviolent demonstration to desegregate the officer's club at Freeman Field, Indiana, helped set the pattern for direct action protests popularized by civil rights activists in later decades.

(c) PURPOSES.—The purposes of this section are the following:

(1) To inspire present and future generations to strive for excellence by understanding and appreciating the heroic legacy of the Tuskegee Airmen, through interpretation and education, and the preservation of cultural resources at Moton Field, which was the site of primary flight training.

(2) To commemorate and interpret—

(A) the impact of the Tuskegee Airmen during World War II;

(B) the training process for the Tuskegee Airmen, including the roles played by Moton Field, other training facilities, and related sites;

(C) the African-American struggle for greater participation in the United States Armed Forces and more significant roles in defending their country;

(D) the significance of successes of the Tuskegee Airmen in leading to desegregation of the United States Armed Forces shortly after World War II; and

(E) the impacts of Tuskegee Airmen accomplishments on subsequent civil rights advances of the 1950's and 1960's.

(3) To recognize the strategic role of Tuskegee Institute (now Tuskegee University) in training the airmen and commemorating them at this historic site.

(d) ESTABLISHMENT OF THE TUSKEGEE AIRMEN NATIONAL HISTORIC SITE.—In order to commemorate and interpret, in association with Tuskegee University, the heroic actions of the Tuskegee Airmen during World War II, there is hereby established as a unit of the National Park System the Tuskegee Airmen National Historic Site in the State of Alabama.

(e) DESCRIPTION OF HISTORIC SITE.—

(1) INITIAL PARCEL.—The historic site shall consist of approximately 44 acres, including approximately 35 acres owned by Tuskegee University and approximately 9 acres owned by the City of Tuskegee, known as Moton Field, in Macon County, Alabama, as generally depicted on a map entitled ''Tuskegee Airmen National Historic Site Boundary Map'', numbered NHS–TA–80,000, and dated September 1998. Such map shall be on file and available for public inspection in the appropriate offices of the National Park Service.

(2) SUBSEQUENT EXPANSION.—Upon completion of agreements regarding the development and operation of the Tuskegee Airmen National Center as described in subsection (i), the Secretary is authorized to acquire approximately 46 additional acres owned by Tuskegee University as generally depicted on the map referenced in paragraph (1). Lands acquired by the Secretary pursuant to this paragraph shall be administered by the Secretary as part of the historic site.

(f) PROPERTY ACQUISITION.—The Secretary may acquire by donation, exchange, or purchase with donated or appropriated funds the real property described in subsection (e), except that any property owned by the State of Alabama, any political subdivision thereof, or Tuskegee University may be acquired only by donation. Property donated by Tuskegee University shall be used only for purposes consistent with the purposes of this section. The Secretary may also acquire by the same methods personal property associated with, and appropriate for, the interpretation of the historic site.

(g) ADMINISTRATION OF HISTORIC SITE.—

(1) IN GENERAL.—The Secretary shall administer the historic site in accordance with this section and the laws generally applicable to units of the National Park System, including the Act of August 25, 1916 (commonly known as the National Park Service Organic Act; 16 U.S.C. 1 et seq.), and the Act of August 21, 1935 (commonly known as the Historic Sites, Buildings, and Antiquities Act; 16 U.S.C. 461 et seq.).

(2) ROLE OF TUSKEGEE UNIVERSITY.—The Secretary shall consult with Tuskegee University as its principal partner in determining the organizational structure, developing the ongoing interpretive themes, and establishing policies for the wise management, use and development of the historic site. With the agreement of Tuskegee University, the Secretary shall engage appropriate departments, and individual members of the University's staff, faculty, and students in the continuing work of helping to identify, research, explicate, interpret, and format materials for the historic site. Through the President of the University, or with the approval of the President of the University, the Secretary shall seek to engage Tuskegee alumni in the task of providing artifacts and historical information for the historic site.

(3) ROLE OF TUSKEGEE AIRMEN.—The Secretary, in cooperation with Tuskegee University, shall work with the Tuskegee Airmen to facilitate the acquisition of artifacts, memorabilia, and historical research for interpretive exhibits, and to support their efforts to raise funds for the development of visitor facilities and programs at the historic site.

(4) DEVELOPMENT.—Operation and development of the historic site shall reflect Alternative C, Living History: The Tuskegee Airmen Experience, as expressed in the final special resource study entitled ''Moton Field/Tuskegee Airmen Special Resource Study'', dated September 1998. Subsequent development of the historic site shall reflect Alternative D after an agreement is reached with Tuskegee University on the development of the Tuskegee Airmen National Center as described in subsection (i).

(h) COOPERATIVE AGREEMENTS GENERALLY.—The Secretary may enter into cooperative agreements with Tuskegee University, other educational institutions, the Tuskegee Airmen, individuals, private and public organizations, and other Federal agencies in furtherance of the purposes of this section. The Secretary shall consult with Tuskegee University in the formulation of any major cooperative agreements with other universities or federal agencies that may affect Tuskegee University's interests in the historic site. To every extent possible, the Secretary shall seek to complete cooperative agreements requiring the use of higher educational institutions with and through Tuskegee University.

(i) TUSKEGEE AIRMEN NATIONAL CENTER.—

(1) COOPERATIVE AGREEMENT FOR DEVELOPMENT.—The Secretary shall enter into a cooperative agreement with Tuskegee University to define the partnership needed to develop the Tuskegee Airmen National Center on the grounds of the historic site.

(2) PURPOSE OF CENTER.—The purpose of the Tuskegee Airmen National Center shall be to extend the ability to relate more fully the story of the Tuskegee Airmen at Moton Field. The center shall provide for a Tuskegee Airmen Memorial, shall provide large exhibit space for the display of period aircraft and equipment used by the Tuskegee Airmen, and shall house a Tuskegee University Department of Aviation Science. The Secretary shall insure that interpretive programs for visitors benefit from the University's active pilot training instruction program, and the historical continuum of flight training in the tradition of the Tuskegee Airmen. The Secretary is authorized to permit the Tuskegee University Department of Aviation Science to occupy historic buildings within the Moton Field complex until the Tuskegee Airmen National Center has been completed.

(3) REPORT.—Within 1 year after the date of the enactment of this Act, the Secretary, in consultation with Tuskegee University and the Tuskegee Airmen, shall prepare a report on the partnership needed to develop the Tuskegee Airmen National Center, and submit the report to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

(4) TIME FOR AGREEMENT.—Sixty days after the report required by paragraph (3) is submitted to Congress, the Secretary may enter into the cooperative agreement under this subsection with Tuskegee University, and other interested partners, to implement the development and operation of the Tuskegee Airmen National Center.

(j) GENERAL MANAGEMENT PLAN.—Within 2 complete fiscal years after funds are first made available to carry out this section, the Secretary shall prepare, in consultation with Tuskegee University, a general management plan for the historic site and shall submit the plan to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

(k) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this section $29,114,000.

SEC. 409. LITTLE ROCK CENTRAL HIGH SCHOOL NATIONAL HISTORIC SITE, ARKANSAS.

(a) FINDINGS.—The Congress finds the following:

(1) The 1954 United States Supreme Court decision of Brown v. Board of Education, which mandated an end to the segregation of public schools, was one of the most significant court decisions in the history of the United States.

(2) The admission of nine African-American students, known as the ''Little Rock Nine'', to Central High School in Little Rock, Arkansas, as a result of the Brown decision, was the most prominent national example of the implementation of the Brown decision, and served as a catalyst for the integration of other, previously segregated public schools in the United States.

(3) 1997 marked the 70th anniversary of the construction of Central High School, which has been named by the American Institute of Architects as the most beautiful high school building in America.

(4) Central High School was included on the National Register of Historic Places in 1977 and designated by the Secretary of the Interior as a National Historic Landmark in 1982 in recognition of its national significance in the development of the civil rights movement in the United States.

(5) The designation of Little Rock Central High School as a unit of the National Park System will recognize the significant role the school played in the desegregation of public schools in the South and will interpret for future generations the events associated with early desegregation of southern schools.

(b) PURPOSE.—The purpose of this section is to preserve, protect, and interpret for the benefit, education, and inspiration of present and future generations, Central High School in Little Rock, Arkansas, and its role in the integration of public schools and the development of the civil rights movement in the United States.

(c) ESTABLISHMENT AS NATIONAL HISTORIC SITE.—The Little Rock Central High School National Historic Site in the State of Arkansas (referred to in this section as the ''historic site'') is hereby established as a unit of the National Park System. The historic site shall consist of lands and interests therein comprising the Central High School campus and adjacent properties in Little Rock, Arkansas, as generally depicted on a map entitled ''Proposed Little Rock Central High School National Historic Site'', numbered LIRO–20,000, and dated July 1998. Such map shall be on file and available for public inspection in the appropriate offices of the National Park Service.

(d) ADMINISTRATION OF HISTORIC SITE.—The Secretary of the Interior (referred to in this section as the ''Secretary'') shall administer the historic site in accordance with this section. Only those lands under the direct jurisdiction of the Secretary shall be administered in accordance with the provisions of law generally applicable to units of the National Park System, including the Act of August 25, 1916 (16 U.S.C. 1 et seq.; commonly known as the National Park Service Organic Act), and the Act of August 21, 1935 (16 U.S.C. 461 et seq.; commonly known as the Historic Sites, Buildings, and Antiquities Act). Nothing in this section shall affect the authority of the Little Rock School District to administer Little Rock Central High School nor shall this section affect the authorities of the City of Little Rock in the neighborhood surrounding the school.

(e) COOPERATIVE AGREEMENTS.—

(1) AUTHORITY.—The Secretary may enter into cooperative agreements with appropriate public and private agencies, organizations, and institutions (including, but not limited to, the State of Arkansas, the City of Little Rock, the Little Rock School District, Central High Museum, Inc., Central High Neighborhood, Inc., or the University of Arkansas) in furtherance of the purposes of this section.

(2) COORDINATION.—The Secretary shall coordinate visitor interpretation of the historic site with the Little Rock School District and the Central High School Museum, Inc.

(f) GENERAL MANAGEMENT PLAN.—Within three years after the date funds are made available, the Secretary shall prepare a general management plan for the historic site. The plan shall be prepared in consultation and coordination with the Little Rock School District, the City of Little Rock, Central High Museum, Inc., and with other appropriate organizations and agencies. The plan shall identify specific roles and responsibilities for the National Park Service in administering the historic site, and shall identify lands or property, if any, that might be necessary for the National Park Service to acquire in order to carry out its responsibilities. The plan shall also identify the roles and responsibilities of other entities in administering the historic site and its programs. The plan shall include a management framework that ensures the administration of the historic site does not interfere with the continuing use of Central High School as an educational institution.

(g) ACQUISITION OF PROPERTY.—

(1) METHOD OF ACQUISITION.—Subject to paragraph (2), the Secretary is authorized to acquire, by purchase with donated or appropriated funds, by exchange, or by donation, the lands and interests therein located within the boundaries of the historic site.

(2) CONDITIONS.—The Secretary may acquire lands or interests therein under paragraph (1) only with the consent of the owner thereof. Lands or interests therein owned by the State of Arkansas or a political subdivision thereof may be acquired under paragraph (1) only by donation or exchange.

(h) DESEGREGATION IN PUBLIC EDUCATION THEME STUDY.—

(1) THEME STUDY.—Within two years after the date funds are made available, the Secretary shall prepare and transmit to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives a National Historic Landmark Theme Study (referred to in this subsection as the ''theme study'') on the history of desegregation in public education. The purpose of the theme study shall be to identify sites, districts, buildings, structures, and landscapes that best illustrate or commemorate key events or decisions in the historical movement to provide for racial desegregation in public education. On the basis of the theme study, the Secretary shall identify possible new national historic landmarks appropriate to this theme and prepare a list in order of importance or merit of the most appropriate sites for national historic landmark designation.

(2) OPPORTUNITIES FOR EDUCATION AND RESEARCH.—The theme study shall identify appropriate means to establish linkages between sites identified in paragraph (1) and between those sites and the historic site and with other existing units of the National Park System to maximize opportunities for public education and scholarly research on desegregation in public education. The theme study also shall recommend opportunities for cooperative arrangements with State and local governments, educational institutions, local historical organizations, and other appropriate entities to preserve and interpret key sites in the history of desegregation in public education.

(3) COOPERATIVE AGREEMENTS.—The Secretary may enter into cooperative agreements with one or more educational institutions, public history organizations, or civil rights organizations knowledgeable about desegregation in public education to prepare the theme study and to ensure that the theme study meets scholarly standards.

(4) THEME STUDY COORDINATION WITH GENERAL MANAGEMENT PLAN.—The theme study shall be prepared as part of the preparation and development of the general management plan for the historic site.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 410. WEIR FARM NATIONAL HISTORIC SITE, CONNECTICUT.

(a) ACQUISITION OF LAND FOR VISITOR AND ADMINISTRATIVE FACILITIES.—Section 4 of the Weir Farm National Historic Site Establishment Act of 1990 (Public Law 101–485; 104 Stat. 1171; 16 U.S.C. 461 note) is amended by adding at the end the following new subsection:

''(d) ACQUISITION OF LAND FOR VISITOR AND ADMINISTRATIVE FACILITIES; LIMITATIONS.—(1) In order to preserve and maintain the historic setting and character of the historic site, the Secretary may acquire not more than 15 additional acres for the development of visitor and administrative facilities for the historic site. The property acquired under the authority of this paragraph may be contiguous or in close proximity to the parcels described in subsection (b). The acquired property shall be included within the boundaries of the historic site and shall be operated and maintained as part of the historic site.

''(2) The Secretary shall keep development of the property acquired under paragraph (1) to a minimum so that the character of the acquired property is similar to the natural and undeveloped landscape of the parcels described in subsection (b). Any parking area for the resulting visitor and administrative facilities shall not exceed 30 spaces. Items sold in the visitor facilities shall be limited to educational and interpretive materials related to the purpose of the historic site and shall not include food.

''(3) Prior to and as a prerequisite to any development of visitor and administrative facilities on the property acquired under paragraph (1), the Secretary shall enter into one or more agreements with the appropriate zoning authority of the town of Ridgefield and the town of Wilton for the purposes of—

''(A) developing the parking, visitor, and administrative facilities for the historic site; and

''(B) managing bus traffic to the historic site, which will include limiting parking for large tour buses to an offsite location.''.

(b) INCREASE IN MAXIMUM ACQUISITION AUTHORITY.—Section 7 of such Act (104 Stat. 1173) is amended by striking ''$1,500,000'' and inserting ''$4,000,000''.

SEC. 411. KATE MULLANY NATIONAL HISTORIC SITE, NEW YORK.

(a) DEFINITIONS.—As used in this section:

(1) The term ''historic site'' means the Kate Mullany National Historic Site established by subsection (d).

(2) The term ''plan'' means the general management plan developed pursuant to subsection (h).

(3) The term ''Secretary'' means the Secretary of the Interior.

(b) FINDINGS.—Congress finds the following:

(1) The Kate Mullany House in Troy, New York, is listed on the National Register of Historic Places and has been designated as a National Historic Landmark.

(2) The National Historic Landmark Theme Study on American Labor History concluded that the Kate Mullany House appears to meet the criteria of national significance, suitability, and feasibility for inclusion in the National Park System.

(3) The city of Troy, New York—

(A) played an important role in the development of the collar and cuff industry and the iron industry in the 19th century, and in the development of early men's and women's worker and cooperative organizations; and

(B) was the home of the first women's labor union, led by Irish immigrant Kate Mullany.

(4) The city of Troy, New York, with 6 neighboring cities, towns, and villages, entered into a cooperative arrangement to create the Hudson-Mohawk Urban Cultural Park Commission to manage their valuable historic resources and the area within these municipalities has been designated by the State of New York as a heritage area to represent industrial development and labor themes in the State's development.

(5) This area, known as the Hudson-Mohawk Urban Cultural Park or RiverSpark, has been a pioneer in the development of partnership parks where intergovernmental and public and private partnerships bring abut the conservation of our heritage and the attainment of goals for preservation, education, recreation, and economic development.

(6) Establishment of the Kate Mullany National Historic Site and cooperative efforts between the National Park Service and the Hudson-Mohawk Urban Cultural Park Commission will provide opportunities for the illustration and interpretation of important themes of the heritage of the United States, and will provide unique opportunities for education, public use, and enjoyment.

(c) PURPOSES.—The purposes of this section are—

(1) to preserve and interpret the nationally significant home of Kate Mullany for the benefit, inspiration, and education of the people of the United States; and

(2) to interpret the connection between immigration and the industrialization of the Nation, including the history of Irish immigration, women's history, and worker history.

(d) ESTABLISHMENT OF HISTORIC SITE.—There is established, as a unit of the National Park System, the Kate Mullany National Historic Site in the State of New York. The historic site shall consist of the home of Kate Mullany, comprising approximately .05739 acre, located at 350 Eighth Street in Troy, New York, as generally depicted on the map entitled ''Kate Mullany House, Troy, New York'', numbered 101.23, and dated December 10, 1976 (as revised September 16, 1997).

(e) ACQUISITION OF PROPERTY.—

(1) REAL PROPERTY.—The Secretary may acquire lands and interests therein within the boundaries of the historic site and ancillary real property for parking or interpretation, as necessary and appropriate for management of the historic site. Such acquisitions may be by donation, purchase from willing sellers with donated or appropriated funds, or exchange.

(2) PERSONAL PROPERTY.—The Secretary may acquire personal property associated with, and appropriate for, the interpretation of the historic site using the methods provided in paragraph (1).

(f) ADMINISTRATION OF HISTORIC SITE.—

(1) IN GENERAL.—The Secretary shall administer the historic site in accordance with this section and all laws generally applicable to units of the National Park System, including the Act of August 25, 1916 (16 U.S.C. 1 et seq.; commonly known as the National Park Service Organic Act), and the Act of August 21, 1935 (16 U.S.C. 461 et seq.; commonly known as the Historic Sites, Buildings, and Antiquities Act).

(2) COOPERATIVE AGREEMENTS.—To further the purposes of this section, the Secretary may consult with and enter into cooperative agreements with the State of New York and the Hudson-Mohawk Urban Cultural Park Commission, and other public and private entities to facilitate public understanding and enjoyment of the life and work of Kate Mullany through the development, presentation, and funding of exhibits and other appropriate activities related to the preservation, interpretation, and use of the historic site and related historic resources.

(g) EXHIBITS.—The Secretary may display, and accept for the purposes of display, items associated with Kate Mullany, as may be necessary for the interpretation of the historic site.

(h) GENERAL MANAGEMENT PLAN.—Not later than two complete fiscal years after the date of the enactment of this Act, the Secretary shall develop a general management plan for the historic site. Upon its completion, the Secretary shall submit the plan to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives. The plan shall include recommendations for regional wayside exhibits, to be carried out through cooperative agreements with the State of New York and other public and private entitles. The plan shall be prepared in accordance with section 12(b) of Public Law 91–383 (16 U.S.C. 1a–1 et seq.; commonly known as the National Park System General Authorities Act).

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 412. ROUTE 66 NATIONAL HISTORIC HIGHWAY.

(a) DEFINITIONS.—In this section:

(1) ROUTE 66.—The term ''Route 66'' means—

(A) portions of the highway formerly designated as United States Route 66 that remain in existence as of the date of enactment of this Act;

(B) public lands in the immediate vicinity of the highway; and

(C) private lands in the immediate vicinity of the highway owned by persons who are willing to participate in the programs authorized by this section.

(2) CULTURAL RESOURCE PROGRAMS.—The term ''Cultural Resource Programs'' means the programs established and administered by the National Park Service for the benefit of and in support of cultural resources related to Route 66, either directly or indirectly.

(3) PRESERVATION OF ROUTE 66.—The term ''preservation of Route 66'' means the preservation or restoration of portions of the highway, businesses and sites of interest and other contributing resources along the highway commemorating Route 66 during its period of outstanding historic significance (principally between 1933 and 1970), as defined by the July 1995 National Park Service ''Special Resource Study of Route 66''.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior, acting through the Cultural Resource Programs at the National Park Service.

(5) STATE.—The term ''State'' means a State in which a portion of Route 66 is located.

(b) DESIGNATION OF HISTORIC HIGHWAY.—Route 66 is designated as ''Route 66 National Historic Highway''.

(c) GENERAL MANAGEMENT.—The Secretary, in collaboration with the entities described in subsection (d), shall facilitate the development of guidelines and a program of technical assistance and grants that will set priorities for the preservation of Route 66. The Secretary shall designate officials of the National Park Service stationed at locations convenient to the States to perform the functions of the Cultural Resource Programs under this section.

(d) GENERAL FUNCTIONS.—The Secretary shall—

(1) support efforts of State and local public and private persons, nonprofit Route 66 preservation entities, Indian Tribes, State Historic Preservation Offices, and entities in the States to preserve Route 66 by providing technical assistance, participating in cost-sharing programs, and making grants;

(2) act as a clearinghouse for communication among Federal, State, and local agencies, nonprofit Route 66 preservation entities, Indian Tribes, State historic Preservation Offices, and private persons and entities interested in the preservation of Route 66; and

(3) assist the States in determining the appropriate form of and establishing and supporting a non-Federal entity or entities to perform the functions of the Cultural Resource Programs after those programs are terminated.

(e) OTHER AUTHORITIES.—In carrying out this section, the Secretary may—

(1) collaborate with the Secretary of Transportation to—

(A) address transportation factors that may conflict with preservation efforts in such a way as to ensure ongoing preservation, interpretation and management of Route 66 National Historic Highway; and

(B) take advantage, to the maximum extent possible, of existing programs, such as the Scenic Byways program under section 162 of title 23, United States Code.

(2) enter into cooperative agreements, including, but not limited to study, planning, preservation, rehabilitation and restoration;

(3) accept donations;

(4) provide cost-share grants and information;

(5) provide technical assistance in historic preservation; and

(6) conduct research.

(f) ROAD SIGNS.—The Secretary may sponsor a road sign program on Route 66 to be implemented on a cost-sharing basis with State and local organizations.

(g) PRESERVATION ASSISTANCE.—

(1) IN GENERAL.—The Secretary shall provide assistance in the preservation of Route 66 in a manner that is compatible with the idiosyncratic nature of the highway.

(2) PLANNING.—The Secretary shall not prepare or require preparation of an overall management plan for Route 66, but shall cooperate with the States and local public and private persons and entities, State Historic Preservation Offices, nonprofit Route 66 preservation entities, and Indian Tribes in developing local preservation plans to guide efforts to protect the most important or representative resources of Route 66.

(h) TECHNICAL ASSISTANCE PROGRAM.—

(1) IN GENERAL.—The Secretary shall develop a program of technical assistance in the preservation of Route 66.

(2) GUIDELINES FOR PRESERVATION NEEDS.—

(A) IN GENERAL.—As part of the program under paragraph (1), the Secretary shall establish guidelines for setting priorities for preservation needs.

(B) BASIS.—The guidelines under subparagraph (A) may be based on national register standards, modified as appropriate to meet the needs of Route 66 so as to allow for the preservation of Route 66.

(i) PROGRAM FOR COORDINATION OF ACTIVITIES.—

(1) IN GENERAL.—The Secretary shall coordinate a program of historic research,

curation, preservation strategies, and the collection of oral and video histories of Route 66.

(2) DESIGN.—The program under paragraph (1) shall be designed for continuing use and implementation by other organizations after the Cultural Resource Programs are terminated.

(j) GRANTS.—The Secretary shall—

(1) make cost-share grants for preservation of Route 66 available for resources that meet the guidelines under subsection (h); and

(2) provide information about existing cost-share opportunities.

(k) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $10,000,000 for the period of fiscal years 2000 through 2009 to carry out the purposes of this section.

SEC. 413. VALLEY FORGE MUSEUM OF THE AMERICAN REVOLUTION AT VALLEY FORGE NATIONAL HISTORICAL PARK, PENNSYLVANIA.

The Act of July 4, 1976 (Public Law 94–337; 90 Stat. 796; 16 U.S.C. 410aa et seq.), is amended by adding at the end the following new section:

"SEC. 5. VALLEY FORGE MUSEUM OF THE AMERICAN REVOLUTION.

''(a) MUSEUM AUTHORIZED.—In administering the park, the Secretary may enter into an agreement pursuant to this section with the Valley Forge Historical Society (hereinafter referred to as the 'Society') to facilitate the planning, construction, and operation of a museum on Federal land within the boundaries of the park to be known as the 'Valley Forge Museum of the American Revolution'.

''(b) PURPOSE OF MUSEUM.—

''(1) ACTIVITIES OF SOCIETY.—The agreement shall authorize the Society to construct and operate the museum in cooperation with the Secretary and to provide at the museum programs and services to visitors to the park related to the story of Valley Forge and the American Revolution. The Society, acting as a private nonprofit organization, may engage in activities appropriate for operation of the museum, including charging fees, conducting events, and selling merchandise, tickets, and food to visitors to the museum.

''(2) ACTIVITIES OF SECRETARY.—The agreement shall authorize the Secretary to undertake at the museum activities related to the management of the park, including the provision of appropriate visitor information and interpretive facilities and programs related to the park.

''(c) USE OF REVENUES.—The agreement shall require that revenues derived by the Society from the museum's facilities and services be used to offset the expenses of the museum's operation and maintenance.

''(d) TERM OF OCCUPANCY.—The agreement shall authorize the Society to occupy any structure constructed pursuant to the agreement for such a term as the parties may specify in the agreement.

''(e) CONDITIONS.—The agreement shall be subject to the following terms and conditions:

''(1) The conveyance by the Society to the United States of all right, title, and interest in any structure constructed at the park pursuant to the agreement.

''(2) The authority of the Society to occupy and use any such structure shall be for the exhibition, preservation, and interpretation of artifacts associated with the Valley Forge story and the American Revolution to enhance the visitor experience to the park and to conduct appropriately related activities of the Society consistent with its mission. Such authority shall not be transferred or conveyed without the express consent of the Secretary.

(3) Such other terms and conditions as the Secretary considers appropriate to protect the interests of the United States.

''(f) RELATION TO OTHER PARK VALUES.—Nothing in this section shall authorize the Secretary or the Society to take any actions in derogation of the preservation and protection of the values and resources of the park.''.

TITLE V—SAN RAFAEL SWELL

SEC. 501. SHORT TITLE.

This title may be cited as the ''San Rafael Swell National Heritage and Conservation Act''.

SEC. 502. DEFINITIONS.

In this title:

(1) ADVISORY COUNCIL.—The term ''Advisory Council'' means the San Rafael Swell National Conservation Area Advisory Council established under section 525.

(2) CONSERVATION AREA.—The term ''conservation area'' means the San Rafael Swell National Conservation Area established by section 522.

(3) DIRECTOR.—The term ''Director'' means the Director of the Bureau of Land Management.

(4) NATIONAL HERITAGE AREA.—The term ''national heritage area'' means the San Rafael Swell National Heritage Area established by section 513.

(5) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior, acting through the Director of the Bureau of Land Management.

(6) SEMI-PRIMITIVE AREA.—The term ''semi-primitive area'' means any area designated as a semi-primitive nonmotorized use area under section 542.

Subtitle A—San Rafael Swell National Heritage Area

SEC. 511. SHORT TITLE; FINDINGS; PURPOSES.

(a) SHORT TITLE.—This subtitle may be cited as the ''San Rafael Swell National Heritage Area Act''.

(b) FINDINGS.—Congress finds the following:

(1) The history of the American West is one of the most significant chapters of United States history, and the major themes and images of the history of the American West provide a legacy that has done much to shape the contemporary culture, attitudes, and values of the American West and the United States.

(2) The San Rafael Swell region of the State of Utah was one of the country's last frontiers and possesses important historical, cultural, and natural resources that are representative of the central themes associated with the history of the American West, including themes of pre-Columbian and Native American culture, exploration, pioneering, settlement, ranching, outlaws, prospecting and mining, water development and irrigation, railroad building, industrial development, and the utilization and conservation of natural resources.

(3) The San Rafael Swell region contains important historical sites, including sections of the Old Spanish Trail, the Outlaw Trail, the Green River Crossing, and numerous sites associated with cowboy, pioneer, and mining history.

(4) The heritage of the San Rafael Swell region includes the activities of many prominent historical figures of the old American West, such as Chief Walker, John Wesley Powell, Kit Carson, John C. Fremont, John W. Gunnison, Butch Cassidy, John W. Taylor, and the Swasey brothers.

(5) The San Rafael Swell region has a notable history of coal and uranium mining, and a rich cultural heritage of activities associated with mining, such as prospecting, railroad building, immigrant workers, coal camps, labor union movements, and mining disasters.

(6) The San Rafael Swell region is widely recognized for its significant paleontological resources and dinosaur bone quarries, including the Cleveland Lloyd Dinosaur Quarry which was designated as a National Natural Landmark in 1966.

(7) The beautiful rural landscapes, historic and cultural landscapes, and spectacular scenic vistas of the San Rafael Swell region contain significant undeveloped recreational opportunities for people throughout the United States.

(8) Museums and visitor centers have already been constructed in the San Rafael Swell region, including the John Wesley Powell River History Museum, the College of Eastern Utah Prehistoric Museum, the Museum of the San Rafael, the Western Mining and Railroad Museum, the Emery County Pioneer Museum, and the Cleveland Lloyd Dinosaur Quarry, and these museums are available to interpret the themes of the national heritage area established by this title and to coordinate the interpretive and preservation activities of the area.

(9) Despite the efforts of the State of Utah, political subdivisions of the State, volunteer organizations, and private businesses, the cultural, historical, natural, and recreational resources of the San Rafael Swell region have not realized their full potential and may be lost without assistance from the Federal Government.

(10) Many of the historical, cultural, and scientific sites of the San Rafael Swell region are located on lands owned by the Federal Government and are managed by the Bureau of Land Management or the United States Forest Service.

(11) The preservation of the cultural, historical, natural, and recreational resources of the San Rafael Swell region within a regional framework requires cooperation among local property owners and Federal, State, and local government entities.

(12) Partnerships between Federal, State, and local governments, local and regional entities of these governments, and the private sector offer the most effective opportunities for the enhancement and management of the cultural, historical, natural, and recreational resources of the San Rafael Swell region.

(c) PURPOSES.—The purposes of this subtitle are—

(1) to establish the San Rafael Swell National Heritage Area to promote the preservation, conservation, interpretation, and development of the historical, cultural, natural, and recreational resources related to the historical, cultural, and industrial heritage of the San Rafael Swell region of the State of Utah, which includes the counties of Carbon and Emery, and portions of the county of Sanpete;

(2) to encourage within the national heritage area a broad range of economic and recreational opportunities to enhance the quality of life for present and future generations;

(3) to assist the State of Utah, political subdivisions of the State and their local and regional entities, and nonprofit organizations, or combinations thereof, in preparing and implementing a heritage plan for the national heritage area and in developing policies and programs that will preserve, enhance, and interpret the cultural, historical, natural, recreational, and scenic resources of the heritage area; and

(4) to authorize the Secretary of the Interior to provide financial assistance and technical assistance to support the preparation and implementation of the heritage plan for the national heritage area.

SEC. 512. DESIGNATION.

There is hereby designated the San Rafael Swell National Heritage Area.

SEC. 513. DEFINITIONS.

For purposes of this subtitle:

(1) COMPACT.—The term ''compact'' means an agreement described in section 515(a).

(2) FINANCIAL ASSISTANCE.—The term ''financial assistance'' means funds appropriated by the Congress and made available to the Heritage Council for the purposes of preparing and implementing a heritage plan.

(3) HERITAGE AREA.—The term ''Heritage Area'' means the San Rafael Swell National Heritage Area established by this subtitle.

(4) HERITAGE PLAN.—The term ''heritage plan'' means a plan described in section 515(b).

(5) HERITAGE COUNCIL.—The term ''Heritage Council'' means the entity designated in the compact for a National Heritage Area and described in section 516(a).

(6) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(7) TECHNICAL ASSISTANCE.—The term ''technical assistance'' includes—

(A) assistance by the Secretary in the preparation of any heritage plan, compact, or resource inventory; and

(B) professional guidance provided by the Secretary.

(8) UNIT OF GOVERNMENT.—The term ''unit of government'' means the government of a State, a political subdivision of a State, or an Indian tribe.

SEC. 514. GRANTS, TECHNICAL ASSISTANCE, AND OTHER DUTIES AND AUTHORITIES OF FEDERAL AGENCIES.

(a) GRANTS.—

(1) IN GENERAL.—The Secretary may make grants for the purposes of this subtitle to any unit of government or to the Heritage Council.

(2) PERMITTED AND PROHIBITED USES OF GRANTS.—

(A) PERMITTED USES.—Grants made under this section may be used for reports, studies, interpretive exhibits, historic preservation projects, construction of cultural, recreational, and interpretive facilities that are open to the public, and such other expenditures as are consistent with this subtitle.

(B) PROHIBITED USES.—Grants made under this section may not be used for acquisition of real property or any interest in real property.

(3) APPLICABILITY OF RESTRICTIONS TO SUBGRANTS.—For purposes of paragraph (2), any subgrant made from funds received as a grant (or subgrant) made under this section shall be treated as a grant made under this section.

(4) PROTECTION OF FEDERAL INVESTMENT.—Any grant made under this section shall be subject to an agreement that conversion, use, or disposal of the project so assisted for purposes contrary to the purposes of this subtitle, as determined by the Secretary, shall result in a right of the United States to compensation equal to the greater of—

(A) all Federal funds made available to such project under this subtitle; or

(B) the proportion of the increased value of the project attributable to such funds, as determined at the time of such conversion, use, or disposal.

(b) TECHNICAL ASSISTANCE.—The Secretary may provide technical assistance with respect to this subtitle.

(c) DURATION OF ELIGIBILITY FOR GRANTS AND TECHNICAL ASSISTANCE.—The Secretary may not provide any grant, and may provide only limited technical assistance, under this subtitle after the expiration of the 10-year period beginning on the date of the designation of the National Heritage Area.

(d) DISQUALIFICATION FOR FEDERAL FUNDING.—If a heritage plan meeting the requirements of section 515(b) is not forwarded to the Secretary as required under section 516(b)(1) within the time specified in section 516(b)(1), the Secretary may not, after such time, provide technical assistance or grants under this subtitle until such a heritage plan for the National Heritage Area is developed and forwarded to the Secretary.

(e) OTHER DUTIES AND AUTHORITIES OF SECRETARY.—

(1) SIGNING OF COMPACT.—The Secretary shall sign or withhold signature on any proposed compact submitted under this subtitle not later than 90 days after receiving the proposed compact. If the Secretary withholds signature on the proposed compact, the Secretary shall advise the submitter, in writing, of the reasons. The Secretary shall sign or withhold signature on each proposed revision to the proposed compact not later than 90 days after receiving the proposed revision. A submitter shall hold a public meeting in the immediate vicinity of the proposed National Heritage Area before making any major revisions in any proposed compact submitted under this subtitle.

(2) MONITORING OF NATIONAL HERITAGE AREA.—The Secretary shall monitor the National Heritage Area. Monitoring of the National Heritage Area shall include monitoring to ensure compliance with the terms of the compact for the area.

(f) DUTIES OF FEDERAL ENTITIES.—Any Federal entity conducting or supporting activities within the National Heritage Area, and any unit of government acting pursuant to a grant of Federal funds or a Federal permit or agreement and conducting or supporting such activities, shall, to the maximum extent practicable—

(1) consult with the Secretary and the Heritage Council for the National Heritage Area with respect to such activities; and

(2) cooperate with the Secretary and the Heritage Council in the carrying out of the duties of the Secretary and the Heritage Council under this subtitle, and coordinate such activities to minimize any real or potential adverse impact on the National Heritage Area.

(g) PROHIBITION OF CERTAIN REQUIREMENTS.—The Secretary may not, as a condition of the award of technical assistance or financial assistance under this section, require any recipient of such assistance to enact or modify land use restrictions.

SEC. 515. COMPACT AND HERITAGE PLAN.

(a) COMPACT.—

(1) IN GENERAL.—The compact submitted under this subtitle with respect to the National Heritage Area shall consist of an agreement entered into by the Secretary, the Secretary of Agriculture, and the Governor of Utah or a designee of the Governor, in coordination with the Heritage Council. Such agreement shall define the area, describe anticipated programs for the area, and include information relating to the objectives and management of the area. Such information shall include, but need not be limited to, each of the following:

(A) BOUNDARIES.—A delineation of the boundaries of the National Heritage Area. Such boundaries shall include the land generally depicted on the map entitled San Rafael Swell National Heritage-Conservation Area Proposed, dated June 12, 1998, which shall be on file and available for public inspection in the office of the Director of the Bureau of Land Management.

(B) MANAGEMENT ENTITY.—An identification and description of the Heritage Council.

(C) NON-FEDERAL PARTICIPANTS.—A list of the initial participants to be involved in developing and implementing the heritage plan and a statement of the financial commitment of those participants.

(D) GOALS, OBJECTIVES, AND CONCEPTUAL FRAMEWORK.—A discussion of the goals, objectives, and cost of the National Heritage Area, including an explanation of—

(i) the conceptual framework, proposed by the partners referred to in subparagraph (C), for development and implementation of the heritage plan for the National Heritage Area; and

(ii) the costs associated with the conceptual framework.

(E) ROLE OF STATE.—A description of the role of the State of Utah.

(2) CONSISTENCY WITH ECONOMIC VIABILITY.—The compact submitted under this subtitle shall be consistent with continued economic viability in the communities within the National Heritage Area.

(3) INITIATION OF ACTIONS.—Actions called for in the compact shall be initiated within a reasonable time after designation of the National Heritage Area and shall ensure effective implementation of the State and local aspects of the compact.

(b) HERITAGE PLAN.—

(1) IN GENERAL.—The heritage plan forwarded to the Secretary under this subtitle shall be a plan which sets forth the strategy to implement the goals and objectives of the National Heritage Area. The heritage plan shall—

(A) present comprehensive recommendations for the conservation, funding, management, and development of the area;

(B) be prepared with public participation;

(C) take into consideration existing Federal, State, county, and local plans and involve residents, private property owners, public agencies, and private organizations in the area;

(D) include a description of actions that units of government and private organizations could take to protect the resources of the area; and

(E) specify existing and potential sources of funding for the conservation, management, and development of the area.

(2) ADDITIONAL INFORMATION.—The heritage plan forwarded to the Secretary under this subtitle also shall include the following, as appropriate:

(A) INVENTORY OF RESOURCES.—An inventory of important natural, cultural, or historic resources which illustrate the themes of the National Heritage Area.

(B) RECOMMENDATIONS FOR MANAGEMENT.—A recommendation of policies for management of the historical, cultural, and natural resources and the recreational and educational opportunities of the area in a manner consistent with the support of appropriate and compatible economic viability.

(C) PROGRAM AND COMMITMENTS.—A program for implementation of the heritage plan by the Heritage Council and specific commitments, for the first 5 years of operation of the heritage plan, by the partners identified in the compact.

(D) ANALYSIS OF COORDINATION.—An analysis of means by which Federal, State, and local programs may best be coordinated to promote the purposes of this subtitle.

(E) INTERPRETIVE PLAN.—An interpretive plan for the National Heritage Area.

(3) RELATIONSHIP TO CONSERVATION AREA MANAGEMENT PLAN.—The heritage plan and the conservation area management plan shall not be inconsistent. However, nothing in the heritage plan may supersede the management plan for the conservation area under section 533, with respect to the application of the management plan to the conservation area.

SEC. 516. HERITAGE COUNCIL.

(a) IN GENERAL.—The management entity for the National Heritage Area shall be known as the ''Heritage Council''. The Heritage Council shall be an entity that reflects a

broad cross-section of interests within the National Heritage Area and shall include—

(1) at least 1 representative of one or more units of government in the State of Utah;

(2) representatives of interested or affected groups; and

(3) private property owners who reside within the National Heritage Area.

(b) DUTIES.—The Heritage Council shall fulfill each of the following requirements:

(1) HERITAGE PLAN.—Not later than 3 years after the date of the designation of the National Heritage Area, the Heritage Council shall develop and forward to the Secretary and to the Governor of Utah a heritage plan in accordance with the compact under subsection (a).

(2) PRIORITIES.—The Heritage Council shall give priority to the implementation of actions, goals, and policies set forth in the compact and heritage plan for the National Heritage Area, including assisting units of government and others in—

(A) carrying out programs which recognize important resource values within the National Heritage Area;

(B) encouraging economic viability in the affected communities;

(C) establishing and maintaining interpretive exhibits in the area;

(D) developing recreational and educational opportunities in the area;

(E) increasing public awareness of and appreciation for the natural, historical, and cultural resources of the area;

(F) restoring historic buildings that are located within the boundaries of the area and relate to the theme of the area; and

(G) ensuring that clear, consistent, and appropriate signs identifying public access points and sites of interest are put in place throughout the area.

(3) CONSIDERATION OF INTERESTS OF LOCAL GROUPS.—The Heritage Council shall, in developing and implementing the heritage plan for the National Heritage Area, consider the interests of diverse units of government, businesses, private property owners, and nonprofit groups within the geographic area.

(4) PUBLIC MEETINGS.—The Heritage Council shall conduct public meetings at least annually regarding the implementation of the heritage plan for the National Heritage Area. The Heritage Council shall place a notice of each such meeting in a newspaper of general circulation in the area and shall make the minutes of the meeting available to the public.

SEC. 517. LACK OF EFFECT ON LAND USE REGULATION.

(a) LACK OF EFFECT ON AUTHORITY OF GOVERNMENTS.—Nothing in this subtitle shall be construed to modify, enlarge, or diminish any authority of Federal, State, and local governments to regulate any use of land as provided for by law or regulation.

(b) LACK OF ZONING OR LAND USE POWERS OF ENTITY.—Nothing in this subtitle shall be construed to grant powers of zoning or land use to the management entity for the National Heritage Area.

(c) BLM AUTHORITY.—

(1) IN GENERAL.—Nothing in this subtitle shall be construed to modify, enlarge, or diminish the authority of the Secretary or the Bureau of Land Management with respect to lands under the administrative jurisdiction of the Bureau.

(2) COOPERATION.—In carrying out this subtitle, the Secretary shall work cooperatively under the Federal Land Policy and Management Act of 1976 with the Forest Service, the Heritage Council under section 516, State and local governments, and private entities.

SEC. 518. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated for grants made and technical assistance provided under subsections (a) and (b), respectively, of section 514, and the administration of such grants and assistance, not more than $1,000,000 annually, to remain available until expended.

(b) ANNUAL ALLOCATION FOR GRANTS.—In any fiscal year, not less than 70 percent of the funds obligated under this subtitle shall be used for grants made under section 514(a).

(c) LIMITATION ON PERCENT OF COST.—

(1) IN GENERAL.—Federal funding provided under this subtitle, after the designation of the National Heritage Area, for any technical assistance or grant with respect to the area may not exceed 50 percent of the total cost of the assistance or grant. Federal funding provided under this subtitle with respect to an area before the designation of the area as the National Heritage Area may not exceed an amount proportionate to the level of local support of and commitment to the designation of the area.

(2) TREATMENT OF DONATIONS.—The value of property or services donated by non-Federal sources and used for management of the National Heritage Area shall be treated as non-Federal funding for purposes of paragraph (1).

(d) LIMITATION ON TOTAL FUNDING.—Not more than a total of $10,000,000 may be made available under this section with respect to the National Heritage Area.

(e) ALLOCATION OF APPROPRIATIONS.—Notwithstanding any other provision of law, no funds appropriated or otherwise made available to the Secretary to carry out this subtitle—

(1) may be obligated or expended by any person unless the appropriation of such funds has been allocated in the manner prescribed by this subtitle; or

(2) may be obligated or expended by any person in excess of the amount prescribed by this subtitle.

Subtitle B—San Rafael Swell National Conservation Area

SEC. 521. DEFINITION OF PLAN.

In this subtitle, the term ''plan'' means the comprehensive management plan developed for the national conservation area under section 523, including such revisions thereto as may be required in order to implement this subtitle.

SEC. 522. ESTABLISHMENT OF NATIONAL CONSERVATION AREA.

(a) ESTABLISHMENT.—In order to preserve and maintain heritage, tourism, recreational, historical, scenic, archaeological, paleontological, biological, cultural, scientific, educational, and economic resources, there is hereby established the San Rafael Swell National Conservation Area.

(b) AREA INCLUDED.—The conservation area shall consist of all public lands within the exterior boundaries of the conservation area, comprised of approximately 630,000 acres, as generally depicted on the map entitled ''San Rafael Swell National Heritage/Conservation Area Proposed'', dated June 12, 1998, including areas depicted within those boundaries on that map as ''Proposed Wilderness'', ''Proposed Bighorn Sheep Management Area'', ''Scenic Visual Area of Critical Environmental Concern'', and ''Semi-Primitive Non-Motorized Use Areas''.

(c) MAP AND LEGAL DESCRIPTION.—As soon as is practicable after enactment of this Act, the map referred to in subsection (b) and a legal description of the conservation area shall be filed by the Secretary with the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate. Such map and description shall have the same force and effect as if included in this title, except that the Secretary may correct clerical and typographical errors in such map and legal description. Such map and description shall be on file and available for public inspection in the office of the Director and the Utah State Director of the Bureau of Land Management of the Department of the Interior.

(d) WITHDRAWALS.—Subject to valid existing rights, the Federal lands within the conservation area are hereby withdrawn from all forms of entry, appropriation, or disposal under the public land laws; and from entry, application, and selection under the Act of March 3, 1877 (Ch. 107, 19 Stat. 377, 43 U.S.C. 321 et seq.; commonly referred to as the ''Desert Lands Act''), section 4 of the Act of August 18, 1894 (Ch. 301, 28 Stat. 422; 43 U.S.C. 641; commonly referred to as the ''Carey Act''), section 2275 of the Revised Statutes, as amended (43 U.S.C. 851), and section 2276 of the Revised Statutes (43 U.S.C. 852). The Secretary shall return to the applicants any such applications pending on the date of enactment of this Act, without further action. Subject to valid existing rights, as of the date of enactment of this Act, lands within the conservation area are withdrawn from location under the general mining laws, the operation of the mineral and geothermal leasing laws, and the mineral material disposal laws, except that mineral materials subject to disposal may be made available from existing sites to the extent compatible with the purposes for which the conservation area is established. All minerals located within an area designated as wilderness by this title shall be administered in accordance with the Wilderness Act (16 U.S.C. 1131 et seq.).

(e) CLOSURE TO FORESTRY.—The Secretary shall prohibit all commercial sale of trees, portions of trees, and forest products located in the conservation area.

SEC. 523. MANAGEMENT.

(a) IN GENERAL.—The Secretary shall, in consultation with the Advisory Council and subject to valid existing rights, manage the conservation area to conserve, protect, and enhance the resources of the conservation area referred to in section 522(a), the Federal Land Policy and Management Act of 1976, and other applicable laws.

(b) USES.—The Secretary shall allow such uses of the conservation area as are specified in the management plan developed under subsection (b) and that the Secretary finds will further the conservation, protection, enhancement, public use, and enjoyment of the resource values referred to in section 522(a). Except when needed for administrative and emergency purposes, the uses of motorized vehicles in the conservation area shall be permitted only on roads and trails specifically designated for such use as part of the management plan prepared pursuant to subsection (c).

(c) MANAGEMENT PLAN.—No later than 3 years after the date of enactment of this Act, the Secretary, in cooperation with the Advisory Council, shall develop a comprehensive plan for the long-range management and protection of the conservation area. The plan shall be developed with full opportunity for public participation and comment, and shall contain provisions designed to assure access to an protection of the heritage, tourism, recreational, historical, scenic, archaeological, paleontological, biological, cultural, scientific, educational, and economic resources and values of the conservation area.

(d) VISITORS.—

(1) VISITORS CENTER.—The Secretary may establish, in cooperation with the Advisory Council and other public or private entities as the Secretary considers appropriate, a visitors center designed to interpret the history and the geological, ecological, natural,

cultural, and other resources of the conservation area.

(2) VISITORS USE OF AREA.—In addition to the Visitors Center, the Secretary may provide for visitor use of the public lands in the conservation area to such extent and in such manner as the Secretary considers consistent with the purposes for which the conservation area is established. To the extent practicable, the Secretary shall make available to visitors and other members of the public a map of the conservation area and such other educational and interpretive materials as may be appropriate.

(e) COOPERATIVE AGREEMENTS.—The Secretary may provide technical assistance to, and enter into such cooperative agreements and contracts with, the State of Utah and with local governments and private entities as the Secretary deems necessary or desirable to carry out the purposes and policies of this subtitle.

SEC. 524. ADDITIONS.

(a) ADDITION TO CONSERVATION AREA.—Any lands located within the boundaries of the conservation area that are acquired by the United States on or after the date of enactment of this Act shall become a part of the conservation area and shall be subject to this subtitle.

(b) LAND EXCHANGES TO RESOLVE CONFLICTS.—The Secretary shall, within 4 years after the date of enactment of this Act, study, identify, and initiate voluntary land exchanges which would resolve ownership-related land use conflicts within the conservation area. Lands may be acquired under this subsection only from willing sellers.

SEC. 525. ADVISORY COUNCIL.

(a) ESTABLISHMENT.—There is established the San Rafael Swell National Conservation Area Advisory Council. The Advisory Council shall advise the Secretary regarding management of the conservation area.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Advisory Council shall consist of 11 members appointed by the Secretary from among persons who are representative of the various major citizen's interests concerned with the management of the public lands located in the conservation area. Of the members—

(A) 2 shall be appointed from individuals recommended by the Governor of the State of Utah;

(B) 4 shall be appointed from individuals recommended by the Board of Commissioners of Emery County, Utah, and shall include a representative of each of the Emery County Public Lands Council and the San Rafael Regional Heritage Council recognized under section 514(a);

(C) 1 shall be the Director of the Bureau of Land Management in the State of Utah, or his or her designee; and

(D) 4 shall be selected by the Secretary.

(2) APPOINTMENT PROCESS.—The Secretary shall appoint the members of the Advisory Council in accordance with rules prescribed by the Secretary.

(3) TERMS.—(A) The term of members of the Advisory Council shall be a period established by the Secretary, which may not exceed 4 years and which, except as provided by subparagraph (B), shall be the same for all members.

(B) In appointing the initial members of the Advisory Council, the Secretary shall, for a portion of the members, specify terms that are shorter than the period established under subparagraph (A), as necessary to achieve staggering of terms.

(c) CHAIRPERSON.—The Advisory Council shall have a Chairperson, who shall be selected by the Advisory Council from among its members.

(d) MEETINGS.—The Advisory Council shall meet at least twice each year, at the call of the Secretary or the Chairperson.

(e) PAY AND EXPENSES.—Members of the Advisory Council shall serve without pay, except travel and per diem shall be paid to each member for meetings called by the Secretary or the Chairperson.

(f) FURNISHING ADVICE.—The Advisory Council may furnish advice to the Secretary with respect to the planning and management of the public lands within the conservation area and such other matters as may be referred to it by the Secretary.

(g) TERMINATION.—The Advisory Council shall terminate 10 years after the date of the enactment of this Act, unless otherwise extended by law.

SEC. 526. RELATIONSHIP TO OTHER LAWS AND ADMINISTRATIVE PROVISIONS.

(a) PUBLIC LAND LAWS.—Except as otherwise specifically provided in this title, nothing in this subtitle shall be construed as limiting the applicability to lands in the conservation area of laws applicable to public lands generally, including but not limited to the National Historic Preservation Act (16 U.S.C. 470 et seq.), the Archaeological Resources Protection Act of 1979 (16 U.S.C. 470aa et seq.), or the Native American Graves Protection and Repatriation Act (25 U.S.C. 3001 et seq.).

(b) NON-BLM LAND.—Nothing in this subtitle shall be construed as by itself altering the status of any lands that on the date of enactment of this Act were not managed by the Bureau of Land Management.

SEC. 527. COMMUNICATIONS EQUIPMENT.

Nothing in this title shall be construed to prohibit the Secretary from authorizing the installation of communications equipment in the conservation area for public safety purposes, other than within areas designated as wilderness, to the highest practicable degree consistent with requirements and restrictions otherwise applicable to the conservation area.

Subtitle C—Wilderness Areas Within Conservation Area

SEC. 531. DESIGNATION OF WILDERNESS.

(a) DESIGNATION.—In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131 et seq.), the following lands in the conservation area, as generally depicted on the map entitled ''San Rafael Swell National Heritage/Conservation Area Proposed'', dated June 12, 1998, are hereby designated as wilderness and therefore as components of the National Wilderness Preservation System:

(1) Crack Canyon Wilderness Area, consisting of approximately 25,624 acres.

(2) Mexican Mountain Wilderness Area, consisting of approximately 27,257 acres.

(3) Muddy Creek Wilderness Area, consisting of approximately 39,348 acres.

(4) San Rafael Reef Wilderness Area, consisting of approximately 48,227 acres.

(b) MAP AND DESCRIPTION.—As soon as practicable after the date of the enactment of this Act, the Secretary shall file a map and a legal description of each area designated as wilderness by subsection (a) with the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate. Each map and description shall have the same force and effect as if included in this title, except that the Secretary may correct clerical and typographical errors in such maps and legal descriptions. Each map and legal description shall be on file and available for public inspection in the office of the Director of the Bureau of Land Management, and the office of the State Director of the Bureau of Land Management in the State of Utah, Department of the Interior.

SEC. 532. ADMINISTRATION OF WILDERNESS AREAS.

(a) IN GENERAL.—Subject to valid existing rights, each area designated as wilderness by this title shall be administered by the Secretary in accordance with this title and the Wilderness Act (16 U.S.C. 1131 et seq.).

(b) INCORPORATION OF ACQUIRED LANDS AND INTERESTS.—Any lands or interest in lands within the boundaries of an area designated as wilderness by this title that is acquired by the United States after the date of the enactment of this Act shall be added to and administered as part of the wilderness area within which the acquired lands or interest in lands are located.

(c) MANAGEMENT PLANS.—As soon as possible after the date of the enactment of this Act, the Secretary, in cooperation with the Advisory Council, shall prepare plans in accordance with section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712) to manage the areas designated as wilderness by this title.

SEC. 533. LIVESTOCK.

Grazing of livestock in areas designated as wilderness by this title, where such grazing was established before the date of the enactment of this Act—

(1) may not be reduced, increased, or withdrawn, except in accordance with the laws and regulations that apply to grazing on lands managed by the Bureau of Land Management; and

(2) shall be administered in accordance with section 4(d)(4) of the Wilderness Act (16 U.S.C. 1133(d)(4)) and the guidelines set forth in House Report 96–1126.

SEC. 534. WILDERNESS RELEASE.

(a) FINDING.—The Congress finds and directs that public lands administered by the Bureau of Land Management within the conservation area in the County of Emery, Utah, that are depicted on the map entitled ''San Rafael Swell National Heritage/Conservation Area Proposed'', dated June 12, 1998, have been adequately studied for wilderness designation pursuant to section 603 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1782).

(b) RELEASE.—Any public lands administered by the Bureau of Land Management within the conservation area in the County of Emery, Utah, that are depicted on the map entitled ''San Rafael Swell National Heritage/Conservation Area Proposed'', dated June 12, 1998, and that are not designated as wilderness by this title are no longer subject to section 603(c) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1782(c)). Such lands shall be managed for public uses as defined in section 103(c) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702(c)) and in accordance with land management plans adopted pursuant to section 202 of such Act (43 U.S.C. 1712) and this title.

Subtitle D—Other Special Management Areas Within Conservation Area

SEC. 541. SAN RAFAEL SWELL DESERT BIGHORN SHEEP MANAGEMENT AREA.

(a) ESTABLISHMENT AND PURPOSES.—

(1) ESTABLISHMENT.—There is hereby established in the conservation area the San Rafael Swell Desert Bighorn Sheep Management Area (in this section referred to as the ''management area'').

(2) PURPOSES.—The purposes of the management area are the following:

(A) To provide for the prudent management of Desert Bighorn Sheep and their habitat in the Sid's Mountain area of the conservation area.

(B) To provide opportunities for watchable wildlife, hunting, and scientific study of Desert Bighorn Sheep and their habitat.

(C) To provide a seed source for other Desert Bighorn Sheep herds, and a gene pool to protect genetic diversity within the Desert Bighorn Sheep species.

(D) To provide educational opportunities to the public regarding Desert Big Horn Sheep and their environs.

(E) To maintain the natural qualities of the lands and habitat of the management area to the extent practicable with prudent management of desert bighorn sheep.

(b) AREA INCLUDED.—The management area shall consist of approximately 73,909 acres of federally owned lands and interests therein managed by the Bureau of Land Management as generally depicted on the map entitled ''San Rafael Swell National Heritage/Conservation Area Proposed'', dated June 12, 1998.

(c) MANAGEMENT AND USE.—

(1) IN GENERAL.—Except as otherwise provided in this section, the management area and use of the management area shall be subject to all requirements and restrictions that apply to the conservation area.

(2) MECHANIZED TRAVEL.—The Secretary shall not allow any mechanized travel in the management area, except—

(A) mechanized travel that is in accordance with the plan; and

(B) mechanized travel by personnel of the Utah Division of Wildlife Resources and the Bureau of Land Management, including landings of helicopters, may be allowed as needed to manage the Desert Bighorn Sheep and their habitat.

(3) DESERT BIGHORN SHEEP MANAGEMENT.—The Secretary and the Utah Division of Wildlife Resources may use such management tools as are needed to provide for the sustainability of the Desert Bighorn Sheep herd and the range resource of the management area, including animal transplanting (both into and out of the management area), hunting, water development, fencing, surveys, prescribed fire, control of noxious or invading weeds, and predator control.

(4) WILDLIFE VIEWING.—The Secretary, in cooperation with the State of Utah and the Advisory Council, shall manage the management area to provide opportunities for the public to view Desert Bighorn Sheep in their natural habitat. However, the Secretary may restrict mechanized and nonmechanized visitation to sensitive areas during critical seasons as needed to provide for the proper management of the Desert Bighorn Sheep herd of the management area.

(d) MANAGEMENT PLAN.—

(1) IN GENERAL.—The Secretary shall include a management plan for the management area in the management plan for the conservation area under section 523.

(2) CONTENTS.—The management plan for the management area shall establish goals and management steps to be taken within the management area to achieve the purposes of the management area under subsection (a)(2).

(3) PARTICIPATION.—The Secretary shall cooperate with the Utah Division of Wildlife Resources and the Advisory Council in developing the management plan for the management area.

(e) FACILITIES.—

(1) IN GENERAL.—The Secretary may establish, operate, and maintain in the management area such facilities as are needed to provide for the management and safety of recreational users of the management area.

(2) VIEWING SITES.—Facilities under this subsection may include improved sheep viewing sites around the periphery of the management area, if such sites do not interfere with the proper management of the sheep and their habitat.

(f) DEVELOPMENT OF HERITAGE SITES.—This section shall not be construed to preclude the utilization, enhancement, and maintenance of national heritage area sites in the management area, if such activities do not conflict with the purposes of the management area under subsection (a).

SEC. 542. SEMI-PRIMITIVE NONMOTORIZED USE AREAS.

(a) DESIGNATION AND PURPOSES.—The Secretary shall designate areas in the conservation area as semi-primitive nonmotorized use areas. The purposes of the semi-primitive areas are the following:

(1) To provide opportunities for isolation from the sights and sounds of man.

(2) To provide opportunities to have a high degree of interaction with the natural environment.

(3) To provide opportunities for recreational users to practice outdoor skills in settings that present moderate challenge and risk.

(b) AREA INCLUDED.—The semi-primitive areas shall consist generally of approximately 120,695 acres of federally owned lands and interests therein located in the conservation area that are managed by the Bureau of Land Management, as generally depicted on the map entitled ''San Rafael Swell National Heritage/Conservation Area Proposed'', dated June 12, 1998.

(c) MANAGEMENT AND USE.—Except as otherwise provided in this section, semi-primitive areas shall be subject to all requirements and restrictions that apply to the conservation area.

(d) MANAGEMENT PLAN.—

(1) IN GENERAL.—The Secretary shall include a management plan for the semi-primitive areas in the management plan for the conservation area under section 523.

(2) CONTENTS.—The management plans for the semi-primitive areas shall establish goals and management steps to be taken within the semi-primitive areas to achieve the purposes under subsection (a).

(e) DEVELOPMENT OF HERITAGE SITES.—This section shall not be construed to preclude the utilization, enhancement, and maintenance of national heritage area sites in any semi-primitive area, if such activities do not conflict with the purposes of the semi-primitive areas under subsection (a).

SEC. 543. SCENIC VISUAL AREA OF CRITICAL ENVIRONMENTAL CONCERN.

(a) DESIGNATION AND PURPOSE.—The Secretary shall designate areas in the conservation area as a scenic visual area of critical environmental concern (in this section referred to as the ''scenic visual ACEC''). The purpose of the scenic visual ACEC is to preserve the scenic value of the Interstate Route 70 corridor within the conservation area.

(b) AREA INCLUDED.—The scenic visual ACEC shall consist generally of approximately 27,670 acres of lands and interests therein located in the conservation area bordering Interstate Route 70 that are managed by the Bureau of Land Management, as generally depicted on the map entitled ''San Rafael Swell National Heritage/Conservation Area Proposed'', dated June 12, 1998.

(c) MANAGEMENT AND USE.—Except as otherwise provided in this section, the scenic visual ACEC shall be subject to all requirements and restrictions that apply to the conservation area, and shall be managed to protect scenic values in accordance with the Bureau of Land Management document entitled ''San Rafael Resource Management Plan, Utah, Moab District, San Rafael Resource Area, 1991''.

Subtitle E—General Management Provisions

SEC. 551. LIVESTOCK GRAZING.

(a) AREAS OTHER THAN WILDERNESS.—

(1) IN GENERAL.—Except as provided in subsection (b), the Secretary shall permit domestic livestock grazing in areas of the conservation area where grazing was established before the enactment of this Act. Grazing in such areas may not be reduced, increased, or withdrawn, except in accordance with the laws and regulations that apply to grazing on lands managed by the Bureau of Land Management.

(2) COMPLIANCE WITH APPLICABLE REQUIREMENTS.—Except as provided in subsection (b), any livestock grazing on public lands within the conservation area and activities the Secretary determines necessary to carry out proper and practical grazing management programs on such public lands (such as animal damage control activities), shall be managed in accordance with the Act of June 28, 1934 (43 U.S.C. 315 et seq.; commonly referred to as the ''Taylor Grazing Act''), section 402 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1752), other laws governing the management of public lands, and the management plan for the conservation area.

(3) CERTAIN WATER FACILITIES NOT AFFECTED.—Nothing in this title shall affect the maintenance, repair, or equivalent replacement of, or ingress to or egress from, water catchment, storage, and conveyance facilities in existence before the date of the enactment of this Act that are associated with livestock or wildlife purposes, whether located within or outside of the boundaries of areas designated as part of the conservation area under this title.

(b) WILDERNESS.—Subsection (a) shall not apply to any wilderness designated by this title.

SEC. 552. CULTURAL AND PALEONTOLOGICAL RESOURCES.

The Secretary shall allow for the discovery of, shall protect, and may interpret, cultural or paleontological resources located within areas designated as part of the conservation area, to the extent consistent with the other provisions of this title governing management of those areas.

SEC. 553. LAND EXCHANGES RELATING TO SCHOOL AND INSTITUTIONAL TRUST LANDS.

(a) EXCHANGE AUTHORIZED.—

(1) IDENTIFICATION OF LANDS AND INTERESTS BY STATE.—Not later than 1 year after the date of enactment of this Act, the Governor of the State of Utah may identify, describe, and notify the Secretary of any school and institutional trust lands the value or economic potential of which may be diminished by establishment of the conservation area under this title, and that the State would like to exchange for other Federal lands or interests in land within the State of Utah.

(2) OFFER BY SECRETARY.—Not later than 1 year after the date of receipt of notification under subsection (a), and after seeking the advice of the Governor of the State of Utah on potential lands for exchange, the Secretary shall transmit to the Governor a list of Federal lands or interests in lands within the State of Utah that the Secretary believes are approximately equivalent in value to the lands described in subsection (a) of this section, and shall offer such lands for exchange to the State for the lands described in subsection (a).

(b) ENSURING EQUIVALENT VALUE.—

(1) IN GENERAL.—In preparing the list under subsection (a)(2), the Secretary shall take all steps as are necessary and reasonable to ensure that the State of Utah agrees that the lands offered by the Secretary are approximately equivalent in value to the lands identified and described by the State under subsection (a)(1).

(2) ACCOUNTING FOR REVENUE SHARING.—If the State of Utah shares revenue from the properties to be acquired by the State under this section, the value of such properties shall be the value otherwise established under this section, reduced by a percentage that represents the Federal revenue sharing

obligation. The amount of such reduction shall not be considered a property right of the State of Utah.

(c) PUBLIC INTEREST.—The exchange of lands included in the list prepared under subsection (a)(2) shall be construed as satisfying the provisions of section 206(a) of the Federal Land Policy and Management Act of 1976 requiring that exchanges of lands be in the public interest.

(d) DEFINITIONS.—As used in this section:

(1) SCHOOL AND INSTITUTIONAL TRUST LANDS.—The term ''school and institutional trust lands'' means those properties granted by the United States in the Utah Enabling Act to the State of Utah in trust, and other lands that under State law must be managed for the benefit of the public school system or the institutions of the State that are designated by the Utah Enabling Act, that are located in the conservation area.

(2) UTAH ENABLING ACT.—The term ''Utah Enabling Act'' means the Act entitled ''An Act to enable the people of Utah to form a constitution and State government, and to be admitted into the Union on an equal footing with the original States'', approved July 16, 1894 (chapter 138; 28 Stat. 107).

SEC. 554. WATER RIGHTS.

(a) FINDINGS.—The Congress finds the following:

(1) The San Rafael Swell region of Utah is a high desert climate with little annual precipitation and scarce water resources.

(2) In order to preserve the limited amount of water available to wildlife, the State of Utah has granted to the Division of Wildlife Resources an in-stream flow right in the San Rafael River.

(3) This preserved right will guarantee that wetland and riparian habitats within the San Rafael region will be protected for designations such as wilderness, semi-primitive areas, bighorn sheep, and other Federal land needs within the San Rafael Swell region.

(b) NO FEDERAL RESERVATION.—Nothing in this title or any other Act of Congress shall constitute or be construed to constitute either an express or implied Federal reservation of water or water rights for any purpose arising from the designation of areas as part of the conservation area or as a wilderness or semi-primitive area under this title.

(c) ACQUISITION AND EXERCISE OF WATER RIGHTS UNDER UTAH LAW.—The United States may acquire and exercise such water rights as it deems necessary to carry out its responsibilities on any lands designated as part of the conservation area under this title pursuant to the substantive and procedural requirements of the State of Utah. Nothing in this title shall be construed to authorize the use of eminent domain by the United States to acquire water rights for such lands. Within areas designated as part of the conservation area under this title, all rights to water granted under the laws of the State of Utah may be exercised in accordance with the substantive and procedural requirements of the State of Utah.

(d) EXERCISE OF WATER RIGHTS GENERALLY UNDER UTAH LAWS.—Nothing in this title shall be construed to limit the exercise of water rights as provided under the laws of the State of Utah.

(e) COLORADO RIVER.—Nothing in this title shall be construed to affect the operation of any existing private, local, State, or federally owned dam, reservoir, or other water works on the Colorado River or its tributaries. Nothing in this title shall alter, amend, construe, supersede, or preempt any local, State, or Federal law; any existing private, local, or State agreement; or any interstate compact or international treaty pertaining to the waters of the Colorado River or its tributaries.

SEC. 555. MISCELLANEOUS.

(a) STATE FISH AND WILDLIFE MANAGEMENT.—In accordance with section 4(d)(7) of the Wilderness Act (16 U.S.C. 1131(d)(7)), nothing in this title shall be construed as affecting the jurisdiction or responsibilities of the State of Utah with respect to fish and wildlife management activities, including water development, predator control, transplanting animals, stocking fish, hunting, fishing, and trapping.

(b) PROHIBITION OF BUFFER ZONES.—The Congress does not intend that the designation of an area by this title as part of the conservation area or a wilderness or semi-primitive area lead to the creation of protective perimeters or buffer zones around the area. It is the intention of the Congress that any protective perimeter or buffer zone be located wholly within such an area. The fact that nonconforming activities or uses can be seen or heard from land within such an area shall not, of itself, preclude such activities or uses up to the boundary of the area. Nonconforming activities that occur outside of the boundaries of such an area designated by this title shall not be taken into account in assessing unnecessary and undue degradation of such an area.

(c) ADJUSTMENT OF CERTAIN BOUNDARIES ALONG ROADS.—

(1) ADJUSTMENT AUTHORIZED.—The Secretary may adjust a boundary described in paragraph (2) that runs along a road as necessary to ensure that the boundary is set back from the center line of the road, as follows:

(A) In the case of Interstate 70, a setback that corresponds with the boundary of the right-of-way for Interstate 70.

(B) In the case of any high standard road, 150 feet.

(C) In the case of any road classified as a County Class B road, 100 feet.

(D) In the case of any road that is equivalent to County Class D roads, 50 feet.

(2) BOUNDARIES DESCRIBED.—A boundary referred to in paragraph (1) is any boundary of a wilderness or semi-primitive area designated by this title, or of the San Rafael Swell Desert Bighorn Sheep Management Area established by section 541, that is depicted on a map referred to in this title.

(d) ACCESS.—

(1) REASONABLE ACCESS ALLOWED.—Subject to valid existing rights, the holder of any permit authorizing use of an existing improvement, structure, or facility (including those related to water and grazing resources) that is located within the conservation area or a wilderness or semi-primitive area designated under this title, whether located on Federal or non-Federal lands, shall be allowed reasonable access to such improvement, structure, or facility in order that it may be operated, maintained, repaired, or equivalently replaced as necessary.

(2) REASONABLE ACCESS DEFINED.—For the purposes of this subsection, the term ''reasonable access''—

(A) means the right of ingress and egress; and

(B) includes access by motorized transport on routes in existence as of the date of the enactment of this Act, unless the Secretary determines that transport—

(i) is not necessary or customary; or

(ii) was not historically employed.

(e) LAND ACQUISITION BY EXCHANGE OR PURCHASE.—The Secretary shall offer to acquire from non-governmental entities lands and interests in lands located within or adjacent to the conservation area or a wilderness or semi-primitive area designated under this title. Lands may be acquired under this subsection only by exchange or purchase from willing sellers.

(f) RIGHTS-OF-WAY.—Nothing in this title, including any reference to, or depiction or lack of a depiction on, the map entitled ''San Rafael Swell National Heritage/Conservation Area Proposed'', dated June 12, 1998, affects any right-of-way claim that arose under section 2477 of the Revised Statutes (43 U.S.C. 932).

TITLE VI—NATIONAL PARKS

SEC. 601. PROVISION FOR ROADS IN PICTURED ROCKS NATIONAL LAKESHORE.

Section 6 of the Act of October 15, 1966, entitled ''An Act to establish in the State of Michigan the Pictured Rocks National Lakeshore, and for other purposes'' (16 U.S.C. 460s–5), is amended as follows:

(1) In subsection (b)(1) by striking ''including a scenic shoreline drive'' and inserting ''including appropriate improvements to Alger County Road H–58''.

(2) By adding at the end the following new subsection:

''(c) PROHIBITION OF CERTAIN CONSTRUCTION.—A scenic shoreline drive may not be constructed in the Pictured Rocks National Lakeshore.''.

SEC. 602. EXPANSION OF ARCHES NATIONAL PARK, UTAH.

(a) IN GENERAL.—

(1) BOUNDARY EXPANSION.—Subsection (a) of the first section of Public Law 92–155 (16 U.S.C. 272; 85 Stat. 422) is amended as follows:

(A) By inserting after the first sentence the following new sentence: ''Effective on the date of the enactment of this sentence, the boundary of the park shall also include the area consisting of approximately 3,140 acres and known as the 'Lost Spring Canyon Addition', as depicted on the map entitled 'Boundary Map, Arches National Park, Lost Spring Canyon Addition', numbered 138/60,000–B, and dated April 1997.''.

(B) In the last sentence, by striking ''Such map'' and inserting ''Such maps''.

(2) INCLUSION OF LAND IN PARK.—Section 2 of Public Law 92–155 (16 U.S.C. 272a) is amended by adding at the end the following new sentences: ''As soon as possible after the date of the enactment of this sentence, the Secretary of the Interior shall transfer jurisdiction over the Federal lands contained in the Lost Spring Canyon Addition from the Bureau of Land Management to the National Park Service. The Lost Spring Canyon addition shall be administered in accordance with the laws and regulations applicable to the park.''.

(3) PROTECTION OF EXISTING GRAZING PERMIT.—Section 3 of Public Law 92–155 (16 U.S.C. 272b) is amended as follows:

(A) By inserting ''(a) IN GENERAL.—'' before ''Where''.

(B) By adding at the end the following new subsection:

''(b) EXISTING LEASES, PERMITS, OR LICENSES.—(1) In the case of any grazing lease, permit, or license with respect to lands within the Lost Spring Canyon Addition that was issued before the date of the enactment of this subsection, the Secretary of the Interior shall, subject to periodic renewal, continue such lease, permit, or license for a period of time equal to the lifetime of the permittee as of that date and any direct descendants of the permittee born before that date. Any such grazing lease, permit, or license shall be permanently retired at the end of such period. Pending the expiration of such period, the permittee (or a descendant of the permittee who holds the lease, permit, or license) shall be entitled to periodically renew the lease, permit, or license, subject to such limitations, conditions, or regulations as the Secretary may prescribe.

''(2) Any such grazing lease, permit, or license may be sold during the period specified in paragraph (1) only on the condition that the purchaser shall, immediately upon such

acquisition, permanently retire such lease, permit, or license. Nothing in this subsection shall affect other provisions concerning leases, permits, or licenses under the Taylor Grazing Act.

''(3) Any portion of any grazing lease, permit, or license with respect to lands within the Lost Spring Canyon Addition shall be administered by the National Park Service.''.

(4) WITHDRAWAL FROM MINERAL ENTRY AND LEASING; PIPELINE MANAGEMENT.—Section 5 of Public Law 92–155 (16 U.S.C. 272d) is amended by adding at the end the following new subsection:

''(c) WITHDRAWAL FROM MINERAL ENTRY AND LEASING; PIPELINE MANAGEMENT.—(1) Subject to valid existing rights, Federal lands within the Lost Spring Canyon Addition are hereby appropriated and withdrawn from entry, location, selection, leasing, or other disposition under the public land laws, including the mineral leasing laws.

''(2) The inclusion of the Lost Spring Canyon Addition in the park shall not affect the right of the Northwest Pipeline Corporation (or its successors or assigns) to operate the natural gas pipeline located within the park and the Addition on the date of the enactment of this subsection and to maintain the pipeline and related facilities in a manner consistent with the requirments of the natural Gas Pipeline Safety Act of 1968 (49 U.S.C. 60201 and following).''.

(5) EFFECT ON SCHOOL TRUST LANDS.—

(A) FINDINGS.—The Congress finds the following:

(i) A parcel of State school trust lands, more specifically described as section 16, township 23 south, range 22 east, of the Salt Lake base and meridian, is partially contained within the Lost Spring Canyon Addition included within the boundaries of Arches National Park by the amendment by subsection (a).

(ii) The parcel was originally granted to the State of Utah for the purpose of generating revenue for the public schools through the development of natural and other resources located on the parcel.

(iii) It is in the interest of the State of Utah and the United States for the parcel to be exchanged for Federal lands of equivalent value outside the Lost Spring Canyon Addition, in order to permit Federal management of all lands within the Lost Spring Canyon Addition.

(B) LAND EXCHANGE.—Public Law 92–155 is amended by adding at the end the following new section:

''SEC. 8. LAND EXCHANGE INVOLVING SCHOOL TRUST LANDS.

''(a) EXCHANGE REQUIREMENT.—If, not later than one year after the date of the enactment of this section, and in accordance with this section, the State of Utah offers to transfer all right, title and interest of the State in and to the parcel of school trust lands described in subsection (b)(1) to the United States, the Secretary of the Interior shall accept the offer on behalf of the United States and, within 180 days after the date of such acceptance, transfer to the State of Utah all right, title and interest of the United States in and to the parcel of land described in subsection (b)(2). Title to the State lands shall be transferred at the same time as conveyance of title to the Federal lands by the Secretary of the Interior. The exchange of lands under this section shall be subject to valid existing rights, and each party shall succeed to the rights and obligations of the other party with respect to any lease, right-of-way, or permit encumbering the exchanged lands.

''(b) DESCRIPTION OF PARCELS.—

''(1) STATE CONVEYANCE.—The parcel of school trust lands to be conveyed by the State of Utah under subsection (a) is section 16, township 23 south, range 22 east of the Salt Lake base and meridian.

''(2) FEDERAL CONVEYANCE.—The parcel of Federal lands to be conveyed by the Secretary of the Interior consists of approximately 639 acres and is identified as lots 1 through 12 located in the S½N½ and the N½N½N½S½ of section 1, township 25 south, range 18 east, Salt Lake base and meridian.

''(3) EQUIVALENT VALUE.—The Federal lands described in paragraph (2) are of equivalent value to the State school trust lands described in paragraph (1).

''(c) MANAGEMENT BY STATE.—At least 60 days before undertaking or permitting any surface disturbing activities to occur on the lands acquired by the State under this section, the State shall consult with the Utah State Office of the Bureau of Land Management concerning the extent and impact of such activities on Federal lands and resources and conduct, in a manner consistent with Federal laws, inventory, mitigation, and management activities in connection with any archaeological, paleontological, and cultural resources located on the acquired lands. To the extent consistent with applicable law governing the use and disposition of State school trust lands, the State shall preserve existing grazing, recreational, and wildlife uses of the acquired lands. Nothing in this subsection shall be construed to preclude the State from authorizing or undertaking surface or mineral activities authorized by existing or future land management plans for the acquired lands.

''(d) IMPLEMENTATION.—Administrative actions necessary to implement the land exchange described in this section shall be completed within 180 days after the date of the enactment of this section.''.

SEC. 603. CUMBERLAND ISLAND NATIONAL SEASHORE, GEORGIA.

(a) TREATMENT OF MAIN ROAD AND HISTORIC STRUCTURES.—

(1) FINDINGS.—Congress finds the following:

(A) The main road at Cumberland Island National Seashore and numerous historic structures on Cumberland Island are included on the National Register of Historic Places.

(B) The continued existence and use of the main road, as well as a spur road that provides access to Plum Orchard mansion at Cumberland Island National Seashore, is necessary for maintenance and access to the natural, cultural, and historical resources of Cumberland Island National Seashore.

(C) The preservation of the main road and the numerous historic structures at Cumberland Island National Seashore is not only lawful, but also mandated under section 4(a)(3) of the Wilderness Act (16 U.S.C. 1133(a)(3)).

(D) The inclusion of these roads and historic structures both on the National Register of Historic Places and in the Cumberland Island Wilderness or potential wilderness area is incompatible and causes competing mandates on the Secretary of the Interior for management.

(2) EXCLUSION OF ROADS FROM WILDERNESS.—The main road on Cumberland Island (as described on the National Register of Historic Places), the spur road that provides access to Plum Orchard mansion, and the area extending 10 feet on each side of the center line of both roads are hereby excluded from the boundaries of the Cumberland Island Wilderness and the potential wilderness area.

(3) EXCLUSION OF STRUCTURES FROM WILDERNESS.—The Secretary of the Interior shall modify the boundaries of the Cumberland Island Wilderness and the potential wilderness area to exclude—

(A) each structure at Cumberland Island National Seashore that is listed on National Register of Historic Places; and

(B) such land surrounding each excluded structure as the Secretary considers necessary to eliminate incompatible and competing management requirements.

(4) EFFECT OF EXCLUSION.—Nothing in this subsection shall be construed to affect the inclusion of the main road or a structure at Cumberland Island National Seashore on the National Register of Historic Places or the authority of the Secretary of the Interior to impose reasonable restrictions, subject to valid existing rights, on the use of the main road or spur road to minimize any adverse impacts on the Cumberland Island Wilderness or the potential wilderness area.

(b) RESTORATION OF PLUM ORCHARD MANSION.—

(1) RESTORATION REQUIRED.—Using funds appropriated pursuant to the authorization of appropriations in paragraph (4), the Secretary of the Interior shall restore Plum Orchard mansion at Cumberland Island National Seashore so that the condition of the restored mansion is at least equal to the condition of the mansion when it was donated to the United States. The Secretary shall endeavor to collect donations of money and in-kind contributions for the purpose of restoring structures within the Plum Orchard historic district.

(2) SUBSEQUENT MAINTENANCE.—The Secretary of the Interior shall endeavor to enter into an agreement with public persons, private persons, or both, to provide for the maintenance of Plum Orchard mansion following its restoration.

(3) RESTORATION PLAN.—Not later than 270 days after the date of the enactment of this Act, the Secretary of the Interior shall submit to Congress a comprehensive plan for the repair, stabilization, restoration, and subsequent maintenance of Plum Orchard mansion to the condition the mansion was in when acquired by the United States.

(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as are necessary for the restoration and maintenance of Plum Orchard mansion under this subsection.

(c) ARCHAEOLOGICAL AND HISTORIC SITES.—The Secretary of the Interior shall identify, document, and protect archaeological sites located on Federal land within Cumberland Island National Seashore. The Secretary shall prepare and implement a plan to preserve designated national historic sites within the seashore.

(d) DEFINITIONS.—In this section:

(1) The term ''Cumberland Island National Seashore'' means the national seashore established under Public Law 92–536 (16 U.S.C. 459i et seq.).

(2) The term ''Cumberland Island Wilderness'' means the wilderness area in the Cumberland Island National Seashore designated by section 2 of Public Law 97–250 (96 Stat. 709; 16 U.S.C. 1132 note).

(3) The term ''potential wilderness area'' means the potential wilderness area in the Cumberland Island National Seashore designated by such section 2.

(4) The term ''National Register of Historic Places'' means the register maintained by the Secretary of the Interior under section 101(a)(1)(A) of the National Historic Preservation Act (16 U.S.C. 470a(a)(1)(A)) that is composed of districts, sites, buildings, structures, and objects significant in American history, architecture, archaeology, engineering, and culture.

SEC. 604. STUDIES OF POTENTIAL NATIONAL PARK SYSTEM UNITS IN HAWAII.

(a) IN GENERAL.—The Secretary of the Interior, acting through the Director of the National Park Service, shall undertake feasibility studies regarding the establishment of National Park System units in the following areas in the State of Hawaii:

(1) Island of Maui: The shoreline area known as ''North Beach'', immediately north of the present resort hotels at Kaanapali Beach, in the Lahaina district in the area extending from the beach inland to the main highway.

(2) Island of Lanai: The mountaintop area known as ''Hale'' in the central part of the island.

(3) Island of Kauai: The shoreline area from ''Anini Beach'' to ''Makua Tunnels'' on the north coast of this island.

(4) Island of Molokai: The ''Halawa Valley'' on the eastern end of the island, including its shoreline, cove and lookout/access roadway.

(b) KALAUPAPA SETTLEMENT BOUNDARIES.—The studies conducted under this section shall include a study of the feasibility of extending the present National Historic Park boundaries at Kalaupapa Settlement eastward to Halawa Valley along the island's north shore.

(c) REPORT.—A report containing the results of the studies under this section shall be submitted to the Congress promptly upon completion.

SEC. 605. SANTA CRUZ ISLAND, ADDITIONAL RIGHTS OF USE AND OCCUPANCY.

Section 202(e) of Public Law 96–199 (16 U.S.C. 410ff–1(e)) is amended by adding the following at the end thereof:

''(5) In the case of the real property referred to in paragraph (1), in addition to the rights of use and occupancy reserved under paragraph (1) and set forth in Instrument 90–027494, upon the enactment of this paragraph, the Secretary shall grant identical rights of use and occupancy to Mr. Francis Gherini of Ventura, California, the previous owner of the real property, and to each of the two grantors identified in Instrument No. 92–102117 recorded in the Official Records of the County of Santa Barbara, California. The use and occupancy rights granted to Mr. Francis Gherini shall be for a term of 25 years from the date of the enactment of this paragraph. The Secretary shall grant such rights without consideration and shall execute and record such instruments as necessary to vest such rights in such individuals as promptly as practicable, but no later than 90 days, after the enactment of this paragraph.''.

SEC. 606. ACQUISITION OF WARREN PROPERTY FOR MORRISTOWN NATIONAL HISTORICAL PARK.

The Act entitled ''An Act to provide for the establishment of the Morristown National Historical Park in the State of New Jersey, and for other purposes'', approved March 2, 1933 (chapter 182; 16 U.S.C. 409 et seq.), is amended by adding at the end the following new section:

''SEC. 8. (a) In addition to any other lands or interest authorized to be acquired for inclusion in Morristown National Historical Park, and notwithstanding the first proviso of the first section of this Act, the Secretary of the Interior may acquire by purchase, donation, purchase with appropriated funds, or otherwise, not to exceed 15 acres of land and interests therein comprising the property known as the Warren Property or Mount Kimble. The Secretary may expend such sums as may be necessary for such acquisition.

''(b) Any lands or interests acquired under this section shall be included in and administered as part of the Morristown National Historical Park.''.

SEC. 607. AMENDMENT OF LAND AND WATER CONSERVATION FUND ACT OF 1965 REGARDING TREATMENT OF RECEIPTS AT CERTAIN PARKS.

Section 4(i)(1)(B) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–6a(i)(1)(B)) is amended by inserting the following after the second sentence: ''Notwithstanding subparagraph (A), in any fiscal year, the Secretary of the Interior shall also withhold from the special account 100 percent of the fees and charges collected in connection with any unit of the national park system at which entrance or admission fees cannot be collected by reason of deed restrictions, and the amounts so withheld shall be retained by the Secretary and shall be available, without further appropriation, for expenditure by the Secretary for purpose of such park system unit.''.

SEC. 608. CHATTAHOOCHEE RIVER NATIONAL RECREATION AREA.

(a) FINDINGS.—The Congress finds that:

(1) The Chattahoochee River National Recreation Area is a nationally significant resource and the national recreation area has been adversely affected by land use changes occurring within and outside its boundaries.

(2) The population of the metropolitan Atlanta area continues to expand northward, leaving dwindling opportunities to protect the scenic, recreation, natural, and historic values of the 2,000-foot wide corridor adjacent to each bank of the Chattahoochee River and its impoundments in the 48-mile segment known as the area of national concern.

(3) The State of Georgia has enacted the Metropolitan River Protection Act in order to ensure the protection of the corridor located within 2,000 feet of each bank of the Chattahoochee River, or the 100-year flood plain, whichever is greater, and such corridor includes the area of national concern.

(4) Visitor use of the Chattahoochee River National Recreation Area has shifted dramatically since the establishment of the national recreation area from waterborne to water-related and land-based activities.

(5) The State of Georgia and its political subdivisions along the Chattahoochee River have indicated their willingness to join in cooperative efforts with the United States of America to link existing units of the national recreation area with a series of linear corridors to be established within the area of national concern and elsewhere on the river and provided Congress appropriates certain funds in support of such effort, funding from the State, its political subdivisions, private foundations, corporate entities, private individuals, and other sources will be available to fund more than half of the estimated cost of such cooperative effort.

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

(1) increase the level of protection of the remaining open spaces within the area of national concern along the Chattahoochee River and to enhance visitor enjoyment of such areas by adding land-based links between existing units of the national recreation area;

(2) assure that the national recreation area is managed to standardize acquisition, planning, design, construction, and operation of the linear corridors; and

(3) authorize the appropriation of Federal funds to cover a portion of the costs of the Federal, State, local, and private cooperative effort to add additional areas to the Chattahoochee River National Recreation Area in order to establish a series of linear corridors linking existing units of the national recreation area and to protect other undeveloped portions of the Chattahoochee River corridor.

(c) AMENDMENTS TO CHATTAHOOCHEE NRA ACT.—The Act of August 15, 1978, entitled ''An Act to authorize the establishment of the Chattahoochee River National Recreation Area in the State of Georgia, and for other purposes'' (Public Law 95–344; 16 U.S.C. 460ii et seq.) is amended as follows:

(1) Section 101 (16 U.S.C. 460ii) is amended as follows:

(A) By inserting after ''numbered Chat–20,003, and dated September 1984'' the following: ''and on the maps entitled 'Chattahoochee River National Recreation Area Interim Boundary Maps 1, 2, and 3' and dated August 6, 1998''.

(B) By amending the fourth sentence to read as follows: ''After July 1, 1999, the Secretary of the Interior (in this Act referred to as the 'Secretary') may modify the boundaries of the recreation area to include other lands within the river corridor of the Chattahoochee River by submitting a revised map or other boundary description to the Congress. Such revised boundaries shall take effect on the date 6 months after the date of such submission unless, within such 6-month period, the Congress adopts a Joint Resolution disapproving such revised boundaries. Such revised map or other boundary description shall be prepared by the Secretary after consultation with affected landowners and with the State of Georgia and affected political subdivisions.''.

(C) By striking out ''may not exceed approximately 6,800 acres.'' and inserting ''may not exceed 10,000 acres.''.

(2) Section 102(f) (16 U.S.C. 460ii–1(f)) is repealed.

(3) Section 103(b) (16 U.S.C. 460ii–2(b)) is amended to read as follows:

''(b) COOPERATIVE AGREEMENTS.—The Secretary is authorized to enter into cooperative agreements with the State, its political subdivisions, and other entities to assure standardized acquisition, planning, design, construction, and operation of the national recreation area.''.

(4) Section 105(a) (16 U.S.C. 460ii–4(a)) is amended to read as follows:

''(a) AUTHORIZATION OF APPROPRIATIONS; ACCEPTANCE OF DONATIONS.—In addition to funding and the donation of lands and interests in lands provided by the State of Georgia, local government authorities, private foundations, corporate entities, and individuals, and funding that may be available pursuant to the settlement of litigation, there is hereby authorized to be appropriated for land acquisition not more than $25,000,000 for fiscal years after fiscal year 1998. The Secretary is authorized to accept the donation of funds and lands or interests in lands to carry out this Act.''.

(5) Section 105(c) (16 U.S.C. 460ii–4(c)) is amended by adding the following at the end thereof: ''The Secretary shall submit a new plan within 3 years after the enactment of this sentence to provide for the protection, enhancement, enjoyment, development, and use of areas added to the national recreation area. During the preparation of the revised plan the Secretary shall seek and encourage the participation of the State of Georgia and its affected political subdivisions, private landowners, interested citizens, public officials, groups, agencies, educational institutions, and others.''.

(6) Section 102(a) (16 U.S.C. 460ii–1(a)) is amended by inserting the following before the period at the end of the first sentence: '', except that lands and interests in lands within the Addition Area depicted on the map referred to in section 101 may not be acquired without the consent of the owner thereof''.

SEC. 609. PROTECTION OF LODGES IN GRAND CANYON NATIONAL PARK.

Section 3 of the Grand Canyon National Park Enlargement Act (16 U.S.C. 228b) is amended by adding at the end the following new subsection:

''(d) The Secretary of the Interior is prohibited from demolishing, or authorizing or permitting (by contract or otherwise) any other person to demolish, the Thunderbird

Lodge or the Kachina Lodge in the Grand Canyon National Park unless the Congress approves of the demolition in advance by the enactment of a law.''.

TITLE VII—REAUTHORIZATIONS

SEC. 701. REAUTHORIZATION OF NATIONAL HISTORIC PRESERVATION ACT.

The National Historic Preservation Act (16 U.S.C. 470 and following; Public Law 89–665) is amended as follows:

(1) In the third sentence of section 101(a)(6) (16 U.S.C. 470a(a)(6)) by striking ''shall review'' and inserting ''may review'' and by striking ''shall determine'' and inserting ''determine''.

(2) Section 101(e)(2) (16 U.S.C. 470a(e)(2)) is amended to read as follows:

''(2) The Secretary may administer grants to the National Trust for Historic Preservation in the United States, chartered by an Act of Congress approved October 26, 1949 (63 Stat. 947), consistent with the purposes of its charter and this Act.''.

(3) Section 102 (16 U.S.C. 470b) is amended by redesignating subsection (e) as subsection (f) and by redesignating subsection (d), as added by section 4009(3) of Public Law 102–575, as subsection (e).

(4) Section 101(b)(1) (16 U.S.C. 470a(b)(1)) is amended by adding the following at the end thereof:

''For purposes of subparagraph (A), the State and Indian tribe shall be solely responsible for determining which professional employees, are necessary to carry out the duties of the State or tribe, consistent with standards developed by the Secretary.''.

(5) Section 107 (16 U.S.C. 470g) is amended to read as follows:

''SEC. 107. Nothing in this Act shall be construed to be applicable to the White House and its grounds, the Supreme Court building and its grounds, or the United States Capitol and its related buildings and grounds as depicted on the map entitled 'Map Showing Properties Under the Jurisdiction of the Architect of the Capitol' and dated November 6, 1996, which shall be on file in the office of the Secretary of the Interior.''.

(6) Section 108 (16 U.S.C. 470h) is amended by striking ''1997'' and inserting ''2004''.

(7) Section 110(a)(1) (16 U.S.C. 470h–2(a)(1)) is amended by inserting the following before the period at the end of the second sentence: '', especially those located in central business areas. When locating Federal facilities, Federal agencies shall give first consideration to historic properties in historic districts. If no such property is operationally appropriate and economically prudent, then Federal agencies shall consider other developed or undeveloped sites within historic districts. Federal agencies shall then consider historic properties outside of historic districts, if no suitable site within a district exists. Any rehabilitation or construction that is undertaken pursuant to this Act must be architecturally compatible with the character of the surrounding historic district or properties''.

(8) The first sentence of section 110(l) (16 U.S.C. 470h–2(l)) is amended by striking ''with the Council'' and inserting ''pursuant to regulations issued by the Council''.

(9) The last sentence of section 212(a) (16 U.S.C. 470t(a)) is amended by striking ''2000'' and inserting ''2004''.

SEC. 702. REAUTHORIZATION OF DELAWARE WATER GAP NATIONAL RECREATION AREA CITIZEN ADVISORY COMMISSION.

Section 5 of Public Law 101–573 (16 U.S.C. 460*o* note) is amended by striking ''10'' and inserting ''20''.

SEC. 703. COASTAL HERITAGE TRAIL ROUTE IN NEW JERSEY.

Public Law 100–515 (102 Stat. 2563; 16 U.S.C. 1244 note) is amended as follows:

(1) In subsection (b)(1) of section 6 by striking ''$1,000,000'' and inserting ''$4,000,000''.

(2) In subsection (c) of section 6 by striking ''five'' and inserting ''10''.

(3) In the second sentence of section 2 by inserting ''including sites in the Township of Woodbridge, New Jersey,'' after ''cultural sites''.

SEC. 704. EXTENSION OF AUTHORIZATION FOR UPPER DELAWARE CITIZENS ADVISORY COUNCIL.

The last sentence of paragraph (1) of section 704(f) of the National Parks and Recreation Act of 1978 (16 U.S.C. 1274 note) is amended by striking ''20'' and inserting ''30''.

TITLE VIII—RIVERS AND TRAILS

SEC. 801. NATIONAL DISCOVERY TRAILS.

(a) NATIONAL TRAILS SYSTEM ACT AMENDMENTS.—

(1) NATIONAL DISCOVERY TRAILS ESTABLISHED.—

(A) IN GENERAL.—Section 3(a) of the National Trails System Act (16 U.S.C. 1242(a)) is amended by inserting after paragraph (4) the following:

''(5)(A) National discovery trails, established as provided in section 5, which will be extended, continuous, interstate trails so located as to provide for outstanding outdoor recreation and travel and to connect representative examples of America's trails and communities. National discovery trails should provide for the conservation and enjoyment of significant natural, cultural, and historic resources associated with each trail and should be so located as to represent metropolitan, urban, rural, and backcountry regions of the Nation. Any such trail may be designated on Federal lands and, with the consent of the owner thereof, on any non-Federal lands. The consent of the owner shall be obtained in the form of a written agreement, which shall include such terms and conditions as the parties to the agreement consider advisable, and may include provisions regarding the discontinuation of the trail designation. The Congress does not intend for the establishment of a national discovery trail to lead to the creation of protective perimeters or buffer zones adjacent to a national discovery trail. The fact that there may be activities or uses on lands adjacent to the trail that would not be permitted on the trail shall not preclude such activities or uses on such lands adjacent to the trail to the extent consistent with other applicable law. Nothing in this Act may be construed to impose or permit the imposition of any landowner on the use of any non-Federal lands without the consent of the owner. Neither the designation of a national discovery trail nor any plan related thereto shall affect, or be considered, in the granting or denial of a right-of-way or any conditions relating thereto.

''(B) The appropriate Secretary for each national discovery trail shall administer the trail in cooperation with a competent trailwide volunteer-based organization. Where national discovery trails are congruent with other local, State, national scenic, or national historic trails, the designation of the discovery trail shall not in any way diminish the values and significance for which these trails were established.''.

(B) FEASIBILITY REQUIREMENTS; COOPERATIVE MANAGEMENT REQUIREMENT.—Section 5(b) of such Act (16 U.S.C. 1244(b)) is amended by adding at the end the following new paragraph:

''(12) For purposes of this subsection, a trail shall not be considered feasible and desirable for designation as a national discovery trail unless it meets all of the following criteria:

''(A) The trail must link to one or more areas within the boundaries of a metropolitan area (as those boundaries are determined under section 134(c) of title 23, United States Code). It should also join with other trails, tying the National Trails System to significant recreation and resources areas.

''(B) The trail must be supported by at least one competent trailwide volunteer-based organization. Each trail shall have extensive local and trailwide support by the public, by user groups, and by affected State and local governments.

''(C) The trail must be extended and pass through more than one State. At a minimum, it should be a continuous, walkable route. National discovery trails are specifically exempted from the provisions of sections 7(g) of this Act.

''(D) The appropriate Secretary shall obtain written consent from affected landowners prior to entering nonpublic lands for the purposes of conducting any surveys or studies of nonpublic lands for purposes of this Act. Provided, before any designation or establishment of any discovery trail provided by this Act, the appropriate Secretary must ensure written notification to all nonpublic landowners on which a designated trail crosses or abuts nonpublic lands. Furthermore, any nonpublic landowner that has property crossed by or abutting land designated under this Act, if trespassing should occur by travelers on the National Discovery Trail, has the right to request and subsequently require the appropriate Secretary to coordinate with State and local officials to ensure to the maximum extent feasible that no further trespassing should occur on such nonpublic land.''.

(2) DESIGNATION OF THE AMERICAN DISCOVERY TRAIL AS A NATIONAL DISCOVERY TRAIL.—Section 5(a) of such Act (16 U.S.C. 1244(a)) is amended as follows:

(A) By redesignating the paragraph relating to the California National Historic Trail as paragraph (18).

(B) By redesignating the paragraph relating to the Pony Express National Historic Trail as paragraph (19).

(C) By redesignating the paragraph relating to the Selma to Montgomery National Historic Trail as paragraph (20).

(D) By adding at the end the following:

''(21) The American Discovery Trail, a trail of approximately 6,000 miles extending from Cape Henlopen State Park in Delaware to Point Reyes National Seashore in California, extending westward through Delaware, Maryland, the District of Columbia, West Virginia, Ohio, and Kentucky, where near Cincinnati it splits into two routes. The Northern Midwest route traverses Ohio, Indiana, Illinois, Iowa, Nebraska, and Colorado, and the Southern Midwest route traverses Indiana, Illinois, Missouri, Kansas, and Colorado. After the two routes rejoin in Denver, Colorado, the route continues through Colorado, Utah, Nevada, and California. The trail is generally described in Volume 2 of the National Park Service feasibility study dated June 1995 which shall be on file and available for public inspection in the office of the Director of the National Park Service, Department of the Interior, the District of Columbia. The American Discovery Trail shall be administered by the Secretary of the Interior in cooperation with at least one competent trailwide volunteer-based organization, affected land managing agencies and State and local governments as appropriate. No lands or interests outside the exterior boundaries of federally administered areas may be acquired by the Federal Government solely for the American Discovery Trail. The American Discovery Trail is specifically exempted from the provisions of subsection (e), (f), and (g) of section 7.''.

(3) COMPREHENSIVE NATIONAL DISCOVERY TRAIL PLAN.—Section 5 of such Act (16 U.S.C.

1244) is further amended by adding at the end the following new subsection:

''(g) Within 3 complete fiscal years after the date of enactment of any law designating a national discovery trail, the responsible Secretary shall submit a comprehensive plan for the protection, management, development, and use of the Federal portions of the trail, and provide technical assistance to States and local units of government and private landowners, as requested, for nonfederal portions of the trail, to the Committee on Resources of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate. In developing a comprehensive management plan for a national discovery trail, the responsible Secretary shall cooperate to the fullest practicable extent with the organizations sponsoring the trail. The responsible Secretary shall ensure that the comprehensive plan does not conflict with existing agency direction and shall consult with the affected land managing agencies, the Governors of the affected States, affected county and local political jurisdictions, and local organizations maintaining components of the trail. Components of the comprehensive plan include—

''(1) policies, objectives and practices to be observed in the administration and management of the trail, including the identification of all significant natural, historical, and cultural resources to be preserved, model agreements necessary for joint trail administration among and between interested parties, and an identified carrying capacity for critical segments of the trail and procedures for implementation, where appropriate;

''(2) strategies for trail protection to retain the values for which the trail is being established and recognized by the Federal Government;

''(3) general and site-specific trail-related development, including anticipated costs; and

''(4) the process to be followed to implement the trail marking authorities in section 7(c) conforming to approved trail logo or emblem requirements.''.

(b) CONFORMING AMENDMENTS.—The National Trails System Act is amended:

(1) In section 2(b) (16 U.S.C. 1241(b)), by striking ''scenic and historic'' and inserting ''scenic, historic, and discovery''.

(2) In the section heading to section 5 (16 U.S.C. 1244), by striking ''AND NATIONAL HISTORIC'' and inserting '', NATIONAL HISTORIC, AND NATIONAL DISCOVERY''.

(3) In section 5(a) (16 U.S.C. 1244(a)), in the matter preceding paragraph (1)—

(A) by striking ''and national historic'' and inserting '', national historic, and national discovery''; and

(B) by striking ''and National Historic'' and inserting '', National Historic, and National Discovery''.

(4) In section 5(b) (16 U.S.C. 1244(b)), in the matter preceding paragraph (1), by striking ''or national historic'' and inserting '', national historic, or national discovery''.

(5) In section 5(b)(3) (16 U.S.C. 1244(b)(3)), by striking ''or national historic'' and inserting '', national historic, or national discovery''.

(6) In section 7(a)(2) (16 U.S.C. 1246(a)(2)), by striking ''and national historic'' and inserting '', national historic, and national discovery''.

(7) In section 7(b) (16 U.S.C. 1246(b)), by striking ''or national historic'' each place such term appears and inserting '', national historic, or national discovery''.

(8) In section 7(c) (16 U.S.C. 1246(c))—

(A) by striking ''scenic or national historic'' each place it appears and inserting ''scenic, national historic, or national discovery'';

(B) in the second proviso, by striking ''scenic, or national historic'' and inserting ''scenic, national historic, or national discovery''; and

(C) by striking '', and national historic'' and inserting '', national historic, and national discovery''.

(9) In section 7(d) (16 U.S.C. 1246(d)), by striking ''or national historic'' and inserting ''national historic, or national discovery''.

(10) In section 7(e) (16 U.S.C. 1246(e)), by striking ''or national historic'' each place such term appears and inserting '', national historic, or national discovery''.

(11) In section 7(f)(2) (16 U.S.C. 1246(f)(2)), by striking ''National Scenic or Historic Trail'' and inserting ''national scenic, historic, or discovery trail''.

(12) In section 7(h)(1) (16 U.S.C. 1246(h)(1)), by striking ''or national historic'' and inserting ''national historic, or national discovery''.

(13) In section 7(i) (16 U.S.C. 1246(i)), by striking ''or national historic'' and inserting ''national historic, or national discovery''.

SEC. 802. SUDBURY, ASSABET, AND CONCORD WILD AND SCENIC RIVERS.

Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended—

(1) by designating the four undesignated paragraphs after paragraph (156) as paragraphs (157), (158), (159), and (160), respectively; and

(2) by adding the following new paragraph at the end thereof:

''(161) SUDBURY, ASSABET, AND CONCORD RIVERS, MASSACHUSETTS.—The 29 miles of river segments in Massachusetts, as follows:

''(A) The 14.9 mile segment of the Sudbury river beginning at the Danforth Street bridge in the town of Framington, downstream to Route 2 bridge in Concord, as a scenic river.

''(B) The 1.7 mile segment of the Sudbury River from the Route 2 bridge downstream to its confluence with the Assabet River at Egg Rock, as a recreational river.

''(C) The 4.4 mile segment of the Assabet River beginning 1,000 feet downstream from the Damon Mill Dam in the town of Concord, to its confluence with the Sudbury River at Egg Rock in Concord, as a recreational river.

''(D) The 8.0 mile segment of the Concord River from Egg Rock at the confluence of the Sudbury and Assabet Rivers downstream to the Route 3 bridge in the town of Billerica, as a recreational river.

The segments referred to in subparagraphs (A) through (D) shall be administered by the Secretary of the Interior in cooperation with the SUASCO River Stewardship Council provided for in the plan through cooperative agreements under section 10(e) between the Secretary and the Commonwealth of Massachusetts and its relevant political subdivisions (including the towns of Framingham, Wayland, Sudbury, Lincoln, Concord, Carlisle, Bedford, and Billerica). The segments shall be managed in accordance with the plan entitled 'Sudbury, Assabet and Concord Wild and Scenic River Study, River Conservation Plan' dated March 16, 1995. The plan is deemed to satisfy the requirement for a comprehensive management plan under subsection (d) of this section.''.

SEC. 803. ASSISTANCE TO THE NATIONAL HISTORIC TRAILS INTERPRETIVE CENTER.

(a) FINDINGS AND PURPOSES.—

(1) FINDINGS.—The Congress finds and declares the following:

(A) The city of Casper, Wyoming, is nationally significant as the only geographic location in the western United States where 4 congressionally recognized historic trails (the Oregon Trail, the Mormon Trail, the California Trail, and the Pony Express Trail), the Bridger Trail, the Bozeman Trail, and many Indian routes converged.

(B) The historic trails that passed through the Casper area are a distinctive part of the national character and possess important historical and cultural values representing themes of migration, settlement, transportation, and commerce that shaped the landscape of the West.

(C) The Bureau of Land Management has not yet established a historic trails interpretive center in Wyoming or in any adjacent State to educate and focus national attention on the history of the mid-19th century immigrant trails that crossed public lands in the Intermountain West.

(D) At the invitation of the Bureau of Land Management, the city of Casper and the National Historic Trails Foundation, Inc. (a nonprofit corporation established under the laws of the State of Wyoming) entered into a memorandum of understanding in 1992, and have since signed an assistance agreement in 1993 and a cooperative agreement in 1997, to create, manage, and sustain a National Historic Trails Interpretive Center to be located in Casper, Wyoming, to professionally interpret the historic trails in the Casper area for the benefit of the public.

(E) The National Historic Trails Interpretive Center authorized by this section is consistent with the purposes and objectives of the National Trails System Act (16 U.S.C. 1241 et seq.), which directs the Secretary of the Interior to protect, interpret, and manage the remnants of historic trails on public lands.

(F) The State of Wyoming effectively joined the partnership to establish the National Historic Trails Interpretive Center through a legislative allocation of supporting funds, and the citizens of the city of Casper have increased local taxes to meet their financial obligations under the assistance agreement and the cooperative agreement referred to in paragraph (4).

(G) The National Historic Trails Foundation, Inc. has secured most of the $5,000,000 of non-Federal funding pledged by State and local governments and private interests pursuant to the cooperative agreement referred to in subparagraph (D).

(H) The Bureau of Land Management has completed the engineering and design phase of the National Historic Trails Interpretive Center, and the National Historic Trails Foundation, Inc. is ready for Federal financial and technical assistance to construct the Center pursuant to the cooperative agreement referred to in subparagraph (D).

(2) PURPOSES.—The purposes of this section are the following:

(A) To recognize the importance of the historic trails that passed through the Casper, Wyoming, area as a distinctive aspect of American heritage worthy of interpretation and preservation.

(B) To assist the city of Casper, Wyoming, and the National Historic Trails Foundation, Inc. in establishing the National Historic Trails Interpretive Center to memorialize and interpret the significant role of those historic trails in the history of the United States.

(C) To highlight and showcase the Bureau of Land Management's stewardship of public lands in Wyoming and the West.

(b) NATIONAL HISTORIC TRAILS INTERPRETIVE CENTER.—

(1) ESTABLISHMENT.—The Secretary of the Interior, acting through the Director of the Bureau of Land Management (in this section referred to as the ''Secretary''), shall establish in Casper, Wyoming, a center for the interpretation of the historic trails in the vicinity of Casper, including the Oregon Trail, the Mormon Trail, the California Trail, and the Pony Express Trail, the Bridger Trail,

the Bozeman Trail, and various Indian routes. The center shall be known as the National Historic Trails Interpretive Center (in this section referred to as the ''Center'').

(2) FACILITIES.—The Secretary, subject to the availability of appropriations, shall construct, operate, and maintain facilities for the Center—

(A) on land provided by the city of Casper, Wyoming;

(B) in cooperation with the city of Casper and the National Historic Trails Interpretive Center Foundation, Inc. (a nonprofit corporation established under the laws of the State of Wyoming); and

(C) in accordance with—

(i) the Memorandum of Understanding entered into on March 4, 1993, by the city, the foundation, and the Wyoming State Director of the Bureau of Land Management; and

(ii) the cooperative agreement between the foundation and the Wyoming State Director of the Bureau of Land Management, numbered K910A970020.

(3) DONATIONS.—Notwithstanding any other provision of law, the Secretary may accept, retain, and expend donations of funds, property, or services from individuals, foundations, corporations, or public entities for the purpose of development and operation of the Center.

(4) ENTRANCE FEE.—Notwithstanding section 4 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–6a), the Secretary may—

(A) collect an entrance fee from visitors to the Center; and

(B) use amounts received by the United States from that fee for expenses of operation of the Center.

(5) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary $5,000,000 to carry out this section.

TITLE IX—HAZARDOUS FUELS REDUCTION

SEC. 901. SHORT TITLE.

This title may be cited as the ''Community Protection and Hazardous Fuels Reduction Act of 1998''.

SEC. 902. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds the following:

(1) Management of Federal lands has been characterized by large cyclical variations in fire suppression policies, timber harvesting levels, and the attention paid to commodity and noncommodity values.

(2) Forests on Federal lands are experiencing significant disease epidemics and insect infestations.

(3) The combination of inconsistent management and natural effects has resulted in a hazardous fuels buildup on Federal lands that threatens catastrophic wildfire.

(4) While the long-term effect of catastrophic wildfire on forests and forest systems is a matter of debate, there should be no question that catastrophic wildfire must be prevented in areas of the Federal lands where wildlands abut, or are located in close proximity to, communities, residences, and other private and public facilities on non-Federal lands.

(5) Wildfire resulting from hazardous fuels buildup in such wildland/urban interface areas threatens the destruction of communities, puts human life and property at risk, threatens community water supplies with erosion that follows wildfire, destroys wildlife habitat, and damages ambient air quality.

(6) The Secretary of Agriculture and the Secretary of the Interior must assign a high priority and undertake aggressive management to achieve the elimination of hazardous fuel buildup and reduction of the risk of wildfire to the wildland/urban interface areas on Federal lands. Protection of human life and property, including water supplies and ambient air quality, must be given the highest priority.

(7) The noncommodity resources, including riparian zones and wildlife habitats, in wildland/urban interface areas on Federal lands which must be protected to provide recreational opportunities, clean water, and other amenities to neighboring communities and the public suffer from a backlog of unfunded forest management projects designed to provide such protection.

(8) In a period of fiscal austerity characterized by shrinking budgets and personnel levels, Congress must provide the Secretary of Agriculture and the Secretary of the Interior with innovative tools to accomplish the required reduction in hazardous fuels buildup and undertake other forest management projects in the wildland/urban interface areas on the Federal lands at least cost.

(b) PURPOSE.—The purpose of this title is to provide new authority and innovative tools to the Secretary of Agriculture and the Secretary of the Interior to safeguard communities, lives, and property by reducing or eliminating the threat of catastrophic wildfire, and to undertake needed forest management projects, in wildland/urban interface areas on Federal lands.

SEC. 903. DEFINITIONS.

As used in this title:

(1) FEDERAL LANDS.—The term ''Federal lands'' means—

(A) federally managed lands administered by the Bureau of Land Management under the Secretary of the Interior; and

(B) federally managed lands administered by the Secretary of Agriculture.

(2) FOREST MANAGEMENT PROJECT.—The term ''forest management project'' means a project, including riparian zone enhancement, habitat improvement, noncommercial hazardous fuels reduction, and soil stabilization or other water quality improvement project, designed to protect one or more noncommodity resources on or in close proximity to Federal lands.

(3) LAND MANAGEMENT PLAN.—The term ''land management plan'' means the following:

(A) With respect to Federal lands described in paragraph (1)(A), a land use plan prepared by the Bureau of Land Management pursuant to section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712), or other multiple-use plan currently in effect.

(B) With respect to Federal lands described in paragraph (1)(B), a land and resource management plan (or if no final plan is in effect, a draft land and resource management plan) prepared by the Forest Service pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604).

(4) SECRETARY CONCERNED.—The term ''Secretary concerned'' means—

(A) with respect to the Federal lands described in paragraph (1)(A), the Secretary of the Interior; and

(B) with respect to the Federal lands described in paragraph (1)(B), the Secretary of Agriculture.

(5) WILDLAND/URBAN INTERFACE AREA.—The term ''wildland/urban interface area'' means the line, area, or zone where structures and other human development meet or intermingle with undeveloped wildland or vegetative fuel.

(6) CONGRESSIONAL COMMITTEES.—The term ''congressional committees'' means the Committee on Resources and the Committee on Agriculture of the House of Representatives and the Committee on Energy and Natural Resources and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(7) HAZARDOUS FUELS BUILDUP.—The term ''hazardous fuels buildup'' means that level of fuels accumulation, within a fire regime, in which an ignition with the right combination of weather and topographic conditions can result in—

(A) a dangerous exposure of risk to firefighters and the public;

(B) a high potential to cause risk of loss to key components that define ecological resources, capital investments, and private property; or

(C) both subparagraphs (A) and (B).

(8) FOREST PRODUCT.—The term ''forest product'' means any tree or tree part that can be used for a commercial purpose.

(9) FUELS.—The term ''fuels'' includes forage, woody debris, duff, needle cast, brush, understory, ladder fuels, and dead or dying overstory.

Subtitle A—Management of Wildland/Urban Interface Areas

SEC. 911. IDENTIFICATION OF WILDLAND/URBAN INTERFACE AREAS.

On or before September 30 of each year, each District Manager of the Bureau of Land Management and each Forest Supervisor of the Forest Service shall identify those areas on Federal lands within the jurisdiction of the District Manager or Forest Supervisor that the District Manager or Forest Supervisor determines—

(1) meet the definition of wildland/urban interface areas; and

(2) have hazardous fuels buildups and other forest management needs that warrant the use of forest management projects as provided in section 912.

SEC. 912. CONTRACTING TO REDUCE HAZARDOUS FUELS AND UNDERTAKE FOREST MANAGEMENT PROJECTS IN WILDLAND/URBAN INTERFACE AREAS.

(a) CONTRACTING AUTHORITY.—

(1) IN GENERAL.—The Secretary concerned is authorized to enter into contracts under this section for the sale of forest products in a wildland/urban interface area identified under section 911 for the primary purpose of reducing hazardous fuels buildups in the area.

(2) INCLUSION OF FOREST MANAGEMENT PROJECTS.—Subject to paragraph (3) and subsection (e), the Secretary concerned may require, as a condition of any sale of forest products referred to in paragraph (1), that the purchaser of such products undertake one or more forest management projects in the wildland/urban interface area.

(3) CONDITIONS ON INCLUSION.—The Secretary concerned may include a forest management project as a condition in a contract for the sale of forest products referred to in paragraph (1) only when the Secretary determines that—

(A) the forest management project is consistent with the applicable land management plan; and

(B) the objectives of the forest management project can be accomplished most cost efficiently and effectively when the project is performed as part of the sale contract.

(b) FINANCING AND SUPPLEMENTAL FUNDING.—

(1) FINANCING THROUGH SALES.—The financing of a forest management project required as a condition of a contract for a sale of forest products authorized by subsection (a) shall be accomplished by including in the contract a provision that offsets the costs incurred by the purchaser in carrying out the required forest management project, by reducing the amount required to be paid to the United States by the purchaser for forest products sold under the contract.

(2) AMOUNT OF REDUCTION OF PAYMENT.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the amount of the reduction referred to in paragraph (1) shall be equal to the costs referred to in paragraph (1), minus any assistance to the purchaser under paragraph (3) used to pay those costs.

(B) LIMITATION.—The amount of the reduction for a sale may not exceed the portion of the total amount otherwise required to be paid to the United States by the purchaser (before the reduction) that remains after deducting from that total amount the amounts necessary to make distributions and payments under the provisions of law referred to in paragraph (1) or (2) of subsection (d) that apply to that total amount.

(3) USE OF APPROPRIATED FUNDS.—The Secretary concerned may use appropriated funds to assist the purchaser to undertake a forest management project required as a condition of a contract authorized by subsection (a) if such funds are provided from the resource function or functions that directly benefit from the performance of the project and are available from the annual appropriation for such function or functions during the fiscal year in which the sale is offered. The amount of assistance to be provided for each forest management project shall be included in the prospectus, and published in the advertisement, for the sale.

(c) DETERMINATION OF FOREST MANAGEMENT OFFSETS.—Prior to the advertisement of a sale authorized by subsection (a) and subject to section 915(b), the Secretary concerned shall determine the offsetting cost (under subsection (b)(1)) of each forest management project to be required as a condition of the sale contract. A description of the forest management project, and the cost of the project to be offset against the purchaser's payment for forest products in the sale, shall be included in the prospectus, and published in the advertisement, for the sale.

(d) TREATMENT OF FOREST MANAGEMENT PROJECT OFFSETS AS MONEYS RECEIVED.—

(1) BUREAU OF LAND MANAGEMENT LANDS.—In the case of Federal lands described in section 903(1)(A), the amount of any reduction under subsection (b)(1) of the amount required to be paid by a purchaser in a sale authorized by subsection (a) shall be considered to be money received, for purposes of title II of the Act of August 28, 1937 (50 Stat. 875; 43 U.S.C. 1181f), the first section of the Act of May 24, 1939 (53 Stat. 753; 43 U.S.C. 1181f–1), or other applicable law concerning the distribution of receipts from the sale of forest products on such lands.

(2) FOREST SYSTEM LANDS.—In the case of Federal lands described in section 903(1)(B), the amount of any reduction under subsection (b)(1) of the amount required to be paid by a purchaser in a sale authorized by subsection (a)—

(A) shall be considered to be money received, for purposes of the sixth paragraph under the heading ''FOREST SERVICE'' in the Act of May 23, 1908 (35 Stat. 260; 16 U.S.C. 500), and section 13 of the Act of March 1, 1911 (36 Stat. 963; commonly known as the Weeks Act; 16 U.S.C. 500); and

(B) shall not be considered to be money received, for purposes of the fourteenth paragraph under the heading ''FOREST SERVICE'' of the Act of March 4, 1913 (37 Stat. 843; 16 U.S.C. 501).

(e) LIMITATION ON AMOUNT OF OFFSETS.—The total amount by which purchase payments are reduced under subsection (b)(1) each fiscal year—

(1) under contracts awarded by the Secretary of Agriculture, may not exceed $40,000,000; and

(2) under contracts awarded by the Secretary of the Interior, may not exceed $10,000,000.

SEC. 913. MONITORING REQUIREMENTS.

The Secretary concerned shall monitor the preparation and offering of contracts, and the performance of forest management projects, pursuant to section 912 to determine the effectiveness of such contracts and forest management projects in achieving the purpose of this title.

SEC. 914. REPORTING REQUIREMENTS.

(a) ANNUAL REPORT.—Not later than 90 days after the end of each full fiscal year in which contracts are entered into under section 912, the Secretary concerned shall submit to the congressional committees a report, which shall provide for the Federal lands within the jurisdiction of the Secretary concerned the following:

(1) A list of the wildland/urban interface areas identified on or before September 30 of the previous fiscal year pursuant to section 911.

(2) A summary of all contracts entered into, and all forest management projects performed, pursuant to section 912 during the preceding fiscal year;

(3) A discussion of any delays in excess of three months encountered during the preceding fiscal year, and likely to occur in the fiscal year in which the report is submitted, in preparing and offering the sales, and in performing the forest management projects, pursuant to section 912.

(4) The results of the monitoring required by section 913 of the contracts authorized, and the forest management projects performed, pursuant to section 912.

(5) Any anticipated problems in the implementation of this subtitle.

(b) FOUR YEAR REPORT.—The fourth report prepared by the Secretary concerned under subsection (a) shall contain, in addition to the matters required by subsection (a), the following:

(1) An assessment by the Secretary concerned regarding whether the contracting authority provided in section 912 should be reauthorized beyond the period specified in section 915(a).

(2) If reauthorization is warranted, such recommendations as the Secretary concerned considers appropriate regarding changes in such authority to better achieve the purpose of this title.

SEC. 915. SPECIAL FUNDS.

(a) ESTABLISHMENT AND INITIAL FUNDING.—Notwithstanding any other provision of law, not later than 30 days after the date of enactment of this Act—

(1) the Secretary of Agriculture and the Secretary of the Interior shall each establish and maintain a special fund which shall be available, without further appropriation, for the purposes of planning, offering, and managing sales of forest products referred to in section 912(a)(1);

(2) the Secretary of Agriculture shall transfer, from amounts available to such Secretary for reduction of wildland fire hazardous fuels for the fiscal year in which this Act is enacted and each of the 3 following fiscal years, $10,000,000 to the fund established by the Secretary of Agriculture pursuant to paragraph (1); and

(3) the Secretary of the Interior shall transfer, from amounts available to such Secretary for reduction of hazardous fuels for the fiscal year in which this Act is enacted, $10,000,000 to the fund established by the Secretary of the Interior pursuant to paragraph (1).

(b) REPLENISHMENT OF FUNDS.—Each fund established pursuant to subsection (a) shall receive all of the receipts from each sale of forest products referred to in section 912(a)(1) from Federal lands within the jurisdiction of the Secretary who established such fund, minus the amount required to be distributed under the provisions of law referred to in paragraph (1) or (2), as applicable, of section 912(d).

(c) TERMINATION.—

(1) IN GENERAL.—Each Secretary concerned shall terminate the fund established by such Secretary pursuant to subsection (a) at the expiration of the last day of the fifth full fiscal year occurring after the date of enactment of this Act.

(2) TREATMENT OF BALANCE AND FUTURE RECEIPTS.—Any moneys remaining in a fund established pursuant to subsection (a)(1) upon the expiration of the day referred to in paragraph (1), and any receipts after that day from sales of forest products under section 912(a)(1)—

(A) shall be available to the Secretary of Agriculture for reduction of wildland fire hazardous fuels, in the case of moneys remaining in the fund established by the Secretary of Agriculture and receipts for forest products from Federal lands within the jurisdiction of such Secretary; and

(B) shall be available to the Secretary of the Interior for the reduction of hazardous fuels, in the case of moneys remaining in the fund established by the Secretary of the Interior and receipts for forest products from Federal lands within the jurisdiction of such Secretary.

SEC. 916. TERMINATION OF AUTHORITY.

(a) TERMINATION DATE.—The authority of the Secretary concerned to offer sales of forest products pursuant to section 912, and to require the purchasers of such products to undertake forest management projects as a condition of such sales, shall terminate at the end of the five-fiscal year beginning on the first October 1st occurring after the date of the enactment of this Act.

(b) EFFECT ON EXISTING SALES.—Any contract for a sale of forest products pursuant to section 912 entered into before the end of the period specified in subsection (a), and still in effect at the end of such period, shall remain in effect after the end of such period pursuant to the terms of the contract.

Subtitle B—Miscellaneous Provisions

SEC. 921. REGULATIONS.

Not later than 180 days after the date of the enactment of this Act, the Secretary concerned shall prescribe such regulations as are necessary and appropriate to implement this title.

SEC. 922. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for each of the first five fiscal years beginning after the date of the enactment of this Act such sums as may be necessary to carry out this title.

TITLE X—MISCELLANEOUS PROVISIONS

SEC. 1001. AUTHORITY TO ESTABLISH MAHATMA GANDHI MEMORIAL.

(a) IN GENERAL.—The Government of India may establish a memorial to honor Mahatma Gandhi on the Federal land in the District of Columbia.

(b) COOPERATIVE AGREEMENTS.—The Secretary of the Interior or any other head of a Federal agency may enter into cooperative agreements with the Government of India to maintain features associated with the memorial.

(c) COMPLIANCE WITH STANDARDS FOR COMMEMORATIVE WORKS.—The establishment of the memorial shall be in accordance with the Commemorative Works Act (40 U.S.C. 1001 et seq.), except that sections 2(c) and 6(b) of that Act shall not apply with respect to the memorial.

(d) LIMITATION ON PAYMENT OF EXPENSES.—The Government of the United States shall not pay any expense of the establishment of the memorial or its maintenance.

SEC. 1002. ESTABLISHMENT OF THE NATIONAL CAVE AND KARST RESEARCH INSTITUTE IN NEW MEXICO.

(a) PURPOSES.—The purposes of this section are—

(1) to further the science of speleology;

(2) to centralize and standardize speleological information;

(3) to foster interdisciplinary cooperation in cave and karst research programs;

(4) to promote public education;

(5) to promote national and international cooperation in protecting the environment for the benefit of cave and karst landforms; and

(6) to promote and develop environmentally sound and sustainable resource management practices.

(b) ESTABLISHMENT OF THE INSTITUTE.—

(1) IN GENERAL.—The Secretary of the Interior (referred to in this section as the ''Secretary''), acting through the Director of the National Park Service, shall establish the National Cave and Karst Research Institute (referred to in this section as the ''Institute'').

(2) PURPOSES.—The Institute shall, to the extent practicable, further the purposes of this section.

(3) LOCATION.—The Institute shall be located in the vicinity of Carlsbad Caverns National Park, in the State of New Mexico. The Institute shall not be located inside the boundaries of Carlsbad Caverns National Park.

(c) ADMINISTRATION OF THE INSTITUTE.—

(1) MANAGEMENT.—The Institute shall be jointly administered by the National Park Service and a public or private agency, organization, or institution, as determined by the Secretary.

(2) GUIDELINES.—The Institute shall be operated and managed in accordance with the study prepared by the National Park Service pursuant to section 203 of Public Law 101–578 (16 U.S.C. 4310 note).

(3) CONTRACTS AND COOPERATIVE AGREEMENTS.—The Secretary may enter into a contract or cooperative agreement with a public or private agency, organization, or institution to carry out this section.

(4) FACILITY.—

(A) LEASING OR ACQUIRING A FACILITY.—The Secretary may lease or acquire a facility for the Institute.

(B) CONSTRUCTION OF A FACILITY.—If the Secretary determines that a suitable facility is not available for a lease or acquisition under subparagraph (A), the Secretary may construct a facility for the Institute.

(5) ACCEPTANCE OF GRANTS AND TRANSFERS.—To carry out this section, the Secretary may accept—

(A) a grant or donation from a private person; or

(B) a transfer of funds from another Federal agency.

(d) FUNDING.—

(1) MATCHING FUNDS.—The Secretary may spend only such amount of Federal funds to carry out this section as is matched by an equal amount of funds from non-Federal sources.

(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 1003. GUADALUPE-HIDALGO TREATY LAND CLAIMS.

(a) SHORT TITLE.—This section may be cited as the ''Guadalupe-Hidalgo Treaty Land Claims Equity Act of 1998''.

(b) DEFINITIONS AND FINDINGS.—

(1) DEFINITIONS.—For purpose of this section:

(A) COMMISSION.—The term ''Commission'' means the Guadalupe-Hidalgo Treaty Land Claims Commission established under subsection (c).

(B) TREATY OF GUADALUPE-HIDALGO.—The term ''Treaty of Guadalupe-Hidalgo'' means the treaty of Peace, Friendship, Limits, and Settlement (Treaty of Guadalupe Hidalgo), between the United States and the Republic of Mexico, signed February 2, 1848 (TS 207: 9 Bevans 791).

(C) ELIGIBLE DESCENDANT.—The term ''eligible descendant'' means a descendant of a person who—

(i) was a Mexican citizen before the Treaty of Guadalupe Hidalgo;

(ii) was a member of a community land grant; and

(iii) became a United States citizen within ten years after the effective date of the Treaty of Guadalupe-Hidalgo, May 30, 1848, pursuant to the terms of the Treaty.

(D) COMMUNITY LAND GRANT.—The term ''community land grant'' means a village, town, settlement, or pueblo consisting of land held in common (accompanied by lesser private allotments) by three or more families under a grant from the King of Spain (or his representative) before the effective date of the Treaty of Cordova, August 24, 1821, or from the authorities of the Republic of Mexico before May 30, 1848, in what became the State of New Mexico, regardless of the original character of the grant.

(E) RECONSTITUTED.—The term ''reconstituted'', with regard to a valid community land grant, means restoration to full status as a municipality with rights properly belonging to a municipality under State law and the right of local self-government.

(2) FINDINGS.—Congress finds the following:

(A) New Mexico has a unique history regarding the acquisition of ownership of land as a result of the substantial number of Spanish and Mexican land grants that were an integral part of the colonization and growth of New Mexico before the United States acquired the area in the Treaty of Guadalupe-Hidalgo.

(B) Various provisions of the Treaty of Guadalupe-Hidalgo have not yet been fully implemented in the spirit of article VI, section 2, of the Constitution of the United States.

(C) Serious questions regarding the prior ownership of lands in the State of New Mexico, particularly certain public lands, still exist.

(D) Congressionally established land claim commissions have been used in the past to successfully examine disputed land possession questions.

(c) ESTABLISHMENT AND MEMBERSHIP OF COMMISSION.

(1) ESTABLISHMENT.—There is established a commission to be known as the ''Guadalupe-Hidalgo Treaty Land Claims Commission''.

(2) NUMBER AND APPOINTMENT OF MEMBERS.—The Commission shall be composed of five members appointed by the President, by and with the advice and consent of the Senate. At least two of the members of the Commission shall be selected from among persons who are eligible descendants. All members shall demonstrate knowledge and expertise about the history and law associated with the New Mexico land grants.

(3) TERMS.—Each member shall be appointed for the life of the Commission. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(4) COMPENSATION.—Members shall each be entitled to receive the daily equivalent of level V of the Executive Schedule for each day (including travel time) during which they are engaged in the actual performance of duties vested in the Commission.

(d) INTERNATIONAL AGREEMENTS FOR COOPERATION IN THE PROCUREMENT OF RELEVANT DOCUMENTS.—

(1) FINDINGS.—Congress recognizes that—

(A) the availability of documents concerning community land grants in the State of New Mexico in the United States is limited; and

(B) a fair and equitable evaluation of the community land grants will depend upon obtaining a comprehensive compilation of the relevant documents available.

(2) BILATERAL AGREEMENTS.—The Secretary of State is authorized to negotiate bilateral agreements with the Governments of Mexico and Spain to obtain their full cooperation with the Commission so that the Commission will have access to certified copies of all relevant documents in those countries relating to community land grants in the State of New Mexico.

(e) DEVELOPMENT OF CODE OF LAND GRANT CLAIMS PROCEDURES.—

(1) DEVELOPMENT OF PROCEDURES.—Not later than one year after the date on which the second bilateral agreement described in subsection (d) is concluded, the Commission shall develop workable and equitable procedures, in clear and concise form, for land grant evaluations, including but not limited to—

(A) a criteria for the Commission to use during its evaluation of what constituted a legal community land grant under Mexican and Spanish law;

(B) the scope of admissible evidence;

(C) appropriate presumptions, if any, regarding previous adjudications made by the Surveyor General and the Court of Private Land Claims, and other court decisions involving the Treaty;

(D) a set of procedural rules setting forth the burden of proof that the Commission will use in determining the validity of community land grants;

(E) an outline of investigative services the Commission proposes to make available to land grant claimants;

(F) safeguards, acceptable to title insurance companies, to ensure that private property owners will not be affected, either with the threat of losing possession to their property or any impairment to the legal, equitable or clear title to their property by the work of the Commission;

(G) safeguards, acceptable to the New Mexico State Engineer, that clearly protect and do not in any way affect the water rights of any person or entity;

(H) safeguards, acceptable to the various Native American Tribes and Pueblos, that clearly protect the status quo regarding existing Indian Lands;

(I) procedures, acceptable to the various Native American Tribes and Pueblos, that—

(i) provide them with access to sacred sites that may eventually be adjudicated as community land grants, and that may become part of any reconstituted community land grant; and

(ii) require that any such sites be identified by the various Native American Tribes and Pueblos during the development of the Code of Land Grant Claims Procedures for the Commission;

(J) an outline of the rights and responsibilities of community land grantees if a community land grant is reconstituted; and

(K) any other items the Commission deems appropriate and necessary.

(2) REVIEW BY CONGRESSIONAL RESOURCE COMMITTEES.—Prior to beginning the examination of specific community land claims, the Commission shall submit the Code of Land Claims Procedure to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives. The Committees shall have ninety days to hold hearings and examine the Code. The Commission may not commence evaluations of specific community land claims earlier than the 90 days

after the date of submission of the Code under this subsection.

(f) EXAMINATION OF LAND CLAIMS LOCATED IN NEW MEXICO.—

(1) SUBMISSION OF NEW MEXICO LAND CLAIMS PETITIONS.—Any three (or more) eligible descendants who are also descendants of the same community land grant may file with the Commission a petition on behalf of themselves and all other descendants of that community land grant seeking a determination of the validity of the land claim that is the basis for the petition.

(2) DEADLINE FOR SUBMISSION.—To be considered by the Commission a petition under paragraph (1) must be received by the Commission not later than five years after the date on which the Committee on Energy and Natural Resources and the Committee on Resources of the House of Representatives has completed the 90-day review period.

(3) ELEMENTS OF PETITION.—A petition under paragraph (1) shall be made under oath and shall contain the following:

(A) The names and addresses of the eligible descendants who are petitioners.

(B) The fact that the land involved in the petition was a community land grant at the time of the effective date of the Guadalupe-Hidalgo Treaty and that such land is now within the borders of the State of New Mexico.

(C) The extent of the community land grant, to the best of the knowledge of the petitioners, accompanied with a survey or, if a survey is not feasible for them, a sketch map thereof.

(D) The fact that the petitioners reside, or intend to settle upon, the community land grant.

(E) All facts known to petitioners concerning the community land grant, together with copies of all papers in regard thereto available to petitioners.

(4) PETITION HEARING.—At one or more designated locations in the State of New Mexico, the Commission shall hold a hearing upon each petition timely submitted under this subsection, at which hearing all persons having an interest in the land involved in the petition shall have the right, upon notice, to appear as a party.

(5) SUBPOENA POWER.—

(A) IN GENERAL.—The Commission may issue subpoenas requiring the attendance and testimony of witnesses and the production of any evidence relating to any petition submitted under paragraph (1). The attendance of witnesses and the production of evidence may be required from any place within the United States at any designated place of hearing within the State of New Mexico.

(B) FAILURE TO OBEY A SUBPOENA.—If a person refuses to obey a subpoena issued under subparagraph (A), the Commission may apply to a United States district court for an order requiring that person to appear before the Commission to give testimony, produce evidence, or both, relating to the matter under investigation. The application may be made within the judicial district where the hearing is conducted or where that person is found, resides, or transacts business. Any failure to obey the order of the court may be punished by the court as civil contempt.

(C) SERVICE OF SUBPOENAS.—The subpoenas of the Commission shall be served in the manner provided for subpoenas issued by a United States district court under the Federal Rules of Civil Procedure for the United States district courts.

(D) SERVICE OF PROCESS.—All process of any court to which application is to be made under subparagraph (B) may be served in the judicial district in which the person required to be served resides or may be found.

(6) DECISION.—On the basis of the facts contained in a petition submitted under paragraph (1), and the hearing held with regard to the petition, the commission shall determine, consistent with the Code of Land Claims Procedure, the validity of the community land grant described in the petition. The decision shall include a recommendation of the Commission regarding whether the community land grant should be reconstituted and its lands restored.

(7) PROTECTION OF NON-FEDERAL PROPERTY.—The decision of the Commission regarding the validity of a petition submitted under paragraph (1) shall not affect the ownership, title or rights of owners of any non-Federal lands covered by the petition. Any recommendation of the Commission under paragraph (6) regarding whether a community land grant should be reconstituted and its lands restored may not address, affect or otherwise involve non-Federal lands. In the case of a valid petition covering lands held in non-Federal ownership, the Commission shall modify the recommendation under the paragraph (6) to recommend the substitution of comparable Federal lands in the State of New Mexico for the lands held in non-Federal ownership.

(g) COMMUNITY LAND GRANT STUDY CENTER.—To assist the Commission in the performance of its activities under subsection (d), the commission shall establish a Community Land Grant Study Center at the Onate Center in Alcalde, New Mexico. The Commission shall be charged with the responsibility of directing the research, study, and investigations necessary for the Commission to perform its duties under this section.

(h) MISCELLANEOUS POWERS OF COMMISSION.—

(1) HEARINGS AND SESSIONS.—The Commission may, for the purpose of carrying out this section, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate, and may administer oaths or affirmations to witnesses appearing before it.

(2) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take by this subsection.

(3) GIFTS, BEQUESTS, AND DEVISES.—The Commission may accept, use, and dispose of gifts, bequests, or devises of services or property, both real and personal, for the purpose of aiding or facilitating the work of the Commission so long as it is determined that the acceptance of such gifts, bequests or devises do not constitute a conflict of interest.

(4) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as the other departments and agencies of the United States.

(5) ADMINISTRATIVE SUPPORT SERVICES.—Upon the request of the Commission the Administrator of General Services shall provide to the Commission, on a reimbursable basis, the administrative support services necessary for the Commission to carry out its responsibilities under this section.

(6) IMMUNITY.—The Commission is an agency of the United States for the purpose of part V of title 18, United States Code (relating to immunity of witnesses).

(i) REPORT.—As soon as practicable after reaching its last decision under subsection (f), the Commission shall submit to the President and the Congress a report containing each decision, including the recommendation of the Commission regarding whether certain community land grants should be reconstituted, so that the Congress may act upon the recommendations.

(j) TERMINATION.—The Commission shall terminate on 180 days after submitting its final report under subsection (i).

(k) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $1,000,000 for each of the fiscal years 1999 through 2007 for the purpose of carrying out the activities of the Commission and to establish and operate the Community Land Grant Study Center under subsection (g).

SEC. 1004. OTAY MOUNTAIN WILDERNESS.

(a) FINDINGS.—The Congress finds and declares the following:

(1) The public lands within the Otay Mountain region of California are one of the last remaining pristine locations in western San Diego County, California.

(2) This rugged mountain adjacent to the United States-Mexico border is internationally known for its diversity of unique and sensitive plants.

(3) This area plays a critical role in San Diego's multi-species conservation plan, a national model made for maintaining biodiversity.

(4) Due to its proximity to the international border, this area is the focus of important law enforcement and border interdiction efforts necessary to curtail illegal immigration and protect the area's wilderness values.

(5) The illegal immigration traffic, combined with the rugged topography, also presents unique fire management challenges for protecting lives and resources.

(b) DESIGNATION.—In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131 et seq.), certain public lands in the California Desert District of the Bureau of Land Management, California, comprising approximately 18,500 acres as generally depicted on a map entitled ''Otay Mountain Wilderness'' and dated May 7, 1998, are hereby designated as wilderness and therefore as a component of the National Wilderness Preservation System, which shall be known as the Otay Mountain Wilderness.

(c) MAP AND LEGAL DESCRIPTION.—

(1) IN GENERAL.—As soon as practicable after the date of enactment of this Act, a map and a legal description for the Wilderness Area shall be filed by the Secretary with the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives. Such map and legal description shall have the same force and effect as if included in this Act, except that the Secretary, as appropriate, may correct clerical and typographical errors in such legal description and map. Such map and legal description for the Wilderness Area shall be on file and available for public inspection in the offices of the Director and California State Director, Bureau of Land Management, Department of the Interior.

(2) UNITED STATES-MEXICO BORDER.—In carrying out this subsection, the Secretary shall ensure that the southern boundary of the Wilderness Area is 100 feet north of the trail depicted on the map referred to in paragraph (1) and is at least 100 feet from the United States-Mexico international border.

(e) WILDERNESS REVIEW.—The Congress hereby finds and directs that all the public lands not designated wilderness within the boundaries of the Southern Otay Mountain Wilderness Study Area (CA–060–029) and the Western Otay Mountain Wilderness Study Area (CA–060–028) managed by the Bureau of Land Management and reported to the Congress in 1991, have been adequately studied for wilderness designation pursuant to section 603 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1782), and are no longer subject to the requirements contained in section 603(c) of that Act pertaining to the management of wilderness study areas in a manner that does not impair the suitability of such areas for preservation as wilderness.

(f) ADMINISTRATION OF WILDERNESS AREA.—

(1) IN GENERAL.—Subject to valid existing rights and to paragraph (2), the Wilderness Area shall be administered by the Secretary in accordance with the provisions of the Wilderness Act (16 U.S.C. 1131 et seq.), except that—

(A) any reference in such provisions to the effective date of the Wilderness Act is deemed to be a reference to the effective date of this Act; and

(B) any reference in such provisions to the Secretary of Agriculture is deemed to be a reference to the Secretary of the Interior.

(2) BORDER ENFORCEMENT, DRUG INTERDICTION, AND WILDLAND FIRE PROTECTION.—Because of the proximity of the Wilderness Area to the United States-Mexico international border, drug interdiction, border operations, and wildland fire management operations are common management actions throughout the area encompassing the Wilderness Area. This section recognizes the need to continue such management actions so long as such management actions are conducted in accordance with the Wilderness Act (16 U.S.C. 1131 et seq.) and are subject to such conditions as the Secretary considers appropriate.

(g) FURTHER ACQUISITIONS.—Any lands within the boundaries of the Wilderness Area that are acquired by the United States after the date of enactment of this Act shall become part of the Wilderness Area and shall be managed in accordance with all the provisions of this section and other laws applicable to such a wilderness.

(h) NO BUFFER ZONES.—The Congress does not intend for the designation of the Wilderness Area by this section to lead to the creation of protective perimeters or buffer zones around the Wilderness Area. The fact that nonwilderness activities or uses can be seen or heard from areas within the Wilderness Area shall not, of itself, preclude such activities or uses up to the boundary of the Wilderness Area.

(i) DEFINITIONS.—As used in this section:

(1) PUBLIC LANDS.—The term ''public lands'' has the same meaning as that term has in section 103(e) of the Federal Land Policy and Management Act of 1976.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(3) WILDERNESS AREA.—The term ''Wilderness Area'' means the Otay Mountain Wilderness designated by subsection (b).

SEC. 1005. ACQUISITION AND MANAGEMENT OF WILCOX RANCH, UTAH, FOR WILDLIFE HABITAT.

(a) FINDINGS.—Congress finds the following:

(1) The lands within the Wilcox Ranch in eastern Utah are prime habitat for wild turkeys, eagles, hawks, bears, cougars, elk, deer, bighorn sheep, and many other important species, and Range Creek within the Wilcox Ranch could become a blue ribbon trout stream.

(2) These lands also contain a great deal of undisturbed cultural and archeological resources, including ancient pottery, arrowheads, and rock homes constructed centuries ago.

(3) These lands, while comprising only approximately 3,800 acres, control access to over 75,000 acres of Federal lands under the jurisdiction of the Bureau of Land Management.

(4) Acquisition of the Wilcox Ranch would benefit the people of the United States by preserving and enhancing important wildlife habitat, ensuring access to lands of the Bureau of Land Management, and protecting priceless archeological and cultural resources.

(5) These lands, if acquired by the United States, can be managed by the Utah Division of Wildlife Resources at no additional expense to the Federal Government.

(b) ACQUISITION OF LANDS.—As soon as practicable, after the date of the enactment of this Act, the Secretary of the Interior shall acquire, through purchase, the Wilcox Ranch located in Emery County, in eastern Utah.

(c) FUNDS FOR PURCHASE.—The Secretary of the Interior is authorized to use not more than $5,000,000 from the land and water conservation fund established under section 2 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–5) for the purchase of the Wilcox Ranch under subsection (b).

(d) MANAGEMENT OF LANDS.—Upon payment by the State of Utah of one-half of the purchase price of the Wilcox Ranch to the United States, or transfer by the State of Utah of lands of the same such value to the United States, the Secretary of the Interior shall transfer to the State of Utah all right, title, and interest of the United States in and to those Wilcox Ranch lands acquired under subsection (b) for management by the State Division of Wildlife Resources for wildlife habitat and public access.

SEC. 1006. ACQUISITION OF MINERAL AND GEOTHERMAL INTERESTS WITHIN MOUNT ST. HELENS NATIONAL VOLCANIC MONUMENT.

(a) FINDINGS.—Congress finds the following:

(1) The Act entitled ''An Act to designate the Mount St. Helens National Volcanic Monument in the State of Washington, and for other purposes'', approved August 26, 1982 (96 Stat. 301; 16 U.S.C. 431 note), required the United States to acquire all land and interests in land in the Mount St. Helens National Volcanic Monument.

(2) The Act directed the Secretary of Agriculture to acquire the surface interests and the mineral and geothermal interests by separate exchanges and expressed the sense of Congress that the exchanges be completed by November 24, 1982, and August 26, 1983, respectively.

(3) The surface interests exchange was consummated timely, but the exchange of all mineral and geothermal interests has not yet been completed a decade and a half after the enactment of that Act.

(b) PURPOSE.—The purpose of this section is to facilitate and otherwise provide for the expeditious completion of the previously mandated Federal acquisition of private mineral and geothermal interests within the Mount St. Helens National Volcanic Monument.

(c) ACQUISITION.—Section 3 of the Act entitled ''An Act to designate the Mount St. Helens National Volcanic Monument in the State of Washington, and for other purposes'', approved August 26, 1982 (Public Law 97–243; 96 Stat. 302; 16 U.S.C. 431 note), is amended by adding at the end the following new subsections:

''(g) EXCHANGES FOR MINERAL AND GEOTHERMAL INTERESTS HELD BY CERTAIN COMPANIES.—

''(1) DEFINITION OF COMPANY.—In this subsection, the term 'company' means a company referred to in subsection (c) or its assigns or successors.

''(2) EXCHANGE REQUIRED.—Within 60 days after the date of enactment of this subsection, the Secretary of the Interior shall acquire by exchange the mineral and geothermal interests in the Monument of each company.

''(3) MONETARY CREDITS.—

''(A) ISSUANCE.—In exchange for all mineral and geothermal interests acquired by the Secretary of the Interior from each company under paragraph (2), the Secretary of the Interior shall issue to each such company monetary credits with a value of $2,100,000 that may be used for the payment of—

''(i) not more than 50 percent of the bonus or other payments made by successful bidders in any sales of mineral, oil, gas, or geothermal leases under the Mineral Leasing Act (30 U.S.C. 181 et seq.), the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), or the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.) in the contiguous 48 States;

''(ii) not more than 10 percent of the bonus or other payments made by successful bidders in any sales of mineral, oil, gas, or geothermal leases in Alaska under the laws specified in clause (i);

''(iii) not more than 50 percent of any royalty, rental, or advance royalty payment made to the United States to maintain any mineral, oil or gas, or geothermal lease in the contiguous 48 States issued under the laws specified in clause (i); or

''(iv) not more than 10 percent of any royalty, rental, or advance royalty payment made to the United States to maintain any mineral, oil or gas, or geothermal lease in Alaska issued under the laws specified in clause (i).

''(B) VALUE OF CREDITS.—The total credits of $4,200,000 in value issued under subparagraph (A) are deemed to equal the fair market value of all mineral and geothermal interests to be conveyed by exchange under paragraph (2).

''(4) ACCEPTANCE OF CREDITS.—The Secretary of the Interior shall accept credits issued under paragraph (3)(A) in the same manner as cash for the payments described in such paragraph. The use of the credits shall be subject to the laws (including regulations) governing such payments, to the extent the laws are consistent with this subsection.

''(5) TREATMENT OF CREDITS FOR DISTRIBUTION TO STATES.—All amounts in the form of credits accepted by the Secretary of the Interior under paragraph (4) for the payments described in paragraph (3)(A) shall be considered to be money received for the purpose of section 35 of the Mineral Leasing Act (30 U.S.C. 191) and section 20 of the Geothermal Steam Act of 1970 (30 U.S.C. 1019).

''(6) EXCHANGE ACCOUNT.—

''(A) ESTABLISHMENT.—Notwithstanding any other provision of law, not later than 30 days after the completion of the exchange with a company required by paragraph (2), the Secretary of the Interior shall establish an exchange account for that company for the monetary credits issued to that company under paragraph (3). The account for a company shall be established with the Minerals Management Service of the Department of the Interior and have an initial balance of credits equal to $2,100,000.

''(B) USE OF CREDITS.—The credits in a company's account shall be available to the company for the purposes specified in paragraph (3)(A). The Secretary of the Interior shall adjust the balance of credits in the account to reflect credits accepted by the Secretary of the Interior pursuant to paragraph (4).

''(C) TRANSFER OR SALE OF CREDITS.—

''(i) TRANSFER OR SALE AUTHORIZED.—A company may transfer or sell any credits in the company's account to another person.

''(ii) USE OF TRANSFERRED CREDITS.—Credits transferred or sold under clause (i) may be used in accordance with this subsection only by a person that is qualified to bid on, or that holds, a mineral, oil, or gas lease under the Mineral Leasing Act (30 U.S.C. 181 et seq.), the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), or the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.).

''(iii) NOTIFICATION.—Within 30 days after the transfer or sale of any credits by a company, that company shall notify the Secretary of the Interior of the transfer or sale. The transfer or sale of any credit shall not be considered valid until the Secretary of the Interior has received the notification required under this clause.

''(D) TIME LIMIT ON USE OF CREDITS.—On the date that is 5 years after the date on which an account is created under subparagraph (A) for a company, the Secretary of the Interior shall terminate that company's account. Any credits that originated in the terminated account and have not been used as of the termination date, including any credits transferred or sold under subparagraph (C), shall become unusable.

''(7) TITLE TO INTERESTS.—On the date of the establishment of an exchange account for a company under paragraph (6)(A), title to any mineral and geothermal interests that are held by the company and are to be acquired by the Secretary of the Interior under paragraph (2) shall transfer to the United States.

''(h) OTHER MINERAL AND GEOTHERMAL INTERESTS.—Within 180 days after the date of the enactment of this subsection, the Secretary shall submit to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report—

''(1) identifying all remaining privately held mineral interests within the boundaries of the Monument referred to in section 1(a); and

''(2) setting forth a plan and a timetable by which the Secretary would propose to complete the acquisition of such interests.''.

SEC. 1007. OPERATION AND MAINTENANCE OF CERTAIN WATER IMPOUNDMENT STRUCTURES IN THE EMIGRANT WILDERNESS, STANISLAUS NATIONAL FOREST, CALIFORNIA.

(a) AGREEMENT TO OPERATE AND MAINTAIN CERTAIN WATER IMPOUNDMENT STRUCTURES.—The Secretary of Agriculture shall enter into a cooperative agreement with a qualified non-Federal entity under which the entity shall assume the responsibility to operate and maintain all the following water impoundment structures within the boundaries of the Emigrant Wilderness in the Stanislaus National Forest, California:

(1) Horse Meadow enhancement structure.

(2) Red Can Lake level structure.

(3) Yellowhammer Lake level structure.

(4) Huckleberry Lake level structure.

(5) Long streamflow maintenance structure.

(6) Lower Buck streamflow maintenance structure.

(7) Leighton streamflow maintenance structure.

(8) High Emigrant streamflow maintenance structure.

(9) Emigrant Meadow streamflow maintenance structure.

(10) Middle Emigrant streamflow maintenance structure.

(11) Emigrant streamflow maintenance structure.

(12) Snow streamflow maintenance structure.

(13) Bigelow streamflow maintenance structure.

(b) RESPONSIBILITIES OF THE SECRETARY.—The Secretary shall—

(1) prepare a map identifying the location, size, and type of each water impoundment structure listed in subsection (a);

(2) share equally with the non-Federal entity the administrative cost of complying with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and all other applicable laws, except that the cost share of the non-Federal entity shall not exceed $5,000;

(3) prescribe terms and conditions of the cooperative agreement that sets forth the rights and obligations of the Secretary and the non-Federal entity, including, at a minimum, provisions that—

(A) require the non-Federal entity to conduct its operation and maintenance activities in accordance with a plan of operations approved by the Secretary;

(B) require approval by the Secretary of all operation and maintenance activities conducted by the non-Federal entity;

(C) require the Secretary to solicit public involvement during any environmental analysis under NEPA in accordance with the Forest Service NEPA procedures;

(D) require the non-Federal entity to comply with all applicable State and Federal environmental, public health, and safety requirements;

(E) establish monitoring standards; and

(F) establish enforcement standards, including provisions for termination for noncompliance with terms and conditions; and

(4) ensure that the non-Federal entity is in compliance with the terms and conditions of this section and the cooperative agreement.

(c) RESPONSIBILITIES OF THE NON-FEDERAL ENTITY.—

(1) IN GENERAL.—The non-Federal entity shall be responsible for carrying out its operation and maintenance activities on the structures listed in subsection (a) in conformance with this section and the cooperative agreement.

(2) OPERATION AND MAINTENANCE COSTS.—The non-Federal entity shall be responsible for the costs associated with the maintenance and operation of the structures listed in subsection (a).

(3) SAFETY REQUIREMENTS.—Maintenance referred to in paragraphs (1) and (2) includes any reconstruction or rehabilitation necessary to meet applicable State and Federal public health and safety requirements.

(d) FAILURE TO CONSUMMATE AN AGREEMENT.—The Secretary shall not be obligated to maintain any of the structures listed in subsection (a) if—

(1) within 365 days after the date of the enactment of this Act, the Secretary is unable to identify any qualified non-Federal entity that is willing to enter into a cooperative agreement regarding the operation and maintenance of the water impoundment structures listed in subsection (a), or

(2) within 365 days after the date of the termination of a cooperative agreement entered into under subsection (a), the Secretary is unable to identify any non-Federal entity qualified and willing to enter into a subsequent cooperative agreement regarding the operation and maintenance of the water impoundment structures listed in subsection (a).

(e) PROHIBITION OF MECHANIZED TRANSPORT AND MOTORIZED EQUIPMENT.—The use of mechanized transport and motorized equipment to operate and maintain the structures listed in section 1(a) is prohibited.

(f) DEFINITIONS.—In this section:

(1) NON-FEDERAL ENTITY.—The term ''non-Federal entity'' means a nonprofit organization that is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. 501(c)(3)), any State or local government or political subdivision of such a government, or any private individual, organization, corporation, or other legal entity.

(2) NEPA.—The term ''NEPA'' means the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

SEC. 1008. EAST TEXAS BLOWDOWN-NEPA PARITY.

(a) IN GENERAL.—The Secretary of Agriculture or the Secretary of the Interior, as appropriate, shall request the Council on Environmental Quality to approve alternative arrangements under part 1506.11 of title 40, Code of Federal Regulations, authorizing removal of dead, downed, or severely rootsprung trees in areas described in subsection (b), that are similar to the alternative arrangements approved by the Council on Environmental Quality for National Forests and Grasslands in Texas, as set forth in a letter from the Chairman of the Council on Environmental Quality to the Deputy Chief of the National Forest System dated March 10, 1998.

(b) AREAS DESCRIBED.—The areas referred to in subsection (a) are the following:

(1) Approximately 20,000 acres of blowdown forest in the Routt National Forest, Colorado.

(2) Approximately 700 acres of blowdown forest in the Rio Grande National Forest, Colorado.

(3) Approximately 50,000 acres of bark beetle infested forest in the Dixie National Forest, Utah.

(4) Approximately 25,000 acres of insect and fuel-loading conditions on National Forest System lands in the Tahoe Basin, California.

(5) Approximately 28,000 acres of fire-damaged, dead, and dying trees in the Malheur National Forest, Oregon.

(6) Approximately 10,000 acres of gypsy moth infestation in the Allegheny National Forest, Pennsylvania.

(7) Approximately 5,000 acres of severely ice damaged forests in the White Mountain National Forest, New Hampshire, and the Green Mountain National Forest, Vermont.

(8) Approximately 10,000 acres of severe Mountain pine beetle damaged forests in the Panhandle National Forest, Nezperce National Forest, and Boise National Forest, Idaho.

(9) Approximately 10,000 acres of severely ice damaged forests in the Daniel Boone National Forest, Kentucky.

(10) Approximately 15,000 acres of fire-damaged, dead, and dying trees in the Osceola National Forest and Apalachica National Forest, Florida.

(c) CONSIDERATION OF REQUESTS.—Upon receipt of a request under subsection (a), the Council on Environmental Quality shall promptly consider and approve or disapprove the request.

(d) REGULATIONS.—The Chairman of the Council on Environmental Quality shall, by not later than 180 days after the date of the enactment of this Act, issue regulations—

(1) governing the approval of alternative arrangements under part 1506.11 of title 40, Code of Federal Regulations, pursuant to requests under subsection (a); and

(2) establishing criteria under which those requests will be considered and approved or disapproved.

SEC. 1009. EXEMPTION FOR CERTAIN RIGHT-OF-WAY HOLDERS FROM STRICT LIABILITY FOR RECOVERY OF FIRE SUPPRESSION COSTS.

Section 504(h) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1764(h)) is amended by adding at the end the following:

''(3) FIRE SUPPRESSION COSTS.—In the regulations required under this subsection, the Secretary concerned may not impose liability without fault against any holder of a right-of-way granted, issued, or renewed under section 501(a)(4) to recover fire suppression costs incurred by the United States with respect to right-of-way.''.

SEC. 1010. STUDY OF IMPROVED OUTDOOR RECREATIONAL ACCESS FOR PERSONS WITH DISABILITIES.

(a) STUDY REQUIRED.—The Secretary of Agriculture and the Secretary of the Interior shall jointly provide for the conduct of a study to consider ways to improve the access of persons with disabilities to outdoor recreational opportunities (such as fishing,

hunting, shooting, trapping, wildlife viewing, hiking, boating, and camping) that are made available to the public on the Federal lands described in subsection (b).

(b) COVERED FEDERAL LANDS.—The Federal lands referred to in subsection (a) are the following:

(1) National Forest System lands.

(2) Units of the National Park System.

(3) Areas in the National Wildlife Refuge System.

(4) Lands administered by the Bureau of Land Management.

(c) PERFORMANCE BY INDEPENDENT ENTITY.—To conduct the study under this section, the Secretaries shall select an independent entity in the private sector that has demonstrated expertise in issues regarding improved access for persons with disabilities. The Secretaries shall consult with the National Council on Disability regarding the selection of the independent entity.

(d) REPORT ON STUDY.—Not later than 18 months after the date of the enactment of this Act, the entity conducting the study shall submit to the Secretaries and the Congress a report that sets forth the results of the study.

SEC. 1011. COMMUNICATION SITE.

(a) IN GENERAL.—The site located directly below Inspiration Point within the San Jacinto Ranger District of the San Bernardino National Forest, California, on which communications facilities are located on August 1, 1998, is hereby designated to be used for communication purposes by the persons who operate such communications facilities on such date and their successors or assigns until such time as such persons, successors, or assigns no longer require the use of such site and provide written notice to that effect to the Forest Service.

(b) LIMITATION.—Nothing in this subsection (a) shall be construed to—

(1) excuse such persons, successors, or assigns from complying with requirements of law or regulation that do not unreasonably or unduly restrict the continued use of such site;

(2) require the site to be made available to other persons for communications use or other purposes; and

(3) require dedication of the site for continued use for communications purposes after the notice referred to in subsection (a).

SEC. 1012. AMENDMENT OF THE OUTER CONTINENTAL SHELF LANDS ACT.

Section 8(k)(2)(B) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(k)(2)(B)) is amended by striking ''an agency of the Federal Government'' and inserting ''a Federal, State, or local government agency''.

SEC. 1013. LEASING OF CERTAIN RESERVED MINERAL INTERESTS.

(a) APPLICATION OF MINERAL LEASING ACT.—Notwithstanding the provisions of section 4 of the 1964 Public Land Sale Act (P.L. 88–608, 78 Stat. 988), the Federal reserved mineral interests in lands conveyed under that Act by United States land patents No. 49–71–0059 and No. 49–71–0065 shall be subject to the operation of the Mineral Leasing Act (30 U.S.C. 181 et seq.).

(b) ENTRY.—Any person who acquires any lease under the Mineral Leasing Act for the interests referred to in subsection (a) may exercise the right to enter reserved to the United States and persons authorized by the United States in the patents conveying the lands described in subsection (a) by occupying so much of the surface thereof as may be required for all purposes reasonably incident to the exploration for, and extraction and removal of, the leased minerals by either of the following means:

(1) By securing the written consent or waiver of the patentee.

(2) In the absence of such consent or waiver, by posting a bond or other financial guarantee with the Secretary of the Interior in an amount sufficient to insure—

(A) the completion of reclamation pursuant to the Secretary's requirements under the Mineral Leasing Act, and

(B) the payment to the surface owner for—

(i) any damages to crops and tangible improvements of the surface owner that result from activities under the mineral lease, and

(ii) any permanent loss of income to the surface owner due to loss or impairment of grazing use, or of other uses of the land by the surface owner at the time of commencement of activities under the mineral lease.

(c) LANDS COVERED BY PATENT NO. 49–71–0065.—In the case of the lands in United States patent No. 49–71–0065, the preceding provisions of this section take effect January 1, 1997.

SEC. 1014. OIL AND GAS WELLS IN WAYNE NATIONAL FOREST, OHIO.

(a) AUTHORITY.—The Secretary of the Interior may enter into noncompetitive oil and gas production and reclamation contracts in accordance with this section with operators of wells in the Wayne National Forest in the State of Ohio who meet the criteria of section 17(b)(3)(A) of the Act of February 25, 1920 (30 U.S.C. 226(b)(3)(A)) pursuant to private land mineral leases which were in effect on and after the date of the enactment of this section, subject to the same laws and regulations that applied to those private land mineral leases.

(b) ADDITIONAL DRILLING.—No contract under this section may authorize deeper completions or additional drilling.

(c) BONDING.—

(1) WAIVER OF FEDERAL BONDING.—Each contract under this section shall require the contractor to provide a Federal oil and gas bond to ensure complete and timely reclamation of the former lease tract in accordance with the regulations of the Bureau of Land Management and the Forest Service, unless the Secretary of the Interior accepts in lieu thereof assurances from the Ohio Department of Natural Resources, Division of Oil and Gas, that—

(A) the contractor has duly satisfied the bonding requirements of the State of Ohio; and following inspection of operator performance, the Ohio Department of Natural Resources is not opposed to such waiver of Federal bonding requirements;

(B) the United States of America is entitled to apply for and receive funding under the provision of section 1509.071 of the Ohio Revised Code so as to properly plug and restore oil and gas sites and lease tracts; and

(C) during the 2 years prior to the date on which the contract is entered into no less than 20 percent of Ohio State severance tax revenues has been allocated to the State of Ohio Orphan Well Fund.

(2) CONTINUED COMPLIANCE WITH 20 PERCENT REQUIREMENT.—In entering into any contract under this section, the Secretary of the Interior shall reserve the right to require the contractor to comply with all Federal oil and gas bonding requirements applicable to Federal oil and gas leases under the regulations of the Bureau of Land Management and the Forest Service whenever the Secretary finds that less than 20 percent of Ohio State severance tax revenues has been allocated to the State of Ohio Orphan Well Fund.

SEC. 1015. MEMORIAL TO MR. BENJAMIN BANNEKER IN THE DISTRICT OF COLUMBIA.

(a) MEMORIAL AUTHORIZED.—The Washington Interdependence Council of the District of Columbia is authorized to establish a memorial in the District of Columbia to honor and commemorate the accomplishments of Mr. Benjamin Banneker.

(b) COMPLIANCE WITH STANDARDS FOR COMMEMORATIVE WORKS.—The establishment of the memorial shall be in accordance with the Commemorative Works Act (40 U.S.C. 1001 et seq.).

(c) PAYMENT OF EXPENSES.—The Washington Interdependence Council shall be solely responsible for acceptance of contributions for, and payment of the expenses of, the establishment of the memorial. No Federal funds may be used to pay any expense of the establishment of the memorial.

(d) DEPOSIT OF EXCESS FUNDS.—If, upon payment of all expenses of the establishment of the memorial (including the maintenance and preservation amount required under section 8(b) of the Commemorative Works Act (40 U.S.C. 1008(b))), or upon expiration of the authority for the memorial under section 10(b) of such Act (40 U.S.C. 1010(b)), there remains a balance of funds received for the establishment of the memorial, the Washington Interdependence Council shall transmit the amount of the balance to the Secretary of the Treasury for deposit in the account provided for in section 8(b)(1) of such Act (40 U.S.C. 1008(b)(1)).

SEC. 1016. PROTECTION OF SANCTITY OF CONTRACTS AND LEASES OF SURFACE PATENT HOLDERS WITH RESPECT TO COALBED METHANE GAS.

(a) IN GENERAL.—Subject to subsection (b), the United States shall recognize as not infringing upon any ownership rights of the United States to coalbed methane any—

(1) contract or lease covering any land that was conveyed by the United States under the Act entitled ''An Act for the protection of surface rights of entrymen'', approved March 3, 1909 (30 U.S.C. 81), or the Act entitled ''An Act to provide for agricultural entries on coal lands'', approved June 22, 1910 (30 U.S.C. 83 et seq.), that—

(A) was entered into by a person who has title to the land derived under those Acts, and

(B) conveys rights to explore for, extract, and sell coalbed methane from the land; or

(2) coalbed methane production from the land described in paragraph (1) by a person who has title to the land and who, on or before the date of enactment of this Act, has filed an application with the State oil and gas regulating agency for a permit to drill an oil and gas well to a completion target located in a coal formation.

(b) APPLICATION.—Subsection (a)—

(1) shall apply only to a valid contract or lease described in subsection (a) that is in effect on the date of enactment of this Act;

(2) shall not otherwise change the terms or conditions of, or affect the rights or obligations of any person under, such a contract or lease;

(3) shall apply only to land with respect to which the United States is the owner of coal reserved to the United States in a patent issued under the Act of March 3, 1909 (30 U.S.C. 81), or the Act of June 22, 1910 (30 U.S.C. 83 et seq.), the position of the United States as the owner of the coal not having passed to a third party by deed, patent, or other conveyance by the United States;

(4) shall not apply to any interest in coal or land conveyed, restored, or transferred by the United States to a federally recognized Indian tribe, including any conveyance, restoration, or transfer made pursuant to the Indian Reorganization Act, June 18, 1934 (c. 576, 48 Stat. 984, as amended); the Act of June 28, 1938 (c. 776, 52 Stat. 1209 as implemented by the order of September 14, 1938, 3 Fed. Reg. 1425); and including the area described in section 3 of Public Law 98–290; or any executive order;

(5) shall not be construed to constitute a waiver of any rights of the United States with respect to coalbed methane production that is not subject to subsection (a); and

(6) shall not limit the right of any person who entered into a contract or lease before the date of enactment of this Act, or enters into a contract or lease on or after the date of enactment of this Act, for coal owned by the United States, to mine and remove the coal and to release coalbed methane without liability to any person referred to in subsection (a)(1)(A) or (a)(2).

TITLE XI—AMENDMENTS AND TECHNICAL CORRECTIONS TO 1996 OMNIBUS PARKS ACT

SEC. 1100. REFERENCE TO OMNIBUS PARKS AND PUBLIC LANDS MANAGEMENT ACT OF 1996.

In this title, the term ''Omnibus Parks Act'' means the Omnibus Parks and Public Lands Management Act of 1996 (Public Law 104–333; 110 Stat. 4093).

Subtitle A—Technical Corrections to the Omnibus Parks Act

SEC. 1101. PRESIDIO OF SAN FRANCISCO.

Title I of division I of the Omnibus Parks Act (16 U.S.C. 460bb note) is amended as follows:

(1) In section 101(2) (110 Stat. 4097), by striking ''the Presidio is'' and inserting ''the Presidio was''.

(2) In section 103(b)(1) (110 Stat. 4099), by striking ''other lands administrated by the Secretary.'' in the last sentence and inserting ''other lands administered by the Secretary.''.

(3) In section 105(a)(2) (110 Stat. 4104), by striking ''in accordance with section 104(h) of this title.'' and inserting ''in accordance with section 104(i) of this title.''.

SEC. 1102. COLONIAL NATIONAL HISTORICAL PARK.

Section 211(d) of division I of the Omnibus Parks Act (110 Stat. 4110; 16 U.S.C. 81p) is amended by striking ''depicted on the map dated August 1993, numbered 333/80031A,'' and inserting ''depicted on the map dated August 1996, numbered 333/80031B,''.

SEC. 1103. MERCED IRRIGATION DISTRICT.

Section 218(a) of division I of the Omnibus Parks Act (110 Stat. 4113) is amended by striking ''this Act'' and inserting ''this section''.

SEC. 1104. BIG THICKET NATIONAL PRESERVE.

Section 306(d) of division I of the Omnibus Parks Act (110 Stat. 4132; 16 U.S.C. 698 note) is amended by striking ''until the earlier of the consummation of the exchange of July 1, 1998,'' and inserting ''until the earlier of the consummation of the exchange or July 1, 1998,''.

SEC. 1105. KENAI NATIVES ASSOCIATION LAND EXCHANGE.

Section 311 of division I of the Omnibus Parks Act (110 Stat. 4139) is amended as follows:

(1) In subsection (d)(2)(B)(ii), by striking ''W, Seward Meridian'' and inserting ''W., Seward Meridian''.

(2) In subsection (f)(1), by striking ''to be know'' and inserting ''to be known''.

SEC. 1106. LAMPREY WILD AND SCENIC RIVER.

(a) TECHNICAL CORRECTION.—Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C 1274(a)), as amended by section 405(a) of division I of the Omnibus Parks Act (110 Stat. 4149), is amended in the second sentence of the unnumbered paragraph relating to the Lamprey River, New Hampshire, by striking ''through cooperation agreements'' and inserting ''through cooperative agreements''.

(b) CROSS REFERENCE.—Section 405(b)(1) of division I of the Omnibus Parks Act (110 Stat. 4149; 16 U.S.C. 1274 note) is amended by striking ''this Act'' and inserting ''the Wild and Scenic Rivers Act''.

SEC. 1107. VANCOUVER NATIONAL HISTORIC RESERVE.

Section 502(a) of division I of the Omnibus Parks Act (110 Stat. 4154; 16 U.S.C. 461 note) is amended by striking ''by the Vancouver Historical Assessment' published''.

SEC. 1108. MEMORIAL TO MARTIN LUTHER KING, JR.

Section 508 of division I of the Omnibus Parks Act (110 Stat. 4157, 40 U.S.C. 1003 note) is amended as follows:

(1) In subsection (a), by striking ''of 1986'' and inserting ''(40 U.S.C. 1001 et seq.)'';.

(2) In subsection (b), by striking ''the Act'' and all that follows through ''1986'' and inserting ''the Commemorative Works Act''.

(3) In subsection (d), by striking ''the Act referred to in section 4401(b))'' and inserting ''the Commemorative Works Act)''.

SEC. 1109. ADVISORY COUNCIL ON HISTORIC PRESERVATION.

The first sentence of section 205(g) of the National Historic Preservation Act (16 U.S.C. 470m(g)), as amended by section 509(c) of division I of the Omnibus Parks Act (110 Stat. 4157), is amended by striking ''for the purpose.'' and inserting ''for that purpose.''.

SEC. 1110. GREAT FALLS HISTORIC DISTRICT, NEW JERSEY.

Section 510(a)(1) of division I of the Omnibus Parks Act (110 Stat. 4158; 16 U.S.C. 461 note) is amended by striking ''the contribution of our national heritage'' and inserting ''the contribution to our national heritage''.

SEC. 1111. NEW BEDFORD WHALING NATIONAL HISTORICAL PARK.

(a) Section 511 of division I of the Omnibus Parks Act (110 Stat. 4159; 16 U.S.C. 410ddd) is amended as follows:

(1) In the section heading, by striking ''**national historic landmark district**'' and inserting ''**whaling national historical park**''.

(2) In subsection (c)—

(A) in paragraph (1), by striking ''certain districts structures, and relics'' and inserting ''certain districts, structures, and relics''; and

(B) in paragraph (2)(A)(i), by striking ''The area included with the New Bedford National Historic Landmark District, known as the'' and inserting ''The area included within the New Bedford Historic District (a National Landmark District), also known as the''.

(3) In subsection (d)(2), by striking ''to provide''.

(4) By redesignating the second subsection (e) and subsection (f) as subsections (f) and (g), respectively.

(5) In subsection (g), as so redesignated—

(A) in paragraph (1), by striking ''section 3(D).'' and inserting ''subsection (d).''; and

(B) in paragraph (2)(C), by striking ''cooperative grants under subsection (d)(2).'' and inserting ''cooperative agreements under subsection (e)(2).''.

SEC. 1112. NICODEMUS NATIONAL HISTORIC SITE.

Section 512(a)(1)(B) of division I of the Omnibus Parks Act (110 Stat. 4163; 16 U.S.C. 461 note) is amended by striking ''Afican-Americans'' and inserting ''African-Americans''.

SEC. 1113. UNALASKA.

Section 513(c) of division I of the Omnibus Parks Act (110 Stat. 4165; 16 U.S.C. 461 note) is amended by striking ''whall be comprised'' and inserting ''shall be comprised''.

SEC. 1114. REVOLUTIONARY WAR AND WAR OF 1812 HISTORIC PRESERVATION STUDY.

Section 603(d)(2) of division I of the Omnibus Parks Act (110 Stat. 4172; 16 U.S.C. 1a–5 note) is amended by striking ''subsection (b) shall—'' and inserting ''paragraph (1) shall—''.

SEC. 1115. SHENANDOAH VALLEY BATTLEFIELDS.

Section 606 of division I of the Omnibus Parks Act (110 Stat. 4175; 16 U.S.C. 461 note) is amended as follows:

(1) In subsection (d)—

(A) in paragraph (1), by striking ''section 5.'' and inserting ''subsection (e).'';

(B) in paragraph (2), by striking ''section 9.'' and inserting ''subsection (h).''; and

(C) in paragraph (3), by striking ''Commission plan approved by the Secretary under section 6.'' and inserting ''plan developed and approved under subsection (f).''.

(2) In subsection (f)(1), by striking ''this Act'' and inserting ''this section''.

(3) In subsection (g)—

(A) in paragraph (3), by striking ''purposes of this Act'' and inserting ''purposes of this section''; and

(B) in paragraph (5), by striking ''section 9.'' and inserting ''subsection (i).''.

(4) In subsection (h)(12), by striking ''this Act'' and inserting ''this section''.

SEC. 1116. WASHITA BATTLEFIELD.

Section 607 of division I of the Omnibus Parks Act (110 Stat. 4181; 16 U.S.C. 461 note) is amended—

(1) in subsection (c)(3), by striking ''this Act'' and inserting ''this section''; and

(2) in subsection (d)(2), by striking ''local land owners'' and inserting ''local landowners''.

SEC. 1117. SKI AREA PERMIT RENTAL CHARGE.

Section 701 of division I of the Omnibus Parks Act (110 Stat 4182; 16 U.S.C. 497c) is amended as follows:

(1) In subsection (b)(2), by striking ''1992'' and inserting ''1993''.

(2) In subsection (b)(3), by striking ''legislated by this Act'' and inserting ''required by this section''.

(3) In subsection (d)—

(A) in the matter preceding paragraph (1), by striking ''formula of this Act'' and inserting ''formula of this section''; and

(B) in paragraphs (1), (2), and (3) and in the sentence below paragraph (3)—

(i) by inserting ''adjusted gross revenue for the'' before ''1994–1995 base year'' each place it appears ; and

(ii) by striking ''this Act'' each place it appears and inserting ''this section''.

(4) In subsection (f), by inserting inside the parenthesis ''offered for commercial or other promotional purposes'' after ''complimentary lift tickets''.

(5) In subsection (i), by striking ''this Act'' and inserting ''this section''.

SEC. 1118. GLACIER BAY NATIONAL PARK.

Section 3 of Public Law 91–383 (16 U.S.C. 1a–2), as amended by section 703 of division I of the Omnibus Parks Act (110 Stat. 4185), is amended as follows:

(1) In subsection (g), by striking ''bearing the cost of such exhibits and demonstrations;'' and inserting ''bearing the cost of such exhibits and demonstrations.''.

(2) By capitalizing the first letter of the first word in each of the subsections (a) through (i).

(3) By striking the semicolon at the end of each of the subsections (a) through (f) and at the end of subsection (h) and inserting a period.

(4) In subsection (i), by striking ''; and'' and inserting a period.

(5) By conforming the margins of subsection (j) with the margins of the preceding subsections.

SEC. 1119. ROBERT J. LAGOMARSINO VISITOR CENTER.

Section 809(b) of division I of the Omnibus Parks Act (110 Stat. 4189; 16 U.S.C. 410ff note) is amended by striking ''section 301'' and inserting ''subsection (a)''.

SEC. 1120. NATIONAL PARK SERVICE ADMINISTRATIVE REFORM.

(a) TECHNICAL CORRECTIONS.—Section 814 of division I of the Omnibus Parks Act (110 Stat. 4190) is amended as follows:

(1) In subsection (a) (16 U.S.C. 17o note)—

(A) in paragraph (6), by striking ''this Act'' and inserting ''this section'';

(B) in paragraph (7)(B), by striking ''COMPTETITIVE LEASING.—'' and inserting ''COMPETITIVE LEASING.—'';

(C) in paragraph (9), by striking ''granted by statue'' and inserting ''granted by statute'';

(D) in paragraph (11)(B)(ii), by striking ''more cost effective'' and inserting ''more cost-effective'';

(E) in paragraph (13), by striking ''paragraph (13),'' and inserting ''paragraph (12),''; and

(F) in paragraph (18), by striking ''under paragraph (7)(A)(i)(I), any lease under paragraph (11)(B), and any lease of seasonal quarters under subsection (l),'' and inserting ''under paragraph (7)(A) and any lease under paragraph (11)''.

(2) In subsection (d)(2)(E), by striking ''is amended''.

(b) CHANGE TO PLURAL.—Section 7(c)(2) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–9(c)(2)), as added by section 814(b) of the Omnibus Parks Act (110 Stat. 4194), is amended as follows:

(1) In subparagraph (C), by striking ''lands, water, and interest therein'' and inserting ''lands, waters, and interests therein''.

(2) In subparagraph (F), by striking ''lands, water, or interests therein, or a portion of whose lands, water, or interests therein,'' and inserting ''lands, waters, or interests therein, or a portion of whose lands, waters, or interests therein,''.

(c) ADD MISSING WORD.—Section 2(b) of Public Law 101–337 (16 U.S.C. 19jj–1(b)), as amended by section 814(h)(3) of the Omnibus Parks Act (110 Stat. 4199), is amended by inserting ''or'' after ''park system resource''.

SEC. 1121. BLACKSTONE RIVER VALLEY NATIONAL HERITAGE CORRIDOR.

Section 6(d)(2) of the Act entitled ''An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island'', approved November 10, 1986 (Public Law 99–647; 16 U.S.C. 461 note), as added by section 901(c) of division I of the Omnibus Parks Act (110 Stat. 4202), is amended by striking ''may be made in the approval plan'' and inserting ''may be made in the approved plan''.

SEC. 1122. TALLGRASS PRAIRIE NATIONAL PRESERVE.

Subtitle A of title X of division I of the Omnibus Parks Act is amended as follows:

(1) In section 1002(a)(4)(A) (110 Stat. 4204; 16 U.S.C. 689u(a)(4)(A)), by striking ''to purchase'' and inserting ''to acquire''.

(2) In section 1004(b) (110 Stat. 4205; 16 U.S.C. 689u–2(b)), by striking ''of June 3, 1994,'' and inserting ''on June 3, 1994,''.

(3) In section 1005 (110 Stat. 4205; 16 U.S.C. 689u–3)—

(A) in subsection (d)(1), by striking ''this Act'' and inserting ''this subtitle''; and

(B) in subsection (g)(3)(A), by striking ''the tall grass prairie'' and inserting ''the tallgrass prairie''.

SEC. 1123. RECREATION LAKES.

(a) TECHNICAL CORRECTIONS.—Section 1021(a) of division I of the Omnibus Parks Act (110 Stat. 4210; 16 U.S.C. 460l–10e note) is amended as follows:

(1) By striking ''manmade lakes'' both places it appears and inserting ''man-made lakes''.

(2) By striking ''for recreational opportunities at federally-managed'' and inserting ''for recreational opportunities at federally managed''.

(b) ADVISORY COMMISSION.—Section 13 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–10e), as added by section 1021(b) of the Omnibus Parks Act (110 Stat. 4210), is amended as follows:

(1) In subsection (b)(6), by striking ''recreation related infrastructure.'' and inserting ''recreation-related infrastructure.''.

(2) In subsection (e)—

(A) by striking ''water related recreation'' in the first sentence and inserting ''water-related recreation'';

(B) in paragraph (2), by striking ''at federally-managed lakes'' and inserting ''at federally managed lakes''; and

(C) by striking ''manmade lakes'' each place it appears and inserting ''man-made lakes''.

SEC. 1124. FOSSIL FOREST PROTECTION.

Section 103 of the San Juan Basin Wilderness Protection Act of 1984 (43 U.S.C. 178), as amended by section 1022(e) of the Omnibus Parks Act (110 Stat. 4213), is amended as follows:

(1) In subsections (b)(1) and (e)(1), by striking ''Committee on Natural Resources'' and inserting ''Committee on Resources''.

(2) In subsection (e)(1), by striking ''this Act'' and inserting ''this subsection''.

SEC. 1125. OPAL CREEK WILDERNESS AND SCENIC RECREATION AREA.

Section 1023(c)(1)(A) of division I of the Omnibus Parks Act (110 Stat. 4215; 16 U.S.C. 545b(c)(1)(A)) is amended by striking ''of 1964''.

SEC. 1126. BOSTON HARBOR ISLANDS NATIONAL RECREATION AREA.

Section 1029 of division I of the Omnibus Parks Act (110 Stat. 4232; 16 U.S.C. 460kkk) is amended as follows:

(1) In the section heading, by striking ''**recreation area**'' and inserting ''**national recreation area**''.

(2) In subsection (b)(1), by inserting quotation marks around the term ''recreation area''.

(3) In subsection (e)(3)(B), by striking ''subsections (b) (3), (4), (5), (6), (7), (8), (9), and (10).'' and inserting ''subparagraphs (C), (D), (E), (F), (G), (H), (I), and (J) of paragraph (2).''.

(4) In subsection (f)(2)(A)(i), by striking ''profit sector roles'' and inserting ''private-sector roles''.

(5) In subsection (g)(1), by striking ''and revenue raising activities.'' and inserting ''and revenue-raising activities.''.

SEC. 1127. NATCHEZ NATIONAL HISTORICAL PARK.

Section 3(b)(1) of Public Law 100–479 (16 U.S.C. 410oo–2(b)(1)), as added by section 1030 of the Omnibus Parks Act (110 Stat. 4238), is amended by striking ''and visitors' center'' and inserting ''and visitor center''.

SEC. 1128. REGULATION OF FISHING IN CERTAIN WATERS OF ALASKA.

Section 1035 of division I of the Omnibus Parks Act (110 Stat. 2240) is amended as follows:

(1) In the section heading, by striking ''**regulations**'' and inserting ''**regulation**''.

(2) In subsection (c), by striking ''this Act'' and inserting ''this section''.

SEC. 1129. NATIONAL COAL HERITAGE AREA.

Title I of division II of the Omnibus Parks Act (16 U.S.C. 461 note) is amended as follows:

(1) In section 104(4) (110 Stat. 4244), by striking ''history preservation'' and inserting ''historic preservation''.

(2) In section 105 (110 Stat. 4244), by striking ''paragraphs (2) and (5) of section 104'' and inserting ''paragraph (2) of section 104''.

(3) In section 106(a)(3) (110 Stat. 4244), by striking ''or Secretary'' and inserting ''or the Secretary''.

SEC. 1130. TENNESSEE CIVIL WAR HERITAGE AREA.

Title II of division II of the Omnibus Parks Act (16 U.S.C. 461 note) is amended as follows:

(1) In section 201(b)(4) (110 Stat. 4245), by striking ''and associated sites associated'' and insert ''and sites associated''.

(2) In section 207(a) (110 Stat. 4248), by striking ''as provide for'' and inserting ''as provided for''.

SEC. 1131. AUGUSTA CANAL NATIONAL HERITAGE AREA.

Section 301(1) of division II of the Omnibus Parks Act (110 Stat. 4249; 16 U.S.C. 461 note) is amended by striking ''National Historic Register of Historic Places,'' and inserting ''National Register of Historic Places,''.

SEC. 1132. ESSEX NATIONAL HERITAGE AREA.

Section 501(8) of division II of the Omnibus Parks Act (110 Stat. 4257; 16 U.S.C. 461 note) is amended by striking ''a visitors' center'' and inserting ''a visitor center''.

SEC. 1133. OHIO & ERIE CANAL NATIONAL HERITAGE CORRIDOR.

Title VIII of division II of the Omnibus Parks Act (16 U.S.C. 461 note) is amended as follows:

(1) In section 805(b)(2) (110 Stat. 4269), by striking ''One individuals,'' and inserting ''One individual,''.

(2) In section 808(a)(3)(A) (110 Stat. 4279), by striking ''from the Committee.'' and inserting ''from the Committee,''.

SEC. 1134. HUDSON RIVER VALLEY NATIONAL HERITAGE AREA.

Section 908(a)(1)(B) of division II of the Omnibus Parks Act (110 Stat. 4279; 16 U.S.C. 461 note) is amended by striking ''on nonfederally owned property'' and inserting ''for non-federally owned property''.

Subtitle B—Other Amendments to Omnibus Parks Act

SEC. 1151. BLACK REVOLUTIONARY WAR PATRIOTS MEMORIAL EXTENSION.

Section 506 of division I of the Omnibus Parks Act (40 U.S.C. 1003 note; 110 Stat. 4155) is amended by striking ''October 27, 1998'' and inserting ''October 27, 2003''.

SEC. 1152. LAND ACQUISITION, BOSTON HARBOR ISLANDS RECREATION AREA.

Section 1029(c) of division I of the Omnibus Parks Act (110 Stat. 4233; 16 U.S.C. 460kkk(c)) is amended by adding at the end the following new paragraph:

''(3) LAND ACQUISITION.—Notwithstanding subsection (h), the Secretary is authorized to acquire, in partnership with other entities, a less than fee interest in lands at Thompson Island within the recreation area. The Secretary may acquire the lands only by donation, purchase with donated or appropriated funds, or by exchange.''.

TITLE XII—DUTCH JOHN FEDERAL PROPERTY DISPOSITION AND ASSISTANCE

SEC. 1201. SHORT TITLE.

This title may be cited as the ''Dutch John Federal Property Disposition and Assistance Act of 1998''.

SEC. 1202. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1)(A) Dutch John, Utah, was founded by the Secretary of the Interior in 1958 on Bureau of Reclamation land as a community to house personnel, administrative offices, and equipment for project construction and operation of the Flaming Gorge Dam and Reservoir as authorized by the Act of April 11, 1956 (70 Stat. 105, chapter 203; 43 U.S.C. 620 et seq.); and

(B) permanent structures (including houses, administrative offices, equipment storage and maintenance buildings, and other public buildings and facilities) were constructed and continue to be owned and maintained by the Secretary of the Interior;

(2)(A) Bureau of Reclamation land surrounding the Flaming Gorge Reservoir (including the Dutch John community) was included within the boundaries of the Flaming Gorge National Recreation Area in 1968 under Public Law 90–540 (16 U.S.C. 460v et seq.);

(B) Public Law 90–540 assigned responsibility for administration, protection, and development of the Flaming Gorge National

Recreation Area to the Secretary of Agriculture and provided that lands and waters needed or used for the Colorado River Storage Project would continue to be administered by the Secretary of the Interior; and

(C) most structures within the Dutch John community (including the schools and public buildings within the community) occupy lands administered by the Secretary of Agriculture;

(3)(A) the Secretary of Agriculture and the Secretary of the Interior are unnecessarily burdened with the cost of continuing to provide basic services and facilities and building maintenance and with the administrative costs of operating the Dutch John community; and

(B) certain structures and lands are no longer essential to management of the Colorado River Storage Project or to management of the Flaming Gorge National Recreation Area;

(4)(A) residents of the community are interested in purchasing the homes they currently rent from the Secretary of the Interior and the land on which the homes are located;

(B) Daggett County, Utah, is interested in reducing the financial burden the County experiences in providing local government support services to a community that produces little direct tax revenue because of Federal ownership; and

(C) a withdrawal of the role of the Federal Government in providing basic direct community services to Dutch John would require local government to provide the services at a substantial cost;

(5)(A) residents of the Dutch John community are interested in self-government of the community; and

(B) with growing demands for additional commercial recreation services for visitors to the Flaming Gorge National Recreation Area and Ashley National Forest, there are opportunities for private economic development, but few private lands are available for the services; and

(6) the privatization and disposal to local government of certain lands in and surrounding Dutch John would be in the public interest.

(b) PURPOSES.—The purposes of this title are—

(1) to privatize certain lands in and surrounding Dutch John, Utah;

(2) to transfer jurisdiction of certain Federal property between the Secretary of Agriculture and the Secretary of the Interior;

(3) to improve the Flaming Gorge National Recreation Area;

(4) to dispose of certain residential units, public buildings, and facilities;

(5) to provide interim financial assistance to local government to defray the cost of providing basic governmental services;

(6) to achieve efficiencies in operation of the Flaming Gorge Dam and Reservoir and the Flaming Gorge National Recreation Area;

(7) to reduce long-term Federal outlays; and

(8) to serve the interests of the residents of Dutch John and Daggett County, Utah, and the general public.

SEC. 1203. DEFINITIONS.

In this title:

(1) SECRETARY OF AGRICULTURE.—The term ''Secretary of Agriculture'' means the Secretary of Agriculture, acting through the Chief of the Forest Service.

(2) SECRETARY OF THE INTERIOR.—The term ''Secretary of the Interior'' means the Secretary of the Interior, acting through the Commissioner of the Bureau of Reclamation.

SEC. 1204. DISPOSITION OF CERTAIN LANDS AND PROPERTIES.

(a) IN GENERAL.—Lands, structures, and community infrastructure facilities within or associated with Dutch John, Utah, that have been identified by the Secretary of Agriculture or the Secretary of the Interior as unnecessary for support of the agency of the respective Secretary shall be transferred or disposed of in accordance with this title.

(b) LAND DESCRIPTION.—Except as provided in subsection (e), the Secretary of Agriculture and the Secretary of the Interior shall dispose of (in accordance with this title) approximately 2,450 acres within or associated with the Dutch John, Utah, community in the NW¼ NW¼, S½ NW¼, and S½ of Section 1, the S½ of Section 2, 10 acres more or less within the NE¼ SW¼ of Section 3, Sections 11 and 12, the N½ of Section 13, and the E½ NE¼ of Section 14 of Township 2 North, Range 22 East, Salt Lake Base and Meridian, that have been determined to be available for transfer by the Secretary of Agriculture and the Secretary of the Interior, respectively.

(c) INFRASTRUCTURE FACILITIES AND LAND.—Except as provided in subsection (e), the Secretary of the Interior shall dispose of (in accordance with this title) community infrastructure facilities and land that have been determined to be available for transfer by the Secretary of the Interior, including the following:

(1) The fire station, sewer systems, sewage lagoons, water systems (except as provided in subsection (e)(3)), old post office, electrical and natural gas distribution systems, hospital building, streets, street lighting, alleys, sidewalks, parks, and community buildings located within or serving Dutch John, including fixtures, equipment, land, easements, rights-of-way, or other property primarily used for the operation, maintenance, replacement, or repair of a facility referred to in this paragraph.

(2) The Dutch John Airport, comprising approximately 25 acres, including runways, roads, rights-of-way, and appurtenances to the Airport, subject to such monitoring and remedial action by the United States as is necessary.

(3) The lands on which are located the Dutch John public schools, which comprise approximately 10 acres.

(d) OTHER PROPERTIES AND FACILITIES.—The Secretary of Agriculture and the Secretary of the Interior shall dispose of (in accordance with this title) the other properties and facilities that have been determined to be available for transfer or disposal by the Secretary of Agriculture and the Secretary of the Interior, respectively, including the following:

(1) Certain residential units occupied on the date of enactment of this Act, as determined by the Secretary of the Interior.

(2) Certain residential units unoccupied on the date of enactment of this Act, as determined by the Secretary of the Interior.

(3) Lots within the Dutch John community that are occupied on the date of enactment of this Act by privately owned modular homes under lease agreements with the Secretary of the Interior.

(4) Unoccupied platted lots within the Dutch John community.

(5) The land, comprising approximately 3.8 acres, on which is located the Church of Jesus Christ of Latter Day Saints, within Block 9, of the Dutch John community.

(6) The lands for which special use permits, easements, or rights-of-way for commercial uses have been issued by the Forest Service.

(7) The lands on which are located the offices, 3 employee residences, warehouses, and facilities of the Utah Division of Wildlife Resources, as described in the survey required under section 1207, including yards and land defined by fences in existence on the date of enactment of this Act.

(8) The Dutch John landfill site, subject to such monitoring and remedial action by the United States as is necessary, with responsibility for monitoring and remediation being shared by the Secretary of Agriculture and the Secretary of the Interior proportionate to their historical use of the site.

(9) Such fixtures and furnishing in existence and in place on the date of enactment of this Act as are mutually determined by Daggett County, the Secretary of Agriculture, and the Secretary of the Interior to be necessary for the full use of properties or facilities disposed of under this title.

(10) Such other properties or facilities at Dutch John that the Secretary of Agriculture or the Secretary of the Interior determines are not necessary to achieve the mission of the respective Secretary and the disposal of which would be consistent with this title.

(e) RETAINED PROPERTIES.—Except to the extent the following properties are determined by the Secretary of Agriculture or the Secretary of the Interior to be available for disposal, the Secretary of Agriculture and the Secretary of the Interior shall retain for their respective use the following:

(1) All buildings and improvements located within the industrial complex of the Bureau of Reclamation, including the maintenance shop, 40 industrial garages, 2 warehouses, the equipment storage building, the flammable equipment storage building, the hazardous waste storage facility, and the property on which the buildings and improvements are located.

(2) 17 residences under the jurisdiction of the Secretary of the Interior and the Secretary of Agriculture, of which—

(A) 15 residences shall remain under the jurisdiction of the Secretary of the Interior; and

(B) 2 residences shall remain under the jurisdiction of the Secretary of Agriculture.

(3) The Dutch John water system raw water supply line and return line between the power plant and the water treatment plant, pumps and pumping equipment, and any appurtenances and rights-of-way to the line and other facilities, with the retained facilities to be operated and maintained by the United States with pumping costs and operation and maintenance costs of the pumps to be included as a cost to Daggett County in a water service contract.

(4) The heliport and associated real estate, consisting of approximately 20 acres, which shall remain under the jurisdiction of the Secretary of Agriculture.

(5) The Forest Service warehouse complex and associated real estate, consisting of approximately 2 acres, which shall remain under the jurisdiction of the Secretary of Agriculture.

(6) The Forest Service office complex and associated real estate, which shall remain under the jurisdiction of the Secretary of Agriculture.

(7) The United States Post Office, pursuant to Forest Service Special Use Permit No. 1073, which shall be transferred to the jurisdiction of the United States Postal Service pursuant to section 1206(d).

SEC. 1205. REVOCATION OF WITHDRAWALS.

In the case of lands and properties transferred under section 1204, effective on the date of transfer to the Secretary of the Interior (if applicable) or conveyance by quitclaim deed out of Federal ownership, authorization for each of the following withdrawals is revoked:

(1) The Public Water Reserve No. 16, Utah No. 7, dated March 9, 1914.

(2) The Secretary of the Interior Order dated October 20, 1952.

(3) The Secretary of the Interior Order dated July 2, 1956, No. 71676.

(4) The Flaming Gorge National Recreation Area, dated October 1, 1968, established under Public Law 90–540 (16 U.S.C. 460v et seq.), as to lands described in section 1204(b).

(5) The Dutch John Administrative Site, dated December 12, 1951 (PLO 769, U–0611).

SEC. 1206. TRANSFERS OF JURISDICTION.

(a) TRANSFERS FROM THE SECRETARY OF AGRICULTURE.—Except for properties retained under section 1204(e), all lands designated under section 1204 for disposal shall be—

(1) transferred from the jurisdiction of the Secretary of Agriculture to the Secretary of the Interior and, if appropriate, the United States Postal Service; and

(2) removed from inclusion in the Ashley National Forest and the Flaming Gorge National Recreation Area.

(b) EXCHANGE OF JURISDICTION BETWEEN INTERIOR AND AGRICULTURE.—

(1) TRANSFER TO SECRETARY OF AGRICULTURE.—The Secretary of the Interior shall transfer to the Secretary of Agriculture administrative jurisdiction over certain lands and interests in lands, consisting of approximately 2,167 acres in Duchesne and Wasatch Counties, Utah, which were acquired by the Secretary of the Interior for the Central Utah Project, as depicted on the following maps:

(A) The map entitled ''The Dutch John Townsite, Ashley National Forest, Lower Stillwater'', dated February 1997.

(B) The map entitled ''The Dutch John Townsite, Ashley National Forest, Red Hollow (Diamond Properties)'', dated February 1997.

(C) The map entitled ''The Dutch John Townsite, Ashley National Forest, Coal Hollow (Current Creek Reservoir)'', dated February 1997.

(2) TRANSFER TO SECRETARY OF THE INTERIOR.—The Secretary of Agriculture shall transfer to the Secretary of the Interior administrative jurisdiction over certain lands and interests in lands, consisting of approximately 2,450 acres in the Ashley National Forest, as depicted on the map entitled ''Ashley National Forest, Lands to be Transferred to the Bureau of Reclamation (BOR) from the Forest Service'', dated February 1997.

(3) EFFECT OF EXCHANGE.—

(A) NATIONAL FORESTS.—The lands and interests in land transferred to the Secretary of Agriculture under paragraph (1) shall become part of the Ashley or Uinta National Forest, as appropriate. The boundaries of each of the National Forests are hereby adjusted as appropriate to reflect the transfers of administrative jurisdiction.

(B) MANAGEMENT.—The Secretary of Agriculture shall manage the lands and interests in land transferred to the Secretary of Agriculture under paragraph (1) in accordance with the Act of March 1, 1911 (commonly known as the ''Weeks Law'') (36 Stat. 962, chapter 186; 16 U.S.C. 515 et seq.), and other laws (including rules and regulations) applicable to the National Forest System.

(C) WILDLIFE MITIGATION.—As of the date of the transfer under paragraph (1), the wildlife mitigation requirements of section 8 of the Act of April 11, 1956 (43 U.S.C. 620g), shall be deemed to be met.

(D) ADJUSTMENT OF BOUNDARIES.—This paragraph does not limit the authority of the Secretary of Agriculture to adjust the boundaries of the Ashley or Uinta National Forest pursuant to section 11 of the Act of March 1, 1911 (commonly known as the ''Weeks Law'') (36 Stat. 963, chapter 186; 16 U.S.C. 521).

(4) LAND AND WATER CONSERVATION FUND.—For the purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–9), the boundaries of the Ashley and Uinta National Forests, as adjusted under this section, shall be considered to be the boundaries of the Forests as of January 1, 1965.

(c) FEDERAL IMPROVEMENTS.—The Secretary of the Interior shall transfer to the Secretary of Agriculture jurisdiction over Federal improvements on the lands transferred to the Secretary of Agriculture under this section.

(d) TRANSFER TO UNITED STATES POSTAL SERVICE.—The Secretary of Agriculture shall transfer to the United States Postal Service administrative jurisdiction over certain lands and interests in land subject to Forest Service Special Use Permit No. 1073, containing approximately 0.34 acres.

(e) WITHDRAWALS.—Notwithstanding subsection (a), lands retained by the Federal Government under this title shall continue to be withdrawn from mineral entry under the United States mining laws.

SEC. 1207. SURVEYS.

The Secretary of the Interior shall survey or resurvey all or portions of the Dutch John community as necessary—

(1) to accurately describe parcels identified under this title for transfer among agencies, for Federal disposal, or for retention by the United States; and

(2) to facilitate future recordation of title.

SEC. 1208. PLANNING.

(a) RESPONSIBILITY.—In cooperation with the residents of Dutch John, the Secretary of Agriculture, and the Secretary of the Interior, Daggett County, Utah, shall be responsible for developing a land use plan that is consistent with maintenance of the values of the land that is adjacent to land that remains under the jurisdiction of the Secretary of Agriculture or Secretary of the Interior under this title.

(b) COOPERATION.—The Secretary of Agriculture and the Secretary of the Interior shall cooperate with Daggett County in ensuring that disposal processes are consistent with the land use plan developed under subsection (a) and with this title.

SEC. 1209. APPRAISALS.

(a) REQUIREMENTS.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of the Interior shall conduct appraisals to determine the fair market value of properties designated for disposal under paragraphs (1), (2), (3), (5), and (7) of section 1204(d).

(2) UNOCCUPIED PLATTED LOTS.—Not later than 90 days after the date of receipt by the Secretary of the Interior from an eligible purchaser of a written notice of intent to purchase an unoccupied platted lot referred to in section 1204(d)(4), the Secretary of the Interior shall conduct an appraisal of the lot.

(3) SPECIAL USE PERMITS.—

(A) IN GENERAL.—Not later than 90 days after the date of receipt by the Secretary of the Interior from a permit holder of a written notice of intent to purchase a property described in section 1210(g), the Secretary of the Interior shall conduct an appraisal of the property.

(B) IMPROVEMENTS AND ALTERNATIVE LAND.—An appraisal to carry out subparagraph (A) may include an appraisal of the value of permit holder improvements and alternative land in order to conduct an in-lieu land sale.

(4) OCCUPIED PARCELS.—In the case of an occupied parcel, an appraisal under this subsection shall include an appraisal of the full fee value of the occupied lot or land parcel and the value of residences, structures, facilities, and existing, in-place federally owned fixtures and furnishings necessary for full use of the property.

(5) UNOCCUPIED PARCELS.—In the case of an unoccupied parcel, an appraisal under this subsection shall consider potential future uses of the parcel that are consistent with the land use plan developed under section 1208(a) (including the land use map of the plan) and with subsection (c).

(6) FUNDING.—Funds for appraisals conducted under this section shall be derived from the Upper Colorado River Basin Fund authorized by section 5 of the Act of April 11, 1956 (70 Stat. 107, chapter 203; 43 U.S.C. 620d).

(b) REDUCTIONS FOR IMPROVEMENTS.—An appraisal of a residence or a structure or facility leased for private use under this section shall deduct the contributory value of improvements made by the current occupant or lessee if the occupant or lessee provides reasonable evidence of expenditure of money or materials in making the improvements.

(c) CURRENT USE.—An appraisal under this section shall consider the current use of a property (including the use of housing as a community residence) and avoid uncertain speculation as to potential future use.

(d) REVIEW.—

(1) IN GENERAL.—The Secretary of the Interior shall make an appraisal under this section available for review by a current occupant or lessee.

(2) ADDITIONAL INFORMATION OR APPEAL.—

(A) IN GENERAL.—The current occupant or lessee may provide additional information, or appeal the findings of the appraisal in writing, to the Upper Colorado Regional Director of the Bureau of Reclamation.

(B) ACTION BY SECRETARY OF THE INTERIOR.—The Secretary of the Interior—

(i) shall consider the additional information or appeal; and

(ii) may conduct a second appraisal if the Secretary determines that a second appraisal is necessary.

(e) INSPECTION.—The Secretary of the Interior shall provide opportunities for other qualified, interested purchasers to inspect completed appraisals under this section.

SEC. 1210. DISPOSAL OF PROPERTIES.

(a) CONVEYANCES.—

(1) PATENTS.—The Secretary of the Interior shall dispose of properties identified for disposal under section 1204, other than properties retained under section 1204(e), without regard to law governing patents.

(2) CONDITION AND LAND.—Except as otherwise provided in this title, conveyance of a building, structure, or facility under this title shall be in its current condition and shall include the land parcel on which the building, structure, or facility is situated.

(3) FIXTURES AND FURNISHINGS.—An existing and in-place fixture or furnishing necessary for the full use of a property or facility under this title shall be conveyed along with the property.

(4) MAINTENANCE.—

(A) BEFORE CONVEYANCE.—Before property is conveyed under this title, the Secretary of the Interior shall ensure reasonable and prudent maintenance and proper care of the property.

(B) AFTER CONVEYANCE.—After property is conveyed to a recipient under this title, the recipient shall be responsible for—

(i) maintenance and proper care of the property; and

(ii) any contamination of the property.

(b) INFRASTRUCTURE FACILITIES AND LAND.—Infrastructure facilities and land described in paragraphs (1) and (2) of section 1204(c) shall be conveyed, without consideration, to Daggett County, Utah.

(c) SCHOOL.—The lands on which are located the Dutch John public schools described in section 1204(c)(3) shall be conveyed, without consideration, to the Daggett County School District.

(d) UTAH DIVISION OF WILDLIFE RESOURCES.—Lands on which are located the offices, 3 employee residences, warehouses, and facilities of the Utah Division of Wildlife Resources described in section 1204(d)(7) shall be conveyed, without consideration, to the Division.

(e) RESIDENCES AND LOTS.—

(1) IN GENERAL.—

(A) FAIR MARKET VALUE.—A residence and occupied residential lot to be disposed of under this title shall be sold for the appraised fair market value.

(B) NOTICE.—The Secretary of the Interior shall provide local general public notice, and written notice to lessees and to current occupants of residences and of occupied residential lots for disposal, of the intent to sell properties under this title.

(2) PURCHASE OF RESIDENCES OR LOTS BY LESSEES.—

(A) IN GENERAL.—Subject to subparagraph (B), the Secretary of the Interior shall provide a holder of a current lease from the Secretary for a residence to be sold under paragraph (1) or (2) of section 1204(d) or for a residential lot occupied by a privately owned dwelling described in section 1204(d)(3) a period of 180 days beginning on the date of the written notice of the Secretary of intent of the Secretary to sell the residence or lot, to execute a contract with the Secretary of the Interior to purchase the residence or lot for the appraised fair market value.

(B) NOTICE OF INTENT TO PURCHASE.—To obtain the protection of subparagraph (A), the lessee shall, during the 30-day period beginning on the date of receipt of the notice referred to in subparagraph (A), notify the Secretary in writing of the intent of the lessee to purchase the residence or lot.

(C) NO NOTICE OR PURCHASE CONTRACT.—If no written notification of intent to purchase is received by the Secretary in accordance with subparagraph (B) or if a purchase contract has not been executed in accordance with subparagraph (A), the residence or lot shall become available for purchase by other persons under paragraph (3).

(3) PURCHASE OF RESIDENCES OR LOTS BY OTHER PERSONS.—

(A) ELIGIBILITY.—If a residence or lot becomes available for purchase under paragraph (2)(C), the Secretary of the Interior shall make the residence or lot available for purchase by—

(i) a current authorized occupant of the residence to be sold;

(ii) a holder of a current reclamation lease for a residence within Dutch John;

(iii) an employee of the Bureau of Reclamation or the Forest Service who resides in Dutch John; or

(iv) a Federal or non-Federal employee in support of a Federal agency who resides in Dutch John.

(B) PRIORITY.—

(i) SENIORITY.—Priority for purchase of properties available for purchase under this paragraph shall be by seniority of reclamation lease or residency in Dutch John.

(ii) PRIORITY LIST.—The Secretary of the Interior shall compile a priority list of eligible potential purchasers that is based on the length of continuous residency in Dutch John or the length of a continuous residence lease issued by the Bureau of Reclamation in Dutch John, with the highest priority provided for purchasers with the longest continuous residency or lease.

(iii) INTERRUPTIONS.—If a continuous residency or lease was interrupted, the Secretary shall consider only that most recent continuous residency or lease.

(iv) OTHER FACTORS.—In preparing the priority list, the Secretary shall not consider a factor (including agency employment or position) other than the length of the current residency or lease.

(v) DISPUTES.—A potential purchaser may file a written appeal over a dispute involving eligibility or ranking on the priority list with the Secretary of the Interior, acting through the Upper Colorado Regional Director of the Bureau of Reclamation. The Secretary, acting through the Regional Director, shall consider the appeal and resolve the dispute.

(C) NOTICE.—The Secretary of the Interior shall provide general public notice and written notice by certified mail to eligible purchasers that specifies—

(i) properties available for purchase under this paragraph;

(ii) the appraised fair market value of the properties;

(iii) instructions for potential eligible purchasers; and

(iv) any purchase contract requirements.

(D) NOTICE OF INTENT TO PURCHASE.—An eligible purchaser under this paragraph shall have a period of 90 days after receipt of written notification to submit to the Secretary of the Interior a written notice of intent to purchase a specific available property at the listed appraised fair market value.

(E) NOTICE OF ELIGIBILITY OF HIGHEST ELIGIBLE PURCHASER TO PURCHASE PROPERTY.—The Secretary of the Interior shall provide notice to the potential purchaser with the highest eligible purchaser priority for each property that the purchaser will have the first opportunity to execute a sales contract and purchase the property.

(F) AVAILABILITY TO OTHER PURCHASERS ON PRIORITY LIST.—If no purchase contract is executed for a property by the highest priority purchaser within the 180 days after receipt of notice under subparagraph (E), the Secretary of the Interior shall make the property available to other purchasers listed on the priority list.

(G) LIMITATION ON NUMBER OF PROPERTIES.—No household may purchase more than 1 residential property under this paragraph.

(4) RESIDUAL PROPERTY TO COUNTY.—If a residence or lot to be disposed of under this title is not purchased in accordance with paragraph (2) or (3) within 2 years after providing the first notice of intent to sell under paragraph (1)(B), the Secretary of the Interior shall convey the residence or lot to Daggett County without consideration.

(5) ADVISORY COMMITTEE.—The Secretary of the Interior, acting through the Upper Colorado Regional Director of the Bureau of Reclamation, may appoint a nonfunded Advisory Committee comprised of 1 representative from each of the Bureau of Reclamation, Daggett County, and the Dutch John community to review and provide advice to the Secretary on the resolution of disputes arising under this subsection and subsection (f).

(6) FINANCING.—The Secretary of the Interior shall provide advice to potential purchasers under this subsection and subsection (f) in obtaining appropriate and reasonable financing for the purchase of a residence or lot.

(f) UNOCCUPIED PLATTED LOTS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary of the Interior shall make an unoccupied platted lot described in section 1204(d)(4) available for sale to eligible purchasers for the appraised fair market value of the lot.

(2) CONVEYANCE FOR PUBLIC PURPOSE.—On request from Daggett County, the Secretary of the Interior may convey directly to the County without consideration a lot referred to in paragraph (1) that will be used for a public use purpose that is consistent with the land use plan developed under section 1208(a).

(3) ADMINISTRATION.—The procedures established under subsection (e) shall apply to this subsection to the maximum extent practicable, as determined by the Secretary of the Interior.

(4) LAND-USE DESIGNATION.—For each lot sold under this subsection, the Secretary of the Interior shall include in the notice of intent to sell the lot provided under this subsection the land-use designation of the lot established under the land use plan developed under section 1208(a).

(5) LIMITATION ON NUMBER OF LOTS.—No household may purchase more than 1 residential lot under this subsection.

(6) LIMITATION ON PURCHASE OF ADDITIONAL LOTS.—No household purchasing an existing residence under this section may purchase an additional single home, residential lot.

(7) RESIDUAL LOTS TO COUNTY.—If a lot described in paragraph (1) is not purchased in accordance with paragraphs (1) through (6) within 2 years after providing the first notice of intent to sell under this subsection, the Secretary of the Interior shall convey the lot to Daggett County without consideration.

(g) SPECIAL USE PERMITS.—

(1) SALE.—Lands on which Forest Service special use permits are issued to holders numbered 4054 and 9303, Ashley National Forest, comprising approximately 15.3 acres and 1 acre, respectively, may be sold at appraised fair market value to the holder of the permit.

(2) ADMINISTRATION OF PERMITS.—On transfer of jurisdiction of the land to the Secretary of the Interior pursuant to section 1206, the Secretary of the Interior shall administer the permits under the terms and conditions of the permits.

(3) NOTICE OF AVAILABILITY FOR PURCHASE.—The Secretary of the Interior shall notify the respective permit holders in writing of the availability of the land for purchase.

(4) APPRAISALS.—The Secretary of the Interior shall not conduct an appraisal of the land unless the Secretary receives a written notice of intent to purchase the land within 2 years after providing notice under paragraph (3).

(5) ALTERNATIVE PARCELS.—On request by permit holder number 9303, the Secretary of the Interior, in consultation with Daggett County, may—

(A) consider sale of a parcel within the Daggett County community of similar size and appraised value in lieu of the land under permit on the date of enactment of this Act; and

(B) provide the holder credit toward the purchase or other negotiated compensation for the appraised value of improvements of the permittee to land under permit on the date of enactment of this Act.

(6) RESIDUAL LAND TO COUNTY.—If land described in paragraph (1) is not purchased in accordance with paragraphs (1) through (5) within 2 years after providing the first notice of intent to sell under this subsection, the Secretary of the Interior shall convey the land to Daggett County without consideration.

(h) TRANSFERS TO COUNTY.—Other land occupied by authorization of a special use permit, easement, or right-of-way to be disposed of under this title shall be transferred to Daggett County if the holder of the authorization and the County, prior to transfer of the lands to the County—

(1) agree to and execute a legal document that grants the holder the rights and privileges provided in the existing authorization; or

(2) enter into another arrangement that is mutually satisfactory to the holder and the County.

(i) CHURCH LAND.—

(1) IN GENERAL.—The Secretary of the Interior shall offer to sell land to be disposed of under this title on which is located an established church to the parent entity of the church at the appraised fair market value.

(2) NOTICE.—The Secretary of the Interior shall notify the church in writing of the availability of the land for purchase.

(3) RESIDUAL LAND TO COUNTY.—If land described in paragraph (1) is not purchased in accordance with paragraphs (1) and (2) within 2 years after providing the first notice of intent to sell under this subsection, the Secretary of the Interior shall convey the land to Daggett County without consideration.

(j) RESIDUAL PROPERTIES TO COUNTY.—The Secretary of the Interior shall convey all lands, buildings, or facilities designated for disposal under this title that are not conveyed in accordance with subsections (a) through (i) to Daggett County without consideration.

(k) WATER RIGHTS.—

(1) IN GENERAL.—Subject to the other provisions of this subsection, the Secretary of the Interior shall transfer all water rights the Secretary holds that are applicable to the Dutch John municipal water system to Daggett County.

(2) WATER SERVICE CONTRACT.—

(A) IN GENERAL.—Transfer of rights under paragraph (1) is contingent on Daggett County entering into a water service contract with the Secretary of the Interior covering payment for and delivery of untreated water to Daggett County pursuant to the Act of April 11, 1956 (70 Stat. 105, chapter 203; 43 U.S.C. 620 et seq.).

(B) DELIVERED WATER.—The contract shall require payment only for water actually delivered.

(3) EXISTING RIGHTS.—Existing rights for transfer to Daggett County under this subsection include—

(A) Utah Water Right 41–2942 (A30557, Cert. No. 5903) for 0.08 cubic feet per second from a water well; and

(B) Utah Water Right 41–3470 (A30414b), an unapproved application to segregate 12,000 acre-feet per year of water from the original approved Flaming Gorge water right (41–2963) for municipal use in the town of Dutch John and surrounding areas.

(4) CULINARY WATER SUPPLIES.—The transfer of water rights under this subsection is conditioned on the agreement of Daggett County to provide culinary water supplies to Forest Service campgrounds served (on the date of enactment of this Act) by the water supply system and to Forest Service and Bureau of Reclamation facilities, at a rate equivalent to other similar uses.

(5) MAINTENANCE.—The Secretary of Agriculture and the Secretary of the Interior shall be responsible for maintenance of their respective water systems from the point of the distribution lines of the systems.

(l) SHORELINE ACCESS.—On receipt of an acceptable application, the Secretary of Agriculture shall consider issuance of a special use permit affording Flaming Gorge Reservoir public shoreline access and use within the vicinity of Dutch John in conjunction with commercial visitor facilities provided and maintained under such a permit.

(m) REVENUES.—

(1) IN GENERAL.—Except as provided in paragraph (2), all revenues derived from the sale of properties as authorized by this title shall temporarily be deposited in a segregated interest-bearing trust account in the Treasury with the moneys on hand in the account paid to Daggett County semiannually to be used by the County for purposes associated with the provision of governmental and community services to the Dutch John community.

(2) DEPOSIT IN THE GENERAL FUND.—Of the revenues described in paragraph (1), 15.1 percent shall be deposited in the general fund of the Treasury.

SEC. 1211. VALID EXISTING RIGHTS.

(a) AGREEMENTS.—

(1) IN GENERAL.—If any lease, permit, right-of-way, easement, or other valid existing right is appurtenant to land conveyed to Daggett County, Utah, under this title, the County shall honor and enforce the right through a legal agreement entered into by the County and the holder before the date of conveyance.

(2) EXTENSION OR TERMINATION.—The County may extend or terminate an agreement under paragraph (1) at the end of the term of the agreement.

(b) USE OF REVENUES.—During such period as the County is enforcing a right described in subsection (a)(1) through a legal agreement between the County and the holder of the right under subsection (a), the County shall collect and retain any revenues due the Federal Government under the terms of the right.

(c) EXTINGUISHMENT OF RIGHTS.—If a right described in subsection (a)(1) with respect to certain land has been extinguished or otherwise protected, the County may dispose of the land.

SEC. 1212. CULTURAL RESOURCES.

(a) MEMORANDA OF AGREEMENT.—Before transfer and disposal under this title of any land that contains cultural resources and that may be eligible for listing on the National Register of Historic Places, the Secretary of Agriculture, in consultation with the Secretary of the Interior, the Utah Historic Preservation Office, and Daggett County, Utah, shall prepare a memorandum of agreement, for review and approval by the Utah Office of Historical Preservation and the Advisory Council on Historic Preservation established by title II of the National Historic Preservation Act (16 U.S.C. 470i et seq.), that contains a strategy for protecting or mitigating adverse effects on cultural resources on the land.

(b) INTERIM PROTECTION.—Until such time as a memorandum of agreement has been approved, or until lands are disposed of under this title, the Secretary of Agriculture shall provide clearance or protection for the resources.

(c) TRANSFER SUBJECT TO AGREEMENT.—On completion of actions required under the memorandum of agreement for certain land, the Secretary of the Interior shall provide for the conveyance of the land to Daggett County, Utah, subject to the memorandum of agreement.

SEC. 1213. TRANSITION OF SERVICES TO LOCAL GOVERNMENT CONTROL.

(a) ASSISTANCE.—

(1) IN GENERAL.—The Secretary of the Interior shall provide training and transitional operating assistance to personnel designated by Daggett County, Utah, as successors to the operators for the Secretary of the infrastructure facilities described in section 1204(c).

(2) DURATION OF TRAINING.—With respect to an infrastructure facility, training under paragraph (1) shall continue for such period as is necessary for the designated personnel to demonstrate reasonable capability to safely and efficiently operate the facility, but not to exceed 2 years.

(3) CONTINUING ASSISTANCE.—The Secretary shall remain available to assist with resolving questions about the original design and installation, operating and maintenance needs, or other aspects of the infrastructure facilities.

(b) TRANSITION COSTS.—For the purpose of defraying costs of transition in administration and provision of basic community services, an annual payment of $300,000 (as adjusted by the Secretary for changes in the Consumer Price Index for all-urban consumers published by the Department of Labor) shall be provided from the Upper Colorado River Basin Fund authorized by section 5 of the Act of April 11, 1956 (70 Stat. 107, chapter 203; 43 U.S.C. 620d), to Daggett County, Utah, or, in accordance with subsection (c), to Dutch John, Utah, for a period not to exceed 15 years beginning the first January 1 that occurs after the date of enactment of this Act.

(c) DIVISION OF PAYMENT.—If Dutch John becomes incorporated and become responsible for operating any of the infrastructure facilities referred to in subsection (a)(1) or for providing other basic local governmental services, the payment amount for the year of incorporation and each following year shall be proportionately divided between Daggett County and Dutch John based on the respective costs paid by each government for the previous year to provide the services.

(d) ELECTRIC POWER.—

(1) AVAILABILITY.—The United States shall make available electric power and associated energy from the Colorado River Storage Project for the Dutch John community.

(2) AMOUNT.—The amount of electric power and associated energy made available under paragraph (1) shall not exceed 1,000,000 kilowatt-hours per year.

(3) RATES.—The rates for power and associated energy shall be the firm capacity and energy rates of the Salt Lake City Area/Integrated Projects.

SEC. 1214. AUTHORIZATION OF APPROPRIATIONS.

(a) RESOURCE RECOVERY AND MITIGATION.—There are authorized to be appropriated to the Secretary of Agriculture, out of nonpower revenues to the Federal Government from land transferred under this title, such sums as are necessary to implement such habitat, sensitive resource, or cultural resource recovery, mitigation, or replacement strategies as are developed with respect to land transferred under this title, except that the strategies may not include acquisition of privately owned lands in Daggett County.

(b) OTHER SUMS.—In addition to sums made available under subsection (a), there are authorized to be appropriated such sums as are necessary to carry out this title.

TITLE XIII—RECLAMATION PROJECT CONVEYANCES AND MISCELLANEOUS PROVISIONS

Subtitle A—Sly Park Dam and Reservoir, California

SEC. 1311. SHORT TITLE.

This subtitle may be cited as the ''Sly Park Unit Conveyance Act''.

SEC. 1312. DEFINITIONS.

For purposes of this subtitle:

(1) The term ''District'' means the El Dorado Irrigation District, a political subdivision of the State of California that has its principal place of business in the city of Placerville, El Dorado County, California.

(2) The term ''Secretary'' means the Secretary of the Interior.

(3) The term ''Project'' means all of the right, title, and interest in and to the Sly Park Dam and Reservoir, Camp Creek Diversion Dam and Tunnel, and conduits and canals held by the United States pursuant to or related to the authorization in the Act entitled ''An Act to authorize the American

River Basin Development, California, for irrigation and reclamation, and for other purposes'', approved October 14, 1949 (63 Stat. 852 chapter 690);

SEC. 1313. CONVEYANCE OF PROJECT.

(a) IN GENERAL.—In consideration of the District accepting the obligations of the Federal Government for the Project and subject to the payment by the District of the net present value of the remaining repayment obligation, as determined by Office of Management and Budget Circular A–129 (in effect on the date of enactment of this Act), the Secretary shall convey the Project to the District.

(b) DEADLINE.—

(1) IN GENERAL.—If no changes in Project operations are expected following the conveyance under subsection (a), the Secretary shall complete the conveyance expeditiously, but not later than 180 days after the date of the enactment of this Act.

(2) DEADLINE IF CHANGES IN OPERATIONS INTENDED.—If the District intends to change Project operations as a result of the conveyance under subsection (a), the Secretary—

(A) shall take into account those potential changes for the purpose of completing any required environmental evaluation associated with the conveyance; and

(B) shall complete the conveyance by not later than 2 years after the date of the enactment of this Act.

(3) ADMINISTRATIVE COSTS OF CONVEYANCE.—If the Secretary fails to complete the conveyance under this subtitle before the applicable deadline under paragraph (1) or (2), the full cost of administrative action and environmental compliance for the conveyance shall be borne by the Secretary. If the Secretary completes the conveyance before that deadline, ½ of such cost shall be paid by the District.

SEC. 1314. RELATIONSHIP TO EXISTING OPERATIONS.

(a) IN GENERAL.—Nothing in this subtitle shall be construed as significantly expanding or otherwise changing the use or operation of the Project from its current use and operation.

(b) FUTURE ALTERATIONS.—If the District alters the operations or uses of the Project it shall comply with all applicable laws or regulations governing such changes at that time (subject to section 1315).

SEC. 1315. RELATIONSHIP TO CERTAIN CONTRACT OBLIGATIONS.

(a) PAYMENT OBLIGATIONS NOT AFFECTED.—The conveyance of the Project under this subtitle does not affect the payment obligations of the District under the contract between the District and the Secretary numbered 14–06–200–7734, as amended by contracts numbered 14–06–200–4282A and 14–06–200–8536A.

(b) PAYMENT OBLIGATIONS EXTINGUISHED.—Provision of consideration by the District in accordance with section 1313(b) shall extinguish all payment obligations under contract numbered 14–06–200–949IR1 between the District and the Secretary.

SEC. 1316. RELATIONSHIP TO OTHER LAWS.

(a) RECLAMATION LAWS.—Except as provided in subsection (b), upon conveyance of the Project under this subtitle, the Reclamation Act of 1902 (82 Stat. 388) and all Acts amendatory thereof or supplemental thereto shall not apply to the Project.

(b) PAYMENTS INTO THE CENTRAL VALLEY PROJECT RESTORATION FUND.—The El Dorado Irrigation District shall continue to make payments into the Central Valley Project Restoration Fund for 31 years after the date of the enactment of this Act. The District's obligation shall be calculated in the same manner as Central Valley Project water contractors.

SEC. 1317. LIABILITY.

Except as otherwise provided by law, effective on the date of conveyance of the Project under this subtitle, the United States shall not be liable for damages of any kind arising out of any act, omission, or occurrence based on its prior ownership or operation of the conveyed property.

Subtitle B—Minidoka Project, Idaho

SEC. 1321. SHORT TITLE

This subtitle may be cited as the ''Burley Irrigation District Conveyance Act''.

SEC. 1322. DEFINITIONS.

In this subtitle:

(1) DISTRICT.—The term ''District'' means the Burley Irrigation District, an irrigation district organized under the law of the State of Idaho.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(3) PROJECT.—The term ''Project'' means all of the right, title, and interest in and to the Southside Pumping Division of the Minidoka Project, Idaho, including the water distribution system below the headworks of the Minidoka Dam held in the name of the United States for the benefit of, and for use on land within, the District for which the allocable construction costs have been fully repaid by the District.

SEC. 1323. CONVEYANCE.

(a) IN GENERAL.—In consideration of the District accepting the obligations of the Federal Government for the Project, and subject to the completion of payments by the District required under subsection (c)(3), the Secretary shall convey the Project and the water rights described in subsection (b) to the District.

(b) WATER RIGHTS.—

(1) TRANSFER REQUIRED.—The Secretary shall transfer to the District, through an agreement among the District, the Minidoka Irrigation District, and the Secretary and in accordance with and subject to the law of the State of Idaho, all natural flow, waste, seepage, return flow, and ground water rights held in the name of the United States—

(A) for the benefit of the South Side Pumping Division operated and maintained by the District;

(B) for use on lands within the District or that are return flows for which the District may receive credit against storage water used.

(2) LIMITATION.—The transfer of the property interest of the United States in Project water rights directed to be conveyed by this section shall—

(A) neither enlarge nor diminish the water rights of either the Minidoka Irrigation District or the District, as set forth in their respective contracts with the United States;

(B) not be exercised as to impair the integrated operation of the Minidoka Project by the Secretary pursuant to applicable Federal law;

(C) not affect any other water rights; and

(D) not result in any adverse impact on any other project water user.

(c) DEADLINE.—

(1) IN GENERAL.—If no changes in Project operations are expected following the conveyance under subsection (a), the Secretary shall complete the conveyance expeditiously, but not later than 180 days after the date of the enactment of this Act.

(2) DEADLINE IF CHANGES IN OPERATIONS INTENDED.—If the District intends to change Project operations as a result of the conveyance under subsection (a), the Secretary—

(A) shall take into account those potential changes for the purpose of completing any required environmental evaluation associated with the conveyance; and

(B) shall complete the conveyance by not later than 2 years after the date of the enactment of this Act.

(3) ADMINISTRATIVE COSTS OF CONVEYANCE.—If the Secretary fails to complete the conveyance under this subtitle before the applicable deadline under paragraph (1) or (2), the full cost of administrative action and environmental compliance for the conveyance shall be borne by the Secretary. If the Secretary completes the conveyance before that deadline, ½ of such cost shall be borne by the District.

SEC. 1324. RELATIONSHIP TO EXISTING OPERATIONS.

(a) IN GENERAL.—Nothing in this subtitle shall be construed as significantly expanding or otherwise changing the use or operation of the Project from its current use and operation.

(b) FUTURE ALTERATIONS.—If the District alters the operations or uses of the Project it shall comply with all applicable laws or regulations governing such changes at that time (subject to section 1325).

SEC. 1325. RELATIONSHIP TO CERTAIN CONTRACT OBLIGATIONS.

(a) SAVINGS.—Nothing in this subtitle or any transfer pursuant thereto shall affect the right of Minidoka Irrigation District to the joint use of the gravity portion of the Southside Canal, subject to compliance by the Minidoka Irrigation District with the terms and conditions of a contract between the District and Minidoka Irrigation District, and any amendments or changes made by agreement of the irrigation districts.

(b) ALLOCATION OF STORAGE SPACE.—The Secretary shall provide an allocation to the District of storage space in Minidoka Reservoir, American Falls Reservoir, and Palisades Reservoir, as described in Burley Contract Nos. 14–06–100–2455 and 14–06–W–48, subject to the obligation of Burley to continue to assume and satisfy its allocable costs of operation and maintenance associated with the storage facilities operated by the Bureau of Reclamation.

(c) PROJECT RESERVED POWER.—The Secretary shall continue to provide the District with project reserved power from the Minidoka Reclamation Power Plant, Palisades Reclamation Power Plant, Black Canyon Reclamation Power Plant, and Anderson Ranch Reclamation Power Plant in accordance with the terms of the existing contracts, including any renewals thereof as provided in such contracts.

SEC. 1326. LIABILITY.

Except as otherwise provided by law, effective on the date of conveyance of the Project under this subtitle, the United States shall not be held liable for damages of any kind arising out of any act, omission, or occurrence based on its prior ownership or operation of the conveyed property.

Subtitle C—Carlsbad Irrigation Project, New Mexico

SEC. 1331. SHORT TITLE.

This subtitle may be cited as the ''Carlsbad Irrigation Project Acquired Land Conveyance Act''.

SEC. 1332. DEFINITIONS.

For purposes of this subtitle:

(1) The term ''District'' means the Carlsbad Irrigation District, a quasimunicipal corporation formed under the laws of the State of New Mexico that has its principal place of business in the city of Carlsbad, Eddy County, New Mexico.

(2) The term ''Secretary'' means the Secretary of the Interior.

(3) The term ''Project'' means all right, title, and interest in and to the lands (including the subsurface and mineral estate) in Eddy County, New Mexico, described as the

acquired lands in section (7) of the Status of Lands and Title Report: Carlsbad Project as reported by the Bureau of Reclamation in 1978 and all interests the United States holds in the irrigation and drainage system of the Carlsbad Project and all related ditch rider houses, maintenance shop and buildings, and Pecos River Flume.

SEC. 1333. CONVEYANCE OF PROJECT.

(a) IN GENERAL.—Except as provided in subsection (b), in consideration of the District accepting the obligations of the Federal Government for the Project, and subject to the completion of payments by the District required under subsection (c)(3), the Secretary shall convey the Project to the District

(b) RETAINED TITLE.—The Secretary shall retain title to the surface estate (but not the mineral estate) of such Project lands which are located under the footprint of Brantley and Avalon dams or any other Project dam or reservoir diversion structure. The Secretary shall retain storage and flow easements for any tracts located under the maximum spillway elevations of Avalon and Brantley Reservoirs.

(c) DEADLINE.—

(1) IN GENERAL.—If no changes in Project operations are expected following the conveyance under subsection (a), the Secretary shall complete the conveyance expeditiously, but not later than 180 days after the date of the enactment of this Act.

(2) DEADLINE IF CHANGES IN OPERATIONS INTENDED.—If the District intends to change Project operations as a result of the conveyance under subsection (a), the Secretary—

(A) shall take into account those potential changes for the purpose of completing any required environmental evaluation associated with the conveyance; and

(B) shall complete the conveyance by not later than 2 years after the date of the enactment of this Act.

(3) ADMINISTRATIVE COSTS OF CONVEYANCE.—If the Secretary fails to complete the conveyance under this subtitle before the applicable deadline under paragraph (1) or (2), the full cost of administrative action and environmental compliance for the conveyance shall be borne by the Secretary. If the Secretary completes the conveyance before that deadline, ½ of such cost shall be paid by the District.

SEC. 1334. RELATIONSHIP TO EXISTING OPERATIONS.

(a) IN GENERAL.—Nothing in this subtitle shall be construed as significantly expanding or otherwise changing the use and operation of the Project from its current use. The Project shall continue to be managed and used by the District for the purposes for which the Project was authorized, based on historic operations, and consistent with the management of other adjacent project lands.

(b) FUTURE ALTERATIONS.—If the District alters the operations or uses of the Project, it shall comply with all applicable laws or regulations governing such changes at that time (subject to section 1335).

SEC. 1335. RELATIONSHIP TO CERTAIN CONTRACT OBLIGATIONS.

(a) IN GENERAL.—Except as provided in subsection (b), upon conveyance of the Project under this subtitle the District shall assume all rights and obligations of the United States under the agreement dated July 28, 1994, between the United States and the Director, New Mexico Department of Game and Fish (Document No. 2–LM–40–00640), relating to management of certain lands near Brantley Reservoir for fish and wildlife purposes and the agreement dated March 9, 1977, between the United States and the New Mexico Department of Energy, Minerals, and Natural Resources (Contract No. 7–07–57–X0888) for the management and operation of Brantley Lake State Park.

(b) LIMITATION.—The District shall not be obligated for any financial support agreed to by the Secretary, or the Secretary's designee, in either agreement and the District shall not be entitled to any receipts or revenues generated as a result of either agreement.

SEC. 1336. LEASE MANAGEMENT AND PAST REVENUES COLLECTED FROM THE ACQUIRED LANDS.

(a) NOTIFICATION OF LEASEHOLDERS.—Within 120 days after the date of enactment of this Act, the Secretary shall provide to the District a written identification of all mineral and grazing leases in effect on Project lands on the date of enactment of this Act and notify all leaseholders of the conveyance authorized by this subtitle.

(b) MANAGEMENT OF LEASES, LICENSES, AND PERMITS.—The District shall assume all rights and obligations of the United States for all mineral and grazing leases, licenses, and permits existing on the Project lands conveyed under section 1333, and shall be entitled to any receipts from such leases, licenses, and permits accruing after the date of conveyance. All such receipts shall be used for purposes for which the Project was authorized and for financing the portion of operations, maintenance, and replacement at the Sumner Dam that, prior to conveyance, was the responsibility of the Bureau of Reclamation, with the exception of major maintenance programs in progress prior to conveyance. The District shall continue to adhere to the current Bureau of Reclamation mineral leasing stipulations for the Project.

(c) AVAILABILITY OF AMOUNTS PAID INTO THE RECLAMATION FUND.—

(1) AMOUNTS IN FUND ON DATE OF ENACTMENT.—Amounts in the reclamation fund on the date of enactment of this Act which exist as construction credits to the Carlsbad Project under the terms of the Mineral Leasing Act for Acquired Lands (30 U.S.C. 351–359) shall be deposited into the general fund of the Treasury and credited to deficit reduction or retirement of the Federal debt.

(2) RECEIPTS AFTER DATE OF ENACTMENT.—Of the receipts from mineral and grazing leases, licenses, and permits on Project lands to be conveyed under section 1333 that are received by the United States after the date of enactment of this Act and before the date of conveyance, up to $200,000 shall be applied to pay the cost referred to in section 1333(c)(3) and the remainder shall be deposited into the general fund of the Treasury of the United States and credited to deficit reduction or retirement of the Federal debt.

SEC. 1337. WATER CONSERVATION PRACTICES.

Nothing in this subtitle shall be construed to limit the ability of the District to voluntarily implement water conservation practices.

SEC. 1338. LIABILITY.

Except as otherwise provided by law, effective on the date of conveyance of the Project under this subtitle, the United States shall not be liable for damages of any kind arising out of any act, omission, or occurrence based on its prior ownership or operation of the conveyed property.

SEC. 1339. FUTURE RECLAMATION BENEFITS.

After completion of the conveyance under this subtitle, the District shall not be eligible for any emergency loan from the Bureau of Reclamation for maintenance or replacement of any facility conveyed under this subtitle.

Subtitle D—Palmetto Bend Project, Texas

SEC. 1341. SHORT TITLE.

This subtitle may be cited as the ''Palmetto Bend Conveyance Act''.

SEC. 1342. DEFINITIONS.

In this subtitle:

(1) STATE.—The term ''State'' means the Lavaca-Navidad River Authority and the Texas Water Development Board, jointly.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(3) PROJECT.—The term ''Project'' means all of the right, title, and interest in and to the Palmetto Bend reclamation project, Texas, authorized by Public Law 90–562 (82 Stat. 999).

SEC. 1343. CONVEYANCE OF PROJECT.

(a) IN GENERAL.—In consideration of the State accepting the obligations of the Federal Government for the Project and subject to the payment by the State of the net present value of the remaining repayment obligation, as determined by Office of Management and Budget Circular A–129 (in effect on the date of enactment of this Act) and the completion of payments by the State required under subsection (b)(3), the Secretary shall convey the Project to the State.

(b) DEADLINE.—

(1) IN GENERAL.—If no changes in Project operations are expected following the conveyance under subsection (a), the Secretary shall complete the conveyance expeditiously, but not later than 180 days after the date of the enactment of this Act.

(2) DEADLINE IF CHANGES IN OPERATIONS INTENDED.—If the State intends to change Project operations as a result of the conveyance under subsection (a), the Secretary—

(A) shall take into account those potential changes for the purpose of completing any required environmental evaluation associated with the conveyance; and

(B) shall complete the conveyance by not later than 2 years after the date of the enactment of this Act.

(3) ADMINISTRATIVE COSTS OF CONVEYANCE.—If the Secretary fails to complete the conveyance under this title before the applicable deadline under paragraph (1) or (2), the full cost of administrative action and environmental compliance for the conveyance shall be borne by the Secretary. If the Secretary completes the conveyance before that deadline, ½ of such cost shall be paid by the State.

SEC. 1344. RELATIONSHIP TO EXISTING OPERATIONS.

(a) IN GENERAL.—Nothing in this subtitle shall be construed as significantly expanding or otherwise changing the use or operation of the Project from its current use and operation.

(b) FUTURE ALTERATIONS.—If the State alters the operations or uses of the Project it shall comply will all applicable laws or regulations governing such changes at that time.

(c) CONDITION.—Subject to the laws of the State of Texas, Lake Texana shall not be used to wheel water originating from the Texas, Colorado River.

SEC. 1345. RELATIONSHIP TO CERTAIN CONTRACT OBLIGATIONS.

Existing obligations of the United States pertaining to the Project shall continue in effect and be assumed by the State.

SEC. 1346. RELATIONSHIP TO OTHER LAWS.

Upon conveyance of the Project under this subtitle, the Reclamation Act of 1902 (82 Stat. 388) and all Acts amendatory thereof or supplemental thereto shall not apply to the Project.

SEC. 1347. LIABILITY.

Except as otherwise provided by law, effective on the date of conveyance of the Project under this subtitle, the United States shall not be liable for damages of any kind arising out of any act, omission, or occurrence based on its prior ownership or operation of the conveyed property.

Subtitle E—Wellton-Mohawk Division, Gila Project, Arizona

SEC. 1351. SHORT TITLE.

This subtitle may be cited as the ''Wellton-Mohawk Division Title Transfer Act of 1998''.

SEC. 1352. DEFINITIONS.

For purposes of this subtitle:

(1) The term ''District'' means the Wellton-Mohawk Irrigation and Drainage District, an irrigation and drainage district created, organized, and existing under and by virtue of the laws of the State of Arizona.

(2) The term ''Project'' means all of the right, title, and interest in and to the Wellton-Mohawk Division, Gila Project, Arizona, held by the United States pursuant to or related to any authorization in the Act of July 30, 1947 (chapter 382; 61 Stat. 628).

(3) The term ''Secretary'' means the Secretary of the Interior.

(4) The term ''withdrawn lands'' means those lands within and adjacent to the District that have been withdrawn from public use for reclamation purposes.

SEC. 1353. CONVEYANCE OF PROJECT.

(a) IN GENERAL.—In consideration of the District accepting the obligations of the Federal Government for the Project, and subject to the payment of fair market value by the District for the withdrawn lands and the completion of payments by the District required under subsection (b)(3), the Secretary shall convey the Project and the withdrawn lands to the District in accordance with the Memorandum of Agreement between the Secretary and the District numbered 8–AA–34–WAO14 and dated July 10, 1998.

(b) DEADLINE.—

(1) IN GENERAL.—The Secretary shall complete the conveyance expeditiously, but not later than 3 years after the date of enactment of this Act.

(2) ADMINISTRATIVE COSTS OF CONVEYANCE.—If the Secretary fails to complete the conveyance under this subtitle before the applicable deadline under paragraph (1), the full cost of administrative action and environmental compliance for the conveyance shall be borne by the Secretary. If the Secretary completes the conveyance before that deadline, ½ of such cost shall be paid by the District.

SEC. 1354. RELATIONSHIP TO EXISTING OPERATIONS.

(a) IN GENERAL.—Nothing in this subtitle shall be construed as significantly expanding or otherwise changing the use or operation of the Project from its current use or operation.

(b) FUTURE ALTERATIONS.—If the District alters the operations or uses of the Project, it shall comply with all applicable laws and regulations governing such changes at that time.

SEC. 1355. LIABILITY.

Except as otherwise provided by law, effective on the date of conveyance of the Project under this subtitle, the United States shall not be held liable under any law for damages of any kind arising out of any act, omission, or occurrence based on its prior ownership or operation of the conveyed property.

SEC. 1356. LANDS TRANSFER.

Pursuant to the Memorandum of Agreement between the Secretary and the District numbered 8–AA–34–WAO14 and dated July 10, 1998, the Secretary may transfer to the District, by sale or exchange, at fair market value, public lands located in or adjacent to the Project, and lands held by the Federal Government on the date of the enactment of this Act pursuant to Public Law 93–320 and Public Law 100–512 and located in or adjacent to the District, other than lands in the Gila River channel.

SEC. 1357. WATER AND POWER CONTRACTS.

Notwithstanding any conveyance or transfer under this subtitle, the Secretary and the Secretary of Energy shall provide for and deliver Colorado River water and Parker-Davis Project Priority Use Power to the District in accordance with the terms of existing contracts with the District, including any amendments and supplements thereto or extensions thereof and as provided under section 2 of the Memorandum of Agreement between the Secretary and the District numbered 8–AA–34–WAO14 and dated July 10, 1998.

Subtitle F—Canadian River Project, Texas

SEC. 1361. SHORT TITLE.

This subtitle may be cited as the ''Canadian River Project Prepayment Act''.

SEC. 1362. DEFINITIONS.

For the purposes of this subtitle:

(1) The term ''Authority'' means the Canadian River Municipal Water Authority, a conservation and reclamation district of the State of Texas.

(2) The term ''Canadian River Project Authorization Act'' means the Act entitled 'An Act to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Canadian River reclamation project, Texas'', approved December 29, 1950 (chapter 1183; 64 Stat. 1124).

(3) The term ''Project'' means all of the right, title, and interest in and to all land and improvements comprising the pipeline and related facilities of the Canadian River Project authorized by the Canadian River Project Authorization Act.

(4) The term ''Secretary'' means the Secretary of the Interior.

SEC. 1363. PREPAYMENT AND CONVEYANCE OF PROJECT.

(a) IN GENERAL.—(1) In consideration of the Authority accepting the obligation of the Federal Government for the Project and subject to the payment by the Authority of the applicable amount under paragraph (2) within the 360-day period beginning on the date of the enactment of this subtitle, the Secretary shall convey the Project to the Authority, as provided in section 2(c)(3) of the Canadian River Project Authorization Act (64 Stat. 1124).

(2) For purposes of paragraph (1), the applicable amount shall be—

(A) $34,806,731, if payment is made by the Authority within the 270-day period beginning on the date of enactment of this title; or

(B) the amount specified in subparagraph (A) adjusted to include interest on that amount since the date of the enactment of this subtitle at the appropriate Treasury bill rate for an equivalent term, if payment is made by the Authority after the period referred to in subparagraph (A).

(3) If payment under paragraph (1) is not made by the Authority within the period specified in paragraph (1), this subtitle shall have no force or effect.

(b) FINANCING.—Nothing in this subtitle shall be construed to affect the right of the Authority to use a particular type of financing.

SEC. 1364. RELATIONSHIP TO EXISTING OPERATIONS.

(a) IN GENERAL.—Nothing in this subtitle shall be construed as significantly expanding or otherwise changing the use or operation of the Project from its current use and operation.

(b) FUTURE ALTERATIONS.—If the Authority alters the operations or uses of the Project it shall comply with all applicable laws or regulations governing such alteration at that time.

(c) RECREATION.—The Secretary of the Interior, acting through the National Park Service, shall continue to operate the Lake Meredith National Recreation Area at Lake Meredith.

(d) FLOOD CONTROL.—The Secretary of the Army, acting through the Corps of Engineers, shall continue to prescribe regulations for the use of storage allocated to flood control at Lake Meredith as prescribed in the Letter of Understanding entered into between the Corps, the Bureau of Reclamation, and the Authority in March and May 1980.

(e) SANFORD DAM PROPERTY.—The Authority shall have the right to occupy and use without payment of lease or rental charges or license or use fees the property retained by the Bureau of Reclamation at Sanford Dam and all buildings constructed by the United States thereon for use as the Authority's headquarters and maintenance facility. Buildings constructed by the Authority on such property, or past and future additions to Government constructed buildings, shall be allowed to remain on the property. The Authority shall operate and maintain such property and facilities without cost to the United States.

SEC. 1365. RELATIONSHIP TO CERTAIN CONTRACT OBLIGATIONS.

(a) PAYMENT OBLIGATIONS EXTINGUISHED.—Provision of consideration by the Authority in accordance with section 603(a) shall extinguish all payment obligations under contract numbered 14–06–500–485 between the Authority and the Secretary.

(b) OPERATION AND MAINTENANCE COSTS.—After completion of the conveyance provided for in section 1363, the Authority shall have full responsibility for the cost of operation and maintenance of Sanford Dam, and shall continue to have full responsibility for operation and maintenance of the Project pipeline and related facilities.

(c) GENERAL.—Rights and obligations under the existing contract No. 14–06–500–485 between the Authority and the United States, other than provisions regarding repayment of construction charge obligation by the Authority and provisions relating to the Project aqueduct, shall remain in full force and effect for the remaining term of the contract.

SEC. 1366. RELATIONSHIP TO OTHER LAWS.

Upon conveyance of the Project under this subtitle, the Reclamation Act of 1902 (82 Stat. 388) and all Acts amendatory thereof or supplemental thereto shall not apply to the Project.

SEC. 1367. LIABILITY.

Except as otherwise provided by law, effective on the date of conveyance of the Project under this subtitle, the United States shall not be liable under any law for damages of any kind arising out of any act, omission, or occurrence relating to the conveyed property.

Subtitle G—Clear Creek Distribution System, California

SEC. 1371. SHORT TITLE.

This subtitle may be cited as the ''Clear Creek Distribution System Conveyance Act''.

SEC. 1372. DEFINITIONS.

For purposes of this subtitle:

(1) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(2) DISTRICT.—The term ''District'' means the Clear Creek Community Services District, a California community services district located in Shasta County, California.

(3) DISTRIBUTION SYSTEM.—The term ''Distribution System'' means all the right title and interest in and to the Clear Creek distribution system as defined in the agreement entitled ''Agreement Between the United States and the Clear Creek Community Services District to Transfer Title to the Clear Creek Distribution System to the Clear Creek Community Services District'' (Agreement No. 8–07–20–L6975).

SEC. 1373. CONVEYANCE OF PROJECT.

(a) IN GENERAL.—In consideration of the District accepting the obligations of the Federal Government for the Distribution System and subject to the completion of payments by the District required under subsection (b)(3), the Secretary shall convey the Distribution System to the District.

(b) DEADLINE.—

(1) IN GENERAL.—If no changes in Project operations are expected following the conveyance under subsection (a), the Secretary shall complete the conveyance expeditiously, but not later than 180 days after the date of the enactment of this Act.

(2) DEADLINE IF CHANGES IN OPERATIONS INTENDED.—If the District intends to change Project operations as a result of the conveyance under subsection (a), the Secretary—

(A) shall take into account those potential changes for the purpose of completing any required environmental evaluation associated with the conveyance; and

(B) shall complete the conveyance by not later than 2 years after the date of the enactment of this Act.

(3) ADMINISTRATIVE COSTS OF CONVEYANCE.—If the Secretary fails to complete the conveyance under this subtitle before the applicable deadline under paragraph (1) or (2), the full cost of administrative action and environmental compliance for the conveyance shall be borne by the Secretary. If the Secretary completes the conveyance before that deadline, ½ of such cost shall be paid by the District.

SEC. 1374. RELATIONSHIP TO EXISTING OPERATIONS.

(a) IN GENERAL.—Nothing in this subtitle shall be construed as significantly expanding or otherwise changing the use or operation of the Distribution System from its current use and operation.

(b) FUTURE ALTERATIONS.—If the District alters the operations or uses of the Distribution System it shall comply with all applicable laws or regulations governing such changes at that time (subject to section 1375).

SEC. 1375. RELATIONSHIP TO CERTAIN CONTRACT OBLIGATIONS.

(a) NATIVE AMERICAN TRUST RESPONSIBILITY.—The Secretary shall ensure that any trust responsibilities to any Native American Tribes that may be affected by the conveyance under this title are protected and fulfilled.

(b) CONTRACT OBLIGATIONS.—Conveyance of the Distribution System under this subtitle—

(1) shall not affect any of the provisions of the District's existing water service contract with the United States (contract number 14–06–200–489–IR3), as it may be amended or supplemented; and

(2) shall not deprive the District of any existing contractual or statutory entitlement to subsequent interim renewals of such contract or to renewal by entering into a long-term water service contract.

SEC. 1376. LIABILITY.

Except as otherwise provided by law, effective on the date of conveyance of the Distribution System under this subtitle, the United States shall not be liable under any law for damages of any kind arising out of any act, omission, or occurrence based on its prior ownership or operation of the conveyed property.

Subtitle H—Pine River Project, Colorado

SEC. 1381. SHORT TITLE.

This subtitle may be cited as the ''Vallecito Dam and Reservoir Conveyance Act''.

SEC. 1382. DEFINITIONS.

For purposes of this subtitle:

(1) The term ''District'' means the Pine River Irrigation District, a political division of the State of Colorado duly organized, existing, and acting pursuant to the laws thereof with its principal place of business in the city of Bayfield, La Plata County, Colorado.

(2) The term ''Secretary'' means the Secretary of the Interior.

(3) The term the ''Project'' means Vallecito Dam and Reservoir, and associated interests, owned by the United States and authorized in 1937 under the provisions of the Department of the Interior Appropriation Act of June 25, 1910 (36 Stat. 835).

(4) The term ''Repayment Contract'' means Repayment Contract #I1r–1204, between Reclamation and the Pine River Irrigation District, dated April 15, 1940, and amended November 30, 1953, all amendments thereto, and changes pursuant to the Act of July 27, 1954 (68 Stat. 534).

(5) The term ''Tribe'' means the Southern Ute Indian Tribe, a federally recognized Indian tribe located on the Southern Ute Indian Reservation, La Plata County, Colorado.

(6) The term ''Jurisdictional Map'' means the map entitled ''Transfer of Jurisdiction—Vallecito Reservoir, United States Department of Agriculture, Forest Service and United States Department of the Interior, Bureau of Reclamation and the Bureau of Indian Affairs'' dated March, 1998.

SEC. 1383. CONVEYANCE OF PROJECT.

(a) CONVEYANCE TO DISTRICT.—

(1) IN GENERAL.—In consideration of the District accepting the obligations of the Federal Government for the Project and subject to the completion of payments by the District required under subsection (b)(3) and occurrence of the events described in paragraphs (2) and (3) of this subsection, the Secretary shall convey an undivided ⅚ interest in the Project to the District.

(2) SUBMISSION OF MANAGEMENT PLAN.—Prior to any conveyance under paragraph (1), the District shall submit to the Secretary a plan to manage the Project in a manner substantially similar to the manner in which it was managed prior to the transfer and in accordance with applicable Federal and State laws, including provisions—

(A) protecting the interests in the Project held by the Bureau of Indian Affairs for the Tribe;

(B) preserving public access and recreational values and preventing growth on certain lands to be conveyed hereunder, as set forth in an Agreement dated March 20, 1998, between the District and residents of Vallecito Reservoir; and

(C) ensuring that any future change in the use of the water supplied by Vallecito Reservoir shall comply with applicable law.

(3) LIMITATION.—No interest in the Project shall convey under this subsection before the date on which the Secretary receives a copy of a resolution adopted by the Tribe declaring that the terms of the conveyance protects the Indian trust assets of the Tribe.

(b) DEADLINE.—

(1) IN GENERAL.—If no changes in Project operations are expected following the conveyance under subsection (a), the Secretary shall complete the conveyance under subsection (a) expeditiously, but not later than 180 days after the date of the enactment of this Act.

(2) DEADLINE IF CHANGES IN OPERATIONS INTENDED.—If the District intends to change Project operations as a result of the conveyance under subsection (a), the Secretary—

(A) shall take into account those potential changes for the purpose of completing any required environmental evaluation associated with the conveyance; and

(B) shall complete the conveyance by not later than 2 years after the date of the enactment of this Act.

(3) ADMINISTRATIVE COSTS OF CONVEYANCE.—If the District submits a plan in accordance with subsection (a)(2) and the Secretary receives a copy of a resolution described in subsection (a)(3), and the Secretary fails to complete the conveyance under subsection (a) before the applicable deadline under paragraph (1) or (2), the full cost of administrative action and environmental compliance for the conveyance shall be borne by the Secretary. If the Secretary completes the conveyance before that deadline, ½ of such cost shall be paid by the District.

(c) TRIBAL INTERESTS.—At the option of the Tribe, the Secretary shall convey to the Tribe an undivided ⅙ interest in the Project, all interests in lands over which the Bureau of Indian Affairs holds administrative jurisdiction under section 1384(e)(1)(A), and water rights associated with those interests. No consideration or compensation shall be required to be paid to the United States for such conveyance.

(d) RESTRICTION ON PARTITION.—Any conveyance of interests in lands under this subtitle shall be subject to the prohibition that those interests in those lands may not be partitioned. Any quit claim deed or patent evidencing such a conveyance shall expressly prohibit partitioning.

SEC. 1384. RELATIONSHIP TO EXISTING OPERATIONS.

(a) IN GENERAL.—Nothing in this subtitle shall be construed as significantly expanding or otherwise changing the use or operation of the Project from its current use and operation.

(b) DESCRIPTION OF EXISTING CONDITION.—The Secretary shall submit to the District, the Bureau of Indian Affairs, and the State of Colorado a description of the existing condition of Vallecito Dam based on Bureau of Reclamation's current knowledge and understanding.

(c) FUTURE ALTERATIONS.—If the District alters the operations or uses of the Project it shall comply with all applicable laws or regulations governing such changes at that time.

(d) FLOOD CONTROL PLAN.—The District shall work with Corps of Engineers to develop a flood control plan for the operation of Vallecito Dam for flood control purposes.

(e) JURISDICTIONAL TRANSFER OF LANDS.—

(1) INUNDATED LANDS.—To provide for the consolidation of lands associated with the Project to be retained by the Forest Service and the consolidation of lands to be transferred to the District, the administrative jurisdiction of lands inundated by and along the shoreline of Vallecito Reservoir, as shown on the Jurisdictional Map, shall be transferred, as set forth in this subsection, concurrently with any conveyance under section 1383. Except as otherwise shown on the Jurisdictional Map—

(A) for withdrawn lands (approximately 260 acres) lying below the 7,665-foot reservoir water surface elevation level, the Forest Service shall transfer an undivided ⅚ interest to the Bureau of Reclamation and an undivided ⅙ interest to the Bureau of Indian Affairs in trust for the Tribe; and

(B) for Project acquired lands (approximately 230 acres) above the 7,665-foot reservoir water surface elevation level, the Bureau of Reclamation and the Bureau of Indian Affairs shall transfer their interests to the Forest Service.

(2) MAP.—The Jurisdictional Map and legal descriptions of the lands transferred pursuant to paragraph (1) shall be on file and available for public inspection in the offices of the Chief of the Forest Service, the Commissioner of Reclamation, appropriate field

offices of those agencies, and the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

(3) ADMINISTRATION.—Following the transfer of administrative jurisdiction under paragraph (1):

(A) All lands that, by reason of the transfer of administrative jurisdiction under paragraph (1), become National Forest System lands within the boundaries of the San Juan National Forest, shall be administered in accordance with the laws, rules, and regulations applicable to the National Forest System.

(B) Bureau of Reclamation withdrawals of land from the San Juan National Forest established by Secretarial Orders on November 9, 1936, October 14, 1937, and June 20, 1945, together designated as Serial No. C–28259, shall be revoked.

(C) The Forest Service shall issue perpetual easements to the District and the Bureau of Indian Affairs, at no cost to the District or the Bureau of Indian Affairs, providing adequate access across all lands subject to Forest Service jurisdiction to insure the District and the Bureau of Indian Affairs the ability to continue to operate and maintain the Project.

(D) The undivided ⅚ interest in National Forest System lands that, by reason of the transfer of administrative jurisdiction under paragraph (1) is to be administered by Bureau of Reclamation, shall be conveyed to the District pursuant to section 1383.

(E) The District and the Bureau of Indian Affairs shall issue perpetual easements to the Forest Service, at no cost to the Forest Service, from National Forest System lands to Vallecito Reservoir to assure continued public access to Vallecito Reservoir when the Reservoir level drops below the 7,665-foot water surface elevation.

(F) The District and the Bureau of Indian Affairs shall issue a perpetual easement to the Forest Service, at no cost to the Forest Service, for the reconstruction, maintenance, and operation of a road from La Plata County Road No. 501 to National Forest System lands east of the Reservoir.

(4) VALID EXISTING RIGHTS.—Nothing in this subsection shall affect any valid existing rights or interests in any existing land use authorization, except that any such land use authorization shall be administered by the agency having jurisdiction over the land after the transfer of administrative jurisdiction under paragraph (1) in accordance with paragraph (3) and other applicable law. Renewal or reissuance of any such authorization shall be in accordance with applicable law and the regulations of the agency having jurisdiction, except that the change of administrative jurisdiction shall not in itself constitute a ground to deny the renewal or reissuance of any such authorization.

(f) FEDERAL DAM CHARGE.—Nothing in this subtitle shall relieve the holder of the Federal Energy Regulatory Commission license for Vallecito Dam in effect on the date of the enactment of this Act from the obligation to make payments under section 10(e)(2) of the Federal Power Act during the term of the license. At the expiration of the present license term, the Federal Energy Regulatory Commission shall adjust the charge to reflect either (1) the 1/6 interest of the United States remaining in the Vallecito Dam after conveyance to the District; or (2) if the remaining 1/6 interest of the United States has been conveyed to the Tribe pursuant to section 1383(c), then no Federal dam charge shall be levied from the date of expiration of the present license.

SEC. 1385. RELATIONSHIP TO OTHER LAWS.

Upon conveyance of the Project under this subtitle, the Reclamation Act of 1902 (82 Stat. 388) and all Acts amendatory thereof or supplemental thereto shall not apply to the Project.

SEC. 1386. LIABILITY.

Except as otherwise provided by law, effective on the date of the conveyance of the remaining undivided 1/6 right and interest in the Pine River Project to the Tribe pursuant to subsection 1383(c), the United States shall not be held liable by any court for damages of any kind arising out of any act, omission, or occurrence relating to such Project, based on its prior ownership or operation of the conveyed property.

Subtitle I—Technical Corrections and Miscellaneous Provisions

SEC. 1391. TECHNICAL CORRECTIONS.

(a) REDUCTION OF WAITING PERIOD FOR OBLIGATION OF FUNDS PROVIDED UNDER RECLAMATION SAFETY OF DAMS ACT OF 1978.—Section 5 of the Reclamation Safety of Dams Act of 1978 (92 Stat. 2471; 43 U.S.C. 509) is amended by striking ''sixty days'' and all that follows through ''day certain)'' and inserting ''30 calendar days''.

(b) ALBUQUERQUE METROPOLITAN AREA RECLAMATION AND REUSE PROJECT.—

(1) TECHNICAL CORRECTIONS.—Section 1621 of the Reclamation Projects Authorization and Adjustment Act of 1992 (43 U.S.C. 390h–12g) is amended—

(A) by amending the section heading to read as follows:

''SEC. 1621. ALBUQUERQUE METROPOLITAN AREA WATER RECLAMATION AND REUSE PROJECT.'';

and

(B) in subsection (a) by striking ''Reuse'' and all that follows through ''reclaim'' and inserting ''Reuse Project to reclaim''.

(2) CLERICAL AMENDMENT.—The table of sections in section 2 of such Act is amended by striking the item relating to section 1621 and inserting the following:

''Sec. 1621. Albuquerque Metropolitan Area Water Reclamation and Reuse Project.''.

(c) PHOENIX METROPOLITAN WATER RECLAMATION AND REUSE PROJECT.—Section 1608 of the Reclamation Projects Authorization and Adjustment Act of 1992 (106 Stat. 4666; 43 U.S.C. 390h–6) is amended—

(1) by amending subsection (a) to read as follows:

''(a) The Secretary, in cooperation with the city of Phoenix, Arizona, shall participate in the planning, design, and construction of the Phoenix Metropolitan Water Reclamation and Reuse Project to utilize fully wastewater from the regional wastewater treatment plant for direct municipal, industrial, agricultural, and environmental purposes, groundwater recharge, and indirect potable reuse in the Phoenix metropolitan area.'';

(2) in subsection (b) by striking the first sentence; and

(3) by striking subsection (c).

(d) REFUND OF CERTAIN AMOUNTS RECEIVED UNDER RECLAMATION REFORM ACT OF 1982.—

(1) REFUND REQUIRED.—Subject to paragraph (2) and the availability of appropriations, the Secretary of the Interior shall refund fully amounts received by the United States as collections under section 224(i) of the Reclamation Reform Act of 1982 (101 Stat. 1330–268; 43 U.S.C. 390ww(i)) for paid bills (including interest collected) issued by the Secretary of the Interior before January 1, 1994, for full-cost charges that were assessed for failure to file certain certification forms under sections 206 and 224(c) of such Act (96 Stat. 1266, 1272; 43 U.S.C. 390ff, 390ww(c)).

(2) ADMINISTRATIVE FEE.—In the case of a refund of amounts collected in connection with sections 206 and 224(c) of the Reclamation Reform Act of 1982 (96 Stat. 1266, 1272; 43 U.S.C. 390ff, 390ww(c)) with respect to any water year after the 1987 water year, the amount refunded shall be reduced by an administrative fee of $260 for each occurrence.

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection $3,000,000.

(e) EXTENSION OF PERIODS FOR REPAYMENTS FOR NUECES RIVER RECLAMATION PROJECT AND CANADIAN RIVER RECLAMATION PROJECT, TEXAS.—Section 2 of the Emergency Drought Relief Act of 1996 (Public Law 104–318; 110 Stat. 3862) is amended by adding at the end the following new subsection:

''(c) EXTENSION OF PERIODS FOR REPAYMENT.—Notwithstanding any provision of the Reclamation Project Act of 1939 (43 U.S.C. 485 et seq.), the Secretary of the Interior—

''(1) shall extend the period for repayment by the city of Corpus Christi, Texas, and the Nueces River Authority under contract No. 6–07–01–X0675, relating to the Nueces River reclamation project, Texas, until—

''(A) August 1, 2029, for repayment pursuant to the municipal and industrial water supply benefits portion of the contract; and

''(B) until August 1, 2044, for repayment pursuant to the fish and wildlife and recreation benefits portion of the contract; and

''(2) shall extend the period for repayment by the Canadian River Municipal Water Authority under contract No. 14–06–500–485, relating to the Canadian River reclamation project, Texas, until October 1, 2021.''.

(f) SOLANO PROJECT WATER.—

(1) AUTHORIZATION.—The Secretary of the Interior is authorized to enter into contracts with the Solano County Water Agency, or any of its member unit contractors for water from the Solano Project, California, pursuant to the Act of February 21, 1911 (43 U.S.C. 523), for—

(A) the impounding, storage, and carriage of nonproject water for domestic, municipal, industrial, and other beneficial purposes, using any facilities associated with the Solano Project, California, and

(B) the exchange of water among Solano Project contractors, for the purposes set forth in subparagraph (A), using facilities associated with the Solano Project, California.

(2) LIMITATION.—The authorization under paragraph (1) shall be limited to the use of that portion of the Solano Project facilities downstream of Mile 26 of the Putah South Canal (as that canal is depicted on the official maps of the Bureau of Reclamation), which is below the diversion points on the Putah South Canal utilized by the city of Fairfield for delivery of Solano Project water.

(g) FISH PASSAGE AND PROTECTIVE FACILITIES, ROGUE RIVER BASIN, OREGON.—The Secretary of the Interior is authorized to use otherwise available amounts to provide up to $2,000,000 in financial assistance to the Medford Irrigation District and the Rogue River Valley Irrigation District for the design and construction of fish passage and protective facilities at North Fork Little Butte Creek Diversion Dam and South Fork Little Butte Creek Diversion Dam in the Rogue River basin, Oregon, if the Secretary determines in writing that these facilities will enhance the fish recovery efforts currently underway at the Rogue River Basin Project, Oregon.

SEC. 1392. AUTHORIZATION TO CONSTRUCT TEMPERATURE CONTROL DEVICES.

(a) FOLSOM DAM.—The Secretary of the Interior is hereby authorized to construct in accordance with the draft environmental impact statement/environmental impact report for the Central Valley Supply contracts under Public Law 101–514 (section 206) and the report entitled ''Assessment of the Beneficial and Adverse Impacts of Operating a

Temperature Control Device (TCD) at the Water Supply Intakes of Folsom Dam'', a temperature control device on Folsom Dam and necessary associated temperature monitoring facilities. The temperature control device and said associated temperature monitoring facilities shall be operated as an integral part of the Central Valley Project for the benefit and propagation of fall-run chinook salmon and steelhead trout in the American River, California.

(b) DEVICE ON NON-CVP FACILITIES.—The Secretary of the Interior is hereby authorized to construct or assist in the construction of 1 or more temperature control devices on existing non-Federal facilities delivering Central Valley Project water supplies from Folsom Reservoir and necessary associated temperature monitoring facilities. These costs of construction of temperature control device and associated temperature monitoring facilities shall be nonreimbursable and operated by the non-Federal facility owner at its expense, in coordination with the Central Valley Project for the benefit and propagation of chinook salmon and steelhead trout in the American River, California.

(c) AUTHORIZATION.—There is hereby authorized to be appropriated for the construction of a temperature control device on Folsom Dam and necessary associated temperature monitoring facilities the sum of $5,000,000 (adjusted for inflation based on October 1997 prices). There is also authorized to be appropriated for the construction of a temperature control device on existing non-Federal facilities and necessary associated temperature monitoring facilities the sum of $2,000,000 (October 1997 prices). There is also authorized to be appropriated, in addition thereto, such amounts as are required for operation, maintenance, and replacement of the temperature control devices on Folsom Dam and associated temperature monitoring facilities.

SEC. 1393. COLUSA BASIN WATERSHED INTEGRATED RESOURCES MANAGEMENT.

(a) SHORT TITLE.—This section may be cited as the ''Colusa Basin Watershed Integrated Resources Management Act''.

(b) AUTHORIZATION OF ASSISTANCE.—The Secretary of the Interior (in this section referred to as the ''Secretary'') may provide financial assistance to the Colusa Basin Drainage District, California (in this section referred to as the ''District''), for use by the District or by local agencies acting pursuant to section 413 of the State of California statute known as the Colusa Basin Drainage Act (California Stats. 1987, ch. 1399), as in effect on the date of the enactment of this Act (in this section referred to as the ''State statute''), for planning, design, environmental compliance, and construction required in carrying out eligible projects in the Colusa Basin Watershed to—

(1)(A) reduce the risk of damage to urban and agricultural areas from flooding or the discharge of drainage water or tailwater;

(B) assist in groundwater recharge efforts to alleviate overdraft and land subsidence; or

(C) construct, restore, or preserve wetland and riparian habitat; and

(2) capture, as an incidental purpose of any of the purposes referred to in paragraph (1), surface or stormwater for conservation, conjunctive use, and increased water supplies.

(c) PROJECT SELECTION.—

(1) ELIGIBLE PROJECTS.—A project shall be an eligible project for purposes of subsection (b) only if it is—

(A) identified in the document entitled ''Colusa Basin Water Management Program'', dated February 1995; and

(B) carried out in accordance with that document and all environmental documentation requirements that apply to the project under the laws of the United States and the State of California.

(2) COMPATIBILITY REQUIREMENT.—The Secretary shall ensure that projects for which assistance is provided under this section are not inconsistent with watershed protection and environmental restoration efforts being carried out under the authority of the Central Valley Project Improvement Act (Public Law 102–575; 106 Stat. 4706 et seq.) or the CALFED Bay-Delta Program.

(d) COST SHARING.—

(1) NON-FEDERAL SHARE.—The Secretary shall require that the District and cooperating non-Federal agencies or organizations pay—

(A) 25 percent of the costs associated with construction of any project carried out with assistance provided under this section; and

(B) 100 percent of any operation, maintenance, and replacement and rehabilitation costs with respect to such a project.

(2) PLANNING, DESIGN, AND COMPLIANCE ASSISTANCE.—Funds appropriated pursuant to this section may be made available to fund all costs incurred for planning, design, and environmental compliance activities by the District or by local agencies acting pursuant to the State statute, in accordance with agreements with the Secretary.

(3) TREATMENT OF CONTRIBUTIONS.—For purposes of this subsection, the Secretary shall treat the value of lands, interests in lands (including rights-of-way and other easements), and necessary relocations contributed by the District to a project as a payment by the District of the costs of the project.

(e) COSTS NONREIMBURSABLE.—Amounts expended pursuant to this section shall be considered nonreimbursable for purposes of the Act of June 17, 1902 (32 Stat. 388; 43 U.S.C. 371 et seq.), and Acts amendatory thereof and supplemental thereto.

(f) AGREEMENTS.—Funds appropriated pursuant to this section may be made available to the District or a local agency only if the District or local agency, as applicable, has entered into a binding agreement with the Secretary—

(1) under which the District or the local agency is required to pay the non-Federal share of the costs of construction required by subsection (d)(1); and

(2) governing the funding of planning, design, and compliance activities costs under subsection (d)(2).

(g) REIMBURSEMENT.—For project work (including work associated with studies, planning, design, and construction) carried out by the District or by a local agency acting pursuant to the State statute referred to in subsection (b) before the date amounts are provided for the project under this section, the Secretary shall, subject to amounts being made available in advance in appropriations Acts, reimburse the District or the local agency, without interest, an amount equal to the estimated Federal share of the cost of such work under subsection (d).

(h) COOPERATIVE AGREEMENTS.—

(1) IN GENERAL.—The Secretary may enter into cooperative agreements and contracts with the District to assist the Secretary in carrying out the purposes of this section.

(2) SUBCONTRACTING.—Under such cooperative agreements and contracts, the Secretary may authorize the District to manage and let contracts and receive reimbursements, subject to amounts being made available in advance in appropriations Acts, for work carried out under such contracts or subcontracts.

(i) RELATIONSHIP TO RECLAMATION REFORM ACT OF 1982.—Activities carried out, and financial assistance provided, under this section shall not be considered a supplemental or additional benefit for purposes of the Reclamation Reform Act of 1982 (96 Stat. 1263; 43 U.S.C. 390aa et seq.).

(j) APPROPRIATIONS AUTHORIZED.—There are authorized to be appropriated to the Secretary to carry out this section $25,000,000, plus such additional amount, if any, as may be required by reason of changes in costs of services of the types involved in the District's projects as shown by engineering and other relevant indexes. Sums appropriated under this subsection shall remain available until expended.

SEC. 1394. LIMITATION ON STATUTORY CONSTRUCTION.

Nothing in this title shall be construed to abrogate or affect any obligation of the United States under section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)).

TITLE XIV—PROVISIONS SPECIFIC TO ALASKA

SEC. 1401. AUTOMATIC LAND BANK PROTECTION.

(a) LANDS RECEIVED IN EXCHANGE FROM CERTAIN FEDERAL AGENCIES.—The matter preceding clause (i) of section 907(d)(1)(A) of the Alaska National Interest Lands Conservation Act (43 U.S.C. 1636(d)(1)(A)) is amended by inserting ''or conveyed to a Native Corporation pursuant to an exchange authorized by section 22(f) of Alaska Native Claims Settlement Act or section 1302(h) of this Act or other applicable law'' after ''Settlement Trust''.

(b) LANDS EXCHANGED AMONG NATIVE CORPORATIONS.—Section 907(d)(2)(B) of such Act (43 U.S.C. 1636(d)(2)(B)) is amended—

(1) by striking ''and'' at the end of clause (ii);

(2) by striking the period at the end of clause (iii) and inserting ''; and''; and

(3) by adding at the end the following:

''(iv) lands or interest in lands shall not be considered developed or leased or sold to a third party as a result of an exchange or conveyance of such land or interest in land between or among Native Corporations and trusts, partnerships, corporations, or joint ventures, whose beneficiaries, partners, shareholders, or joint venturers are Native Corporations.''.

(c) ACTIONS BY TRUSTEE SERVING PURSUANT TO AGREEMENT OF NATIVE CORPORATIONS.—Section 907(d)(3)(B) of such Act (43 U.S.C. 1636(d)(3)(B)) is amended—

(1) by striking ''or'' at the end of clause (i);

(2) by striking the period at the end of clause (ii) and inserting ''; or''; and

(3) by adding at the end the following:

''(iii) to actions by any trustee whose right, title, or interest in land or interests in land arises pursuant to an agreement between or among Native Corporations and trusts, partnerships, or joint ventures whose beneficiaries, partners, shareholders, or joint venturers are Native Corporations.''.

SEC. 1402. DEVELOPMENT BY THIRD-PARTY TRESPASSERS.

Section 907(d)(2)(A)(i) of the Alaska National Interest Lands Conservation Act (43 U.S.C. 1636(d)(2)(A)(i)) is amended—

(1) by inserting ''Any such modification shall be performed by the Native individual or Native Corporation.'' after ''substantial modification.'';

(2) by inserting a period after ''developed state'' the second place it appears; and

(3) by adding ''Any lands previously developed by third-party trespassers shall not be considered to have been developed.''.

SEC. 1403. RETAINED MINERAL ESTATE.

(a) IN GENERAL.—Section 12(c)(4) of the Alaska Native Claims Settlement Act (43 U.S.C. 1611(c)(4)) is amended—

(1) by redesignating subparagraphs (C) and (D) as subparagraphs (E) and (F), respectively, and by inserting after subparagraph (B) the following new subparagraphs:

''(C) Where such public lands are surrounded by or contiguous to subsurface lands obtained by a Regional Corporation under subsections (a) or (b), the Corporation may, upon request, have such public land conveyed to it.

''(D)(i) A Regional Corporation which elects to obtain public lands under subparagraph (C) shall be limited to a total of not more than 12,000 acres. Selection by a Regional Corporation of in lieu surface acres under subparagraph (E) pursuant to an election under subparagraph (C) shall not be made from any lands within a conservation system unit (as that term is defined by section 102(4) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3102(4)).

''(ii) An election to obtain the public lands described in subparagraph (A), (B), or (C) shall include all available parcels within the township in which the public lands are located.

''(iii) For purposes of this subparagraph and subparagraph (C), the term 'Regional Corporation' shall refer only to Doyon, Limited.''; and

(2) in subparagraph (E) (as so redesignated), by striking ''(A) or (B)'' and inserting ''(A), (B), or (C)''.

(b) FAILURE TO APPEAL NOT PROHIBITIVE.—Section 12(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1611(c)) is amended by adding at the end the following:

''(5) Subparagraphs (A), (B), and (C) of paragraph (4) shall apply, notwithstanding the failure of the Regional Corporation to have appealed the rejection of a selection during the conveyance of the relevant surface estate.''.

SEC. 1404. AMENDMENT TO PUBLIC LAW 102–415.

Section 20 of the Alaska Land Status Technical Corrections Act of 1992 (106 Stat. 2129), is amended by adding at the end the following new subsection:

''(h) Establishment of the account under subsection (b) and conveyance of land under subsection (c), if any, shall be treated as though 3,520 acres of land had been conveyed to Gold Creek under section 14(h)(2) of the Alaska Native Claims Settlement Act for which rights to subsurface estate are hereby provided to CIRI. Within 1 year from the date of the enactment of this subsection, CIRI shall select 3,520 acres of land from the area designated for selection by paragraph I.B.(2)(b) of the document identified in section 12(b) (referring to the Talkeetna Mountains) of the Act of January 2, 1976 (43 U.S.C. 1611 note). Not more than five selections shall be made under this subsection, each of which shall be reasonably compact and in whole sections, except when separated by unavailable land or when the remaining entitlement is less than a whole section.''.

SEC. 1405. CLARIFICATION ON TREATMENT OF BONDS FROM A NATIVE CORPORATION.

Section 29(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c)) is amended—

(1) in paragraph (3)(A), by inserting ''and on bonds received from a Native Corporation'' after ''from a Native Corporation''; and

(2) in paragraph (3)(B), by inserting ''or bonds issued by a Native Corporation which bonds shall be subject to the protection of section 7(h) until voluntarily and expressly sold or pledged by the shareholder subsequent to the date of distribution'' before the semicolon.

SEC. 1406. MINING CLAIMS.

Paragraph (3) of section 22(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1621(c)) is amended—

(1) by striking out ''regional corporation'' each place it appears and inserting in lieu thereof ''Regional Corporation''; and

(2) by adding at the end the following: ''The provisions of this section shall apply to Haida Corporation and the Haida Traditional Use Sites, which shall be treated as a Regional Corporation for the purposes of this paragraph, except that any revenues remitted to Haida Corporation under this section shall not be subject to distribution pursuant to section 7(i) of this Act.''.

SEC. 1407. SALE, DISPOSITION, OR OTHER USE OF COMMON VARIETIES OF SAND, GRAVEL, STONE, PUMICE, PEAT, CLAY, OR CINDER RESOURCES.

Subsection (i) of section 7 of the Alaska Native Claims Settlement Act (43 U.S.C. 1606(i)) is amended—

(1) by striking ''Seventy per centum'' and inserting ''(A) Except as provided by subparagraph (B), seventy percent''; and

(2) by adding at the end the following:

''(B) In the case of the sale, disposition, or other use of common varieties of sand, gravel, stone, pumice, peat, clay, or cinder resources made during a fiscal year ending after the date of enactment of this subparagraph, the revenues received by a Regional Corporation shall not be subject to division under subparagraph (A). Nothing in this subparagraph is intended to or shall be construed to alter the ownership of such sand, gravel, stone, pumice, peat, clay, or cinder resources.''.

SEC. 1408. ALASKA NATIVE ALLOTMENT APPLICATIONS.

Section 905(a) of the Alaska National Interest Lands Conservation Act (43 U.S.C. 1634(a)) is amended by adding at the end the following:

''(7) Paragraph (1) of this subsection and subsection (d) shall apply, and paragraph (5) of this subsection shall cease to apply, to an application—

''(A) that is open and pending on the date of enactment of this paragraph,

''(B) if the lands described in the application are in Federal ownership other than as a result of reacquisition by the United States after January 3, 1959, and

''(C) if any protest which is filed by the State of Alaska pursuant to paragraph (5)(B) with respect to the application is withdrawn or dismissed either before, on, or after the date of the enactment of this paragraph.

''(8)(A) Any allotment application which is open and pending and which is legislatively approved by enactment of paragraph (7) shall, when allotted, be made subject to any easement, trail, or right-of-way in existence on the date of the Native allotment applicant's commencement of use and occupancy.

''(B) The jurisdiction of the Secretary is extended to make any factual determinations required to carry out this paragraph.''.

SEC. 1409. VISITOR SERVICES.

Paragraph (1) of section 1307(b) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3197(b)) is amended—

(1) by striking ''Native Corporation'' and inserting ''Native Corporations''; and

(2) by striking ''is most directly affected'' and inserting ''are most directly affected''.

SEC. 1410. LOCAL HIRE REPORT.

(a) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Secretary of the Interior shall transmit to Congress a report.

(b) LOCAL HIRE.—The report required by subsection (a) shall—

(1) indicate the actions taken in carrying out subsection (b) of section 1308 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3198);

(2) address the recruitment processes that may restrict employees hired under subsection (a) of such section from successfully obtaining positions in the competitive service; and

(3) describe the actions of the Secretary of the Interior in contracting with Alaska Native Corporations to provide services with respect to public lands in Alaska.

(c) COOPERATION.—The Secretary of Agriculture shall cooperate with the Secretary of the Interior in carrying out this section with respect to the Forest Service.

SEC. 1411. SHAREHOLDER BENEFITS.

Section 7 of the Alaskan Native Claims Settlement Act (43 U.S.C. 1606) is amended by adding at the end the following:

''(r) BENEFITS FOR SHAREHOLDERS OR IMMEDIATE FAMILIES.—The authority of a Native Corporation to provide benefits to its shareholders who are Natives or descendants of Natives or to its shareholders' immediate family members who are Natives or descendants of Natives to promote the health, education, or welfare of such shareholders or family members is expressly authorized and confirmed. Eligibility for such benefits need not be based on share ownership in the Native Corporation and such benefits may be provided on a basis other than pro rata based on share ownership.''.

SEC. 1412. SHAREHOLDER HOMESITE PROGRAM.

Section 39(b)(1)(B) of the Alaskan Native Claims Settlement Act (43 U.S.C. 1629e(b)(1)(B)) is amended by inserting after ''settlor corporation'' the following: ''or the land is conveyed for a homesite by the Trust to a beneficiary of the Trust who is also a legal resident under Alaska law of the Native village of the settlor corporation and the conveyance does not exceed 1.5 acres''.

SEC. 1413. MORATORIUM ON FEDERAL MANAGEMENT.

Prior to December 31, 1999, neither the Secretary of the Interior nor the Secretary of Agriculture may issue or implement final regulations, rules, or policies pursuant to title VIII of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3111 et seq.) to assert jurisdiction, management, or control over the navigable waters transferred to the State of Alaska pursuant to the Submerged Lands Act (43 U.S.C. 1301 et seq.) or the Act entitled ''An Act to provide for the admission of the State of Alaska into the Union'', approved July 7, 1958 (Public Law 85–508; 72 Stat. 339).

SEC. 1414. EASEMENT FOR CHUGACH ALASKA CORPORATION.

(a) IN GENERAL.—Notwithstanding any other provision of law, not later than December 11, 1998, the Secretary of Agriculture shall convey to Chugach Alaska Corporation an easement for the construction, use, and maintenance of forest roads and related facilities necessary for access to and economic development of the land interests in the Carbon Mountain and Katalla vicinity that were conveyed to Chugach Alaska Corporation pursuant to the Alaska Native Claims Settlement Act. The public shall be permitted use of the roads pursuant to the terms and conditions contained in the 1982 Chugach Natives, Inc. Settlement Agreement. The location of the easement is depicted on the map entitled ''Carbon Mountain Access Easement'' and dated November 4, 1997. Nothing in this section waives any legal environmental requirement with respect to the actual road construction.

(b) CONSTRUCTION AND MAINTENANCE.—Construction and maintenance of any roads pursuant to subsection (a) shall be in accordance with the best management practices of the Forest Service as promulgated in the Forest Service Handbook.

(c) SETTLEMENT AGREEMENT TO REMAIN IN FORCE.—Nothing in this section shall be construed as impairing or diminishing any right granted Chugach Alaska Corporation under the 1982 Chugach Natives, Inc. Settlement Agreement.

SEC. 1415. CALISTA NATIVE CORPORATION LAND EXCHANGE.

(a) CONGRESSIONAL FINDINGS.—Congress finds and declares that—

(1) the land exchange authorized by section 8126 of Public Law 102–172 should be implemented without further delay;

(2) the Calista Corporation, the Native Regional Corporation organized under the authority of the Alaska Native Claims Settlement Act for the Yupik Eskimos of Southwestern Alaska, which includes the majority of the Yukon Delta National Wildlife Refuge—

(A) has responsibilities provided for by the Alaska Native Claims Settlement Act to help address social, cultural, economic, health, subsistence, and related issues within the region and among its villages, including the viability of the villages themselves, many of which are remote and isolated; and

(B) has been unable to fully carry out such responsibilities;

(3) the implementation of the exchange referenced in this subsection is essential to helping Calista utilize its assets to carry out those responsibilities and to realize the benefits of the Alaska Native Claims Settlement Act;

(4) the parties to the exchange have been unable to reach agreement on the valuation of the lands and interests in lands to be conveyed to the United States under section 8126 of Public Law 102–172; and

(5) in light of the foregoing, it is appropriate and necessary in this unique situation that Congress authorize and direct the implementation of this exchange as set forth in this section in furtherance of the purposes and underlying goals of the Alaska Native Claims Settlement Act and the Alaska National Interest Lands Conservation Act.

(b) LAND EXCHANGE IMPLEMENTATION.—Section 8126 of Public Law 102–172 (105 Stat. 1206) is amended to read as follows:

''SEC. 8126. (a)(1) In exchange for lands, partial estates, and land selection rights identified in the document entitled 'The Calista Conveyance and Relinquishment Document', dated October 28, 1991, as amended September 18, 1998 (hereinafter referred to as 'CCRD'), the United States will establish a property account for the Calista Corporation, a corporation organized under the laws of the State of Alaska, in the amount identified in the CCRD, and in accordance with the provisions of this Act.

''(2) The CCRD contains the land descriptions of the lands and interests in lands to be conveyed, the selections to be relinquished, the charges to entitlement, the quantity and class of entitlement to be transferred to the United States, the terms of the Kuskokwim Corporation Conservation Easement, and the amount that is authorized for the property account.

''(3) The covenants, terms, and conditions to be used in any transfers to the United States described in the CCRD shall be binding on the United States and the participating Native corporations and shall be a matter of Federal law.

''(b)(1) The aggregate values of such lands and interests in lands, together with compensation for the considerations set forth in congressional findings concerning the Calista Region and its villages, shall be the sum provided in section IX of the CCRD. The amounts credited to the property account described in this subsection shall not be subject to adjustment for minor changes in acreage resulting from preparation or correction of the land descriptions in the CCRD or the exclusion of any small tracts of land as a result of hazardous material surveys. The Secretary of the Interior shall maintain an accounting of the lands and interests in lands remaining to be conveyed or relinquished by Calista Corporation and the participating village corporations pursuant to this section. The Secretary of the Treasury on October 1, 1998, shall establish a property account on behalf of Calista Corporation.

''(2) The account shall be credited and available for use as provided in paragraph (4), according to the following schedule of percentages of the amount in section IX of the CCRD:

''(A) On October 1, 1999, and on October 1 of each year thereafter through October 1, 2005, the amount equal to 12.69 percent.

''(B) On October 1, 2007, the amount equal to 11.17 percent.

''(3)(A) Unless otherwise authorized by law, the aggregate amount of all credits to the account, pursuant to the schedule set forth in paragraph (2), shall be equal to the amount in section IX of the CCRD.

''(B) All amounts credited to the account shall be from amounts in the Treasury not otherwise appropriated and shall be available for expenditure without further appropriation and without fiscal year limitation.

''(4) The property account may not be used until all conveyances, relinquishments of selections, and adjustments to entitlements described in the CCRD have been made to and accepted by the United States. The Secretary of the Interior shall notify the Secretary of the Treasury when all requirements of the preceding sentence have been met. Immediately thereafter the Secretary of the Treasury shall comply with his duties under this paragraph including the computations of the amount in the account, the amount that may be expended in any particular Federal fiscal year, and the balance of the account after any transaction. The property account may be used in the same manner as any other property account held by any other Alaska Native Corporation.

''(5) Notwithstanding any other provision of law, Calista Corporation on its own behalf or on behalf of the village corporations identified in the CCRD, may assign any or all of the account upon written notification to the Secretary of the Treasury and the Secretary of the Interior.

''(6) The Secretary of the Treasury shall notify the Secretary of the Interior and Calista whenever there is a reduction in the property account, the purpose for such reduction and the remaining balance in the account. The Alaska State Office of the Bureau of Land Management shall be the official repository of such notices.

''(7) For the purpose of the determination of the applicability of section 7(i) of the Alaska Native Claims Settlement Act (43 U.S.C. 1606(i)) to revenues generated pursuant to that section, such revenues shall be calculated in accordance with section IX of the CCRD.

''(8) The United States shall not be liable for the redistribution of benefits by the Calista Corporation to the participating Alaska Native village corporations pursuant to this section.

''(9) These transactions are not based on appraised property values and therefore shall not be used as a precedent for establishing property values.

''(10) Prior to the issuance of any conveyance documents or relinquishments and acceptance, the Secretary of the Interior and the participating Native corporations may, by mutual agreement, modify the legal descriptions included in the CCRD to correct clerical errors.

''(11) Property located in the State of Alaska that is purchased by use of the property account shall be considered and treated as conveyances of land selections under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.).

''(12) The conveyance of lands, partial estates and land selection rights and relinquishment or adjustments to entitlement made by the Alaska Native Corporations pursuant to this section and the use of the property account in the Treasury shall be treated as the receipt of land or any interest therein or cash in order to equalize the values of properties exchanged pursuant to section 22(f) of the Alaska Native Claims Settlement Act (43 U.S.C. 1621(f)) as provided in the first sentence in section 21(c) of that Act (43 U.S.C. 1620(c)).

''(13) With respect to the content of the CCRD, the Secretary of the Interior, the Calista Regional Corporation, and the participating village corporations agree upon the lands, interests in lands, relinquishments and adjustments to entitlement described therein that may be offered to the United States pursuant to this section. These parties also agree with the amounts to be made available in the property account once all conveyances and relinquishments are completed, and the parties agree with the needs set forth in the congressional findings in section 6(a) of the ANCSA Land Bank Protection Act of 1998. The parties do not necessarily agree on the hortatory statements, descriptions, and attributions of resource values which are included in the CCRD as drafted by Calista. But such disagreements will not affect the implementation of this section.

''(14) Descriptions of resource values provided for surface lands which are not offered in the exchange and will remain privately owned by village corporations form no part of the consideration for the exchange.''.

TITLE XV—OTHER PROVISIONS

SEC. 1501. ADAMS NATIONAL HISTORICAL PARK.

(a) FINDINGS.—Congress finds the following:

(1) In 1946, the Secretary of the Interior, by means of the authority provided to the Secretary under section 2 of the Act of August 21, 1935 (16 U.S.C. 462; commonly known as the Historic Sites, Buildings, and Antiquities Act), established the Adams Mansion National Historic Site in Quincy, Massachusetts.

(2) In 1952, again using the authority provided under the Act of August 21, 1935, the Secretary enlarged the historic site and renamed it the Adams National Historic Site.

(3) In 1972, title III of Public Law 92–272 (86 Stat. 121) authorized the Secretary to expand the boundaries of the Adams National Historic Site to include an additional 3.68 acres and to acquire lands and interests in lands within the expanded boundaries.

(4) Section 312 of the National Parks and Recreation Act of 1978 (Public Law 95–625; 92 Stat. 3479) authorized the Secretary to accept the conveyance of the birthplaces in Quincy, Massachusetts, of John Adams, second President of the United States, and John Quincy Adams, sixth President of the United States, and to administer the birthplaces as part of the Adams National Historic Site.

(5) In 1980, Public Law 96–435 (94 Stat. 1861) authorized the Secretary to accept the conveyance of the United First Parish Church in Quincy, Massachusetts, the burial site of John Adams and his wife, Abigail Adams, and John Quincy Adams and his wife, Louisa Adams, and to administer the burial site as part of the Adams National Historic Site.

(6) The actions described in the preceding paragraphs to preserve for the benefit, education, and inspiration of present and future generations of Americans the home, property, birthplaces, and burial site of John Adams, Abigail Adams, John Quincy Adams, and Louisa Adams, have resulted in a multisite unit of the National Park System with no overarching enabling or authorizing legislation.

(7) The sites and resources associated with John Adams and his wife, Abigail Adams,

and John Quincy Adams and his wife, Louisa Adams, deserve recognition as a national historical park in the National Park System.

(b) DEFINITIONS.—As used in this section:

(1) HISTORICAL PARK.—The term ''historical park'' means the Adams National Historical Park established in subsection (c).

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(c) ADAMS NATIONAL HISTORICAL PARK.

(1) ESTABLISHMENT.—In order to preserve for the benefit, education, and inspiration of the people of the United States certain properties in Quincy, Massachusetts, associated with John Adams, second President of the United States, his wife, Abigail Adams, John Quincy Adams, sixth President of the United States, and his wife, Louisa Adams, there is established the Adams National Historical Park as a unit of the National Park System.

(2) BOUNDARIES.—The historical park shall be comprised of—

(A) all property owned by the National Park Service in the Adams National Historic Site as of the date of the enactment of this Act, as well as all property previously authorized to be acquired by the Secretary for inclusion in the Adams National Historic Site, as generally depicted on the map entitled ''Adams National Historical Park'', numbered NARO 386/92001, and dated July 22, 1992; and

(B) all property authorized to be acquired for inclusion in the historical park by this section or other law enacted after the date of the enactment of this Act.

(3) VISITOR AND ADMINISTRATIVE SITES.—To preserve the historical character and landscape of the main features of the historical park, the Secretary may acquire up to 10 acres for the development of visitor, administrative, museum, curatorial, and maintenance facilities adjacent to or in the general proximity of the property depicted on the map identified in paragraph (2)(A).

(4) MAP.—The map of the historical park shall be on file and available for public inspection in the appropriate offices of the National Park Service.

(d) ADMINISTRATION.—

(1) IN GENERAL.—The park shall be administered by the Secretary in accordance with this section and the provisions of law generally applicable to units of the National Park System, including the Act of August 25, 1916 (16 U.S.C. 1 et seq.; commonly known as the National Park Service Organic Act), and the Act of August 21, 1935 (16 U.S.C. 461 et seq.; commonly known as the Historic Sites, Buildings, and Antiquities Act).

(2) COOPERATIVE AGREEMENTS.—

(A) AGREEMENTS AUTHORIZED.—The Secretary may consult and enter into cooperative agreements with interested entities and individuals to provide for the preservation, development, interpretation, and use of the historical park.

(B) CONDITION.—Any payments made by the Secretary pursuant to a cooperative agreement under this subsection shall be subject to the condition that conversion, use, or disposal of the project for which the payments are made for purposes contrary to the purposes for which the historical park is established, as determined by the Secretary, will result in a right of the United States to reimbursement in an amount equal to the greater of—

(i) all payments made by the Secretary in connection with the project; or

(ii) the proportion of the increased value of the project attributable to the payments, as determined at the time of such conversion, use, or disposal.

(3) ACQUISITION OF REAL PROPERTY.—To advance the purposes for which the historical park is established, the Secretary may acquire real property within the boundaries of the historical park by any of the following methods:

(A) Purchase using funds appropriated or donated to the Secretary.

(B) Acceptance of a donation of the real property.

(C) Use of a land exchange.

(4) REPEAL OF SUPERSEDED ADMINISTRATIVE AUTHORITIES.—(A) Section 312 of the National Parks and Recreation Act of 1978 (Public Law 95–625; 92 Stat. 3479) is amended—

(i) by striking ''(a)'' after ''SEC. 312.''; and

(ii) by striking subsection (b).

(B) The first section of Public Law 96–435 (94 Stat. 1861) is amended—

(i) by striking ''(a)'' after ''That''; and

(ii) by striking subsection (b).

(5) REFERENCES TO HISTORIC SITE.—Any reference in any law (other than this section), regulation, document, record, map, or other paper of the United States to the Adams National Historic Site shall be considered to be a reference to the historical park.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the purposes for which the historical park is established, for annual operations and maintenance of the historical park, and for acquisition of property and development of facilities necessary to operate and maintain the historical park, as may be outlined in an approved general management plan for the historical park.

SEC. 1502. ACQUISITION OF LANDS FOR FREDERICK LAW OLMSTEAD NATIONAL HISTORIC SITE.

Section 201 of Public Law 96–87 (93 Stat. 664; 16 U.S.C. 461 note) is amended by adding at the end the following:

''(d)(1) Notwithstanding subsection (c), in order to preserve and maintain the historic setting of the Site, the Secretary may acquire, by donation only, lands and interests in lands that are situated adjacent to the Site and owned by the Brookline Conservation Land Trust (a nonprofit corporation established under the laws of the State of Massachusetts).

''(2) Lands acquired under this subsection shall be included in and maintained and managed as part of the Site.''.

SEC. 1503. DESIGNATION OF DANTE FASCELL VISITOR CENTER AT BISCAYNE NATIONAL PARK.

(a) DESIGNATION.—The Biscayne National Park visitor center, located on the shore of Biscayne Bay on Convoy Point, is designated as the Dante Fascell Visitor Center at Biscayne National Park.

(b) REFERENCES.—Any reference in any statute, rule, regulation, Executive order, publication, map, or paper or other document of the United States to the Biscayne National Park visitor center is deemed to refer to the Dante Fascell Visitor Center at Biscayne National Park.

SEC. 1504. DESIGNATION OF CALIFORNIA COASTAL ROCKS AND ISLANDS WILDERNESS AREA TO BE ADMINISTERED BY BUREAU OF LAND MANAGEMENT.

(a) FINDINGS.—The Congress finds the following:

(1) The California coastal rocks and islands are a critical component of a unique ecosystem of California.

(2) The California coastal rocks and islands comprise a narrow flight lane in the Pacific Flyway, providing protected nest sites as well as feeding and perching areas for millions of seabirds.

(3) This unique ecosystem is also important for the continued survival of endangered or threatened sea mammals, such as stellar sea lions and elephant seals.

(4) Designation of the California coastal rocks and islands as wilderness would add a significant natural component to the National Wilderness Preservation System.

(b) DESIGNATION AS WILDERNESS.—In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131 et seq.), all unreserved and unappropriated ocean islands in the State of California (as more fully described in subsection (c)) that, as of the date of the enactment of this Act, are under the jurisdiction of the Bureau of Land Management are hereby designated as wilderness and, therefore, as components of the National Wilderness Preservation System, and shall be known as the California Coastal Rocks and Islands Wilderness.

(c) DESCRIPTION OF COVERED ISLANDS.—The ocean islands covered by subsection (b) are those islands, reefs, rocks, and islets lying within three miles off the Pacific coast of the State of California from Oregon to the Mexican border and above the mean high tides, except those already reserved and appropriated for other uses as listed in the exhibit titled ''Lands Not Affected By Wilderness Designation'' dated February 26, 1997, and on file and available for public review in the California office of the Bureau of Land Management.

(d) MANAGEMENT AUTHORITY.—The California Coastal Rocks and Islands Wilderness shall remain under the jurisdiction of the Bureau of Land Management, and the islands, reefs, rocks, and islets designated as wilderness under subsection (b) are managed, as of the date of the enactment of this Act, under a memorandum of understanding by the California Department of Fish and Game.

(e) MANAGEMENT.—Subject to valid existing rights, the California Coastal Rocks and Islands Wilderness shall be administered by the Secretary of the Interior in accordance with the Wilderness Act, except that, with respect to such wilderness area, any reference in the Wilderness Act to the effective date of the Wilderness Act shall be deemed to be a reference to the date of the enactment of this Act and any reference to the Secretary of Agriculture shall be deemed to be a reference to the Secretary of the Interior.

(f) EFFECT ON OTHER LAWS.—This section shall take precedence over and supersede the temporary reservation made by the Act of February 18, 1931 (Chapter 226; 46 Stat. 1172).

SEC. 1505. SPANISH PEAKS WILDERNESS.

(a) AMENDMENT.—Section 2 of the Colorado Wilderness Act of 1993 (Public Law 103–77) is amended by adding the following new paragraph at the end of subsection (a):

''(20) Certain lands in the San Isabel National Forest which comprise approximately 18,000 acres, as generally depicted on a map entitled 'Proposed Spanish Peaks Wilderness', dated May 1997, and which shall be known as the Spanish Peaks Wilderness.''.

(b) MAP AND DESCRIPTION.—As soon as practicable after the date of enactment of this Act, the Secretary of Agriculture shall file a map and a boundary description of the area designated as the Spanish Peaks Wilderness by paragraph (20) of subsection 2(a) of the Colorado Wilderness Act of 1993, as amended by this section, with the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate. Such map and boundary description shall have the same force and effect as if included in the Colorado Wilderness Act of 1993, except that if the Secretary is authorized to correct clerical and typographical errors in such boundary description and map. Such map and boundary description shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Department of Agriculture.

(c) CONFORMING CHANGE.—Section 10 of the Colorado Wilderness Act of 1993 (Public Law 103–77) is hereby repealed, and section 11 of such Act is renumbered as section 10.

SEC. 1506. ROSIE THE RIVETER NATIONAL PARK SERVICE AFFILIATED SITE.

(a) FINDINGS.—The Congress finds the following:

(1) The City of Richmond, California, is located on the northeastern shore of San Francisco Bay and consists of several miles of waterfront which have been used for shipping and industry since the beginning of the 20th century. During the years of World War II, the population of Richmond grew from 220 to over 100,000.

(2) An area of Richmond, California, now known as Marina Park and Marina Green, was the location in the 1940's of the Richmond Kaiser Shipyards, which produced Liberty and Victory ships during World War II.

(3) Thousands of women of all ages and ethnicities moved from across the United States to Richmond, California, in search of high paying jobs and skills never before available to women in the shipyards.

(4) Kaiser Corporation supported women workers by installing child care centers at the shipyards so mothers could work while their children were well cared for nearby.

(5) These women, referred to as ''Rosie the Riveter'' and ''Wendy the Welder'', built hundreds of liberty and victory ships in record time for use by the United States Navy. Their labor played a crucial role in increasing American productivity during the war years and in meeting the demand for naval ships.

(6) In part the Japanese plan to defeat the United States Navy was predicated on victory occurring before United States shipyards could build up its fleet of ships.

(7) The City of Richmond, California, has dedicated the former site of Kaiser Shipyard #2 as Rosie the Riveter Memorial Park and will construct a memorial honoring American women's labor during World War II. The memorial will be representative of one of the Liberty ships built on the site during the war effort.

(8) The City of Richmond, California, is committed to collective interpretative oral histories for the public to learn of the stories of the ''Rosies'' and ''Wendys'' who worked in the shipyards.

(9) The Rosie the Riveter Park is a nationally significant site because there tens of thousands of women entered the work force for the first time, working in heavy industry to support their families and the War effort. This was a turning point for the Richmond, California, area and the nation as a whole, when women joined the workforce and successfully completed jobs for which previously it was believed they were incapable.

(b) STUDY.—

(1) IN GENERAL.—The Secretary of the Interior shall conduct a feasibility study to determine whether—

(A) the Rosie the Riveter Park located in Richmond, California, is suitable for designation as an affiliated site to the National Park Service; and

(B) the Rosie the Riveter Memorial Committee established by the City of Richmond, California, with respect to that park is eligible for technical assistance for interpretative functions relating to the park, including preservation of oral histories from former works at the Richmond Kaiser Shipyards.

(2) REPORTS.—Not later than 6 months after the date of the enactment of this Act, the Secretary shall complete the study under paragraph (1) and submit a report containing findings, conclusions, and recommendations from the study to the Committee on Resources of the House of Representatives and the Committee on Energy and Environment of the Senate.

The CHAIRMAN. Pursuant to House resolution 573, the gentleman from Utah (Mr. HANSEN) and the gentleman from California (Mr. MILLER) each will control 10 minutes.

The Chair recognizes the gentleman from Utah (Mr. HANSEN).

Mr. HANSEN. Mr. Chairman, I yield myself such time as I may consume to explain the purpose of the amendment to H.R. 4570.

Many of the additions contained in the amendment are small word changes and technical corrections. With a bill this size, it is reasonable to expect a number of refinements along the way. We have tried to spot and make corrections to all those areas that require corrections, and I think we caught most of them.

Mr. Chairman, the vast majority of the provisions contained in this bill are noncontroversial and bipartisan. However, we have made major concessions to the more controversial measures and included revised language in this amendment. In particular, the provisions for Cumberland Island and the Tuskegee Institute have undergone considerable changes in order to make these more acceptable yet still deal with important concerns.

Likewise, this amendment contains major changes to the conveyance of property at the Canyon Ferry Reservoir in Montana, to the hazardous fuels reduction programs in our national forests, to the forest health-NEPA parity program, and a program for improved operation and maintenance of water impoundments in the Emigrant Wilderness of California. Furthermore, this amendment has made significant and agreeable modifications to the provisions dealing with land claims under the Treaty of Guadelupe-Hidalgo in New Mexico.

Mr. Chairman, we have gone out of our way to craft this amendment to address the majority of the concerns by both the administration and the minority. This included eliminating from this package a number of provisions that were very important to us. For example, the highly controversial Antiquities Act provision that many of the people got up and talked about is not in the bill. That has been entirely deleted from the omnibus bill.

□ 1500

This provision was especially important to me and I still believe it is a good and necessary idea. However, I will strike this provision. Likewise, both the C&O Canal and the Hell's Canyon provisions have been eliminated. These were strongly opposed by the administration and we reluctantly, yet willingly agreed to compromise and strike these provisions in the spirit of compromise.

We have also made noncontroversial additions to the original bill which followed the intent of this landmark legislation which create new historic areas and heritage areas along with expanding national park units. For example, the additions contained in the amendment will create the Kate Mullany Historic Site in New York sponsored by the gentleman from New York (Mr. MCNULTY), establish the Lackawanna Valley Heritage Area in Pennsylvania sponsored by the gentleman from Pennsylvania (Mr. MCDADE), and authorize Route 66 as a National Historic Highway sponsored by the gentlewoman from New Mexico (Mrs. WILSON). This amendment will also expand Bandelier National Monument in New Mexico sponsored by the gentleman from New Mexico (Mr. REDMOND), expand the Weir Farm Historic Site in Connecticut sponsored by the gentleman from Connecticut (Mr. MALONEY), and authorize an expansion of the Chickamauga-Chattanooga National Military Park sponsored by the gentleman from Tennessee (Mr. WAMP).

Mr. Chairman, these new additions easily fall within our goal to further benefit our national parks and public lands. This amendment crafted with bipartisanship goes further to absolutely assure that our national parks, public lands and national resources are cared for and properly managed so that visitors can enjoy and experience these lands for many generations to come.

Lastly, Mr. Chairman, in the spirit of bipartisanship, we have added in the amendment a number of provisions that the minority strongly and earnestly wanted to see as part of this package. These provisions include the Adams National Historical Park sponsored by the gentleman from Massachusetts (Mr. DELAHUNT) which consolidates the current Adams Historical Sites into a historical park and allows for further acquisitions of a small parcel of property.

The amendment also allows for expansion of the Frederick Law Olmstead National Historic Site sponsored by the gentleman from Massachusetts (Mr. FRANK). Another provision would designate two new wilderness areas, the Spanish Peaks Wilderness in Colorado sponsored by the gentleman from Colorado (Mr. SKAGGS) and the California Coastal Rocks and Islands Wilderness sponsored by the gentleman from California (Mr. FARR).

One other provision designates the Dante Fascell Biscayne National Park Visitor Center as the official name of the visitors center in Biscayne Bay National Park, sponsored by the gentleman from Florida (Mr. DEUTSCH) and cosponsored by the gentleman from Florida (Mr. HASTINGS) and the gentlewoman from Florida (Mrs. MEEKS) among others.

Lastly, Mr. Chairman, a new provision authorizes a feasibility study of Rosie the Riveter in California, sponsored by the ranking minority member of the House Committee on Resources the gentleman from California (Mr. MILLER).

I strongly urge all my colleagues to support the amendment to H.R. 4570, especially those Members, Republicans and Democrats alike, that have sponsored legislation which is part of this package.

REQUEST FOR MODIFICATION OF AMENDMENT NO. 1 IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. HANSEN

Mr. HANSEN. Mr. Chairman, I ask unanimous consent that the amendment I have just offered be modified to strike section 1504.

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Mr. HANSEN asks unanimous consent to modify his amendment No. 1 in the nature of a substitute as follows: ''Strike section 1504''.

The CHAIRMAN. Is there objection to the modification?

Mr. GALLEGLY. Reserving the right to object, Mr. Chairman. I rise reluctantly because I have tremendous respect for my chairman. He has done a yeoman's job. I do not know of anyone that has worked harder to try to reach a consensus on a very difficult piece of legislation, a very important piece of legislation. But I will reluctantly oppose the unanimous consent.

The CHAIRMAN. Does the gentleman object?

Mr. GALLEGLY. I do object.

The CHAIRMAN. Objection is heard.

Mr. MILLER of California. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota (Mr. VENTO).

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

Mr. VENTO. Mr. Chairman, I do not object to the gentleman from Utah, the chairman of the subcommittee, trying to improve this product. It needs a lot of improvement. That is for sure. That much, we can agree upon. I think he has made a step forward to improve it. But you remember that sausage I was talking about a little earlier, about part of it having some bad product in it. When you add spices to that sausage, you can add a little more salt to it, for a preservative, I might add, not to rub it in or anything, but in the end it still does not pass the smell test and it still is not edible.

I appreciate the gentleman's effort to negotiate on his own, not with me, not with the gentleman from California (Mr. MILLER), not with the administration, not with our good friend the gentleman from New York (Mr. BOEHLERT), but the end result is that still the gentleman, as I heard our chairman talk about, well, he looked over some of these bills and he decided they were all right. Well, that is just fine. I am glad that he decided that, and maybe you decided that with him. I trust your judgment, but I think frankly that many of these provisions that have not had hearings may be good provisions, they may not. I know that we have worked hard on that subcommittee. I have sat through a lot of hearings myself. I just think that we can do better than bringing this sort of bill with 100 different provisions on the floor and trying to pass it at this late date without the type of agreement. As I said before, I think even with this sugar-coated substitute, these new spices to the sausage and this new salt preservative that you are trying to put in here to cure this, I think we have to go back and start over and look at these provisions, and I think we could do an omnibus bill. But I think at this point in the process, there does not appear to be the willingness to excise from this all of the elements which are a problem.

Frankly many of these provisions have passed and are in the other body and are being sent to the President. I appreciate the fact that all this work that has gone on for the last 2 years deserves positive consideration. But this is not the way to get it done. I think trying to put these things on the floor, and the reason I think that this is being done is that this is a train that is being made to pull a lot of bad policy into law. I think that is what you are trying to do. I think it is the wrong way to do it. It is wrong to put this stuff in the appropriation bills, it is wrong to put it in this omnibus bill and not give it the type of deliberation and discussion that is deserved in this.

This substitute, while I do not oppose it because I think that this bill, as I have said, needs a lot of improvement but a lot more than this substitute is providing today. In the end, I hope that the Members will vote against this and join the environmental groups, the administration, we now have a letter from the Secretary of Agriculture which I believe should be put in the RECORD, the Secretary of the Interior is against it, the administration itself is, the President has stated his intention to veto if it ever were to get that far. I think at this late date it just does a disservice to the Members who want to get projects done to pursue a policy and an attitude on this floor that is going nowhere fast.

Mr. MILLER of California. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. BOEHLERT).

Mr. BOEHLERT. Mr. Chairman, I have no objection to this amendment which does make some real improvements in the bill. But I would simply point out that the amendment does not fix the fundamental problems with the bill which I have already outlined several times today, and others have done the same.

Let me emphasize that this amendment, despite what Members may have heard or seen reported, does not take care of the objections that the environmentalists and the administration had with this bill. It does not incorporate, as has been suggested, most of what I and other moderates were seeking in negotiations. It does not touch the most troubling parts of this bill.

So while I appreciate and support the amendment by the gentleman from Utah (Mr. HANSEN), I would urge my colleagues not to fall into thinking that it makes the bill acceptable. Far from it. I continue to urge my colleagues to oppose this bill.

Mr. HANSEN. Mr. Chairman, will the gentleman yield?

Mr. BOEHLERT. I yield to the gentleman from Utah.

Mr. HANSEN. Would the gentleman specifically tell me what the environmental community objects to in this bill? I have heard that for 2, 3 hours now.

Mr. BOEHLERT. I will be glad to. I will share once again what I have shared with the gentleman many times before, with members of his staff, a whole list of objections.

Mr. HANSEN. A specific thing, not a generality if I could from the gentleman from New York.

Mr. BOEHLERT. I will be glad to share this with my distinguished chairman.

Mr. MILLER of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the manager's amendment is really immaterial here. As the gentleman from New York (Mr. BOEHLERT) has pointed out, it fails to remove any of the fatal flaws that exist in this legislation. We have been told now several times by the supporters of this bill that they have compromised and they have worked with the administration and others, except the fact of the matter is on those areas where they talked to the administration, where they did not get the answers they wanted, they just stopped talking and, therefore, the administration continues to oppose the legislation.

We have just received a letter from the Department of Agriculture, from the Secretary of Agriculture that continues to be opposed to the Chugach Alaska provisions in this bill because it gives away much more public land than is necessary and it gives it away without compensating the taxpayers. That is why the taxpayer organizations continue to oppose this. And it does it in an environmentally insensitive way. That is why the environmental organizations continue to oppose this. And it goes on and on and on and on.

What they have tried to do now in the 11th hour is add a little bit of frosting to this old piece of legislation to see if they could get one or two more votes to vote for it. The fact of the matter is that this legislation remains unacceptable to a bipartisan coalition in this House, to the major environmental organizations, to many local environmental organizations and citizen organizations. This legislation remains unacceptable to taxpayer organizations in this country and remains unacceptable to the Department of Agriculture, to the Department of Interior and to the administration. That is why it is going to get a veto and that is why it is not going to get taken up in the Senate. That is why we ought to kill it now and then go back to the business of trying to put together legislation that deals with those projects that have bipartisan support, that deals with those projects that are noncontroversial in terms of the environmental insults, and drop from this bill, or drop from this negotiation those items that are far too controversial to allow them to be signed into law before

the end of this session. Those items should have been brought out here on the floor of the Congress. They should have been debated openly. We had many, many hours in every week of this session where we went home in the middle of the afternoon, where we did not show up until Tuesday night, where we left on Thursday morning and we could have been debating this legislation. But the effort here has been to try to jam the members of this Congress so the Members of this Congress would try to jam this vote and to somehow agree because they got one small project or one small commission or one small boundary change that somehow they would then enable the real agenda of this legislation to pass, which is huge environmental insults that cannot stand on their own, cannot take the light of day, cannot take the scrutiny of any of the citizens organizations or of the public interest or of the taxpayers.

We ought not to be doing that. Members ought not to take and trade their integrity for some small bill when this bill insults taxpayers, when it is a waste of public moneys, when it insults the environmental policy in this country in the manner in which it does. Members ought not to make that trade. This bill ought to go down and then those Members that have good pieces of legislation that are noncontroversial, that are bipartisan and that have the support of environmental organizations and the administration and taxpayer organizations, that bill ought to be put together and it will pass out of here on unanimous consent. That is how you legislate. That is how you bring environmental progress to this country. You do not do it in the 11th hour at the end of a session where you have had plenty of time and then try to see whether or not you can squeeze every Member to vote against their conscience so that somehow we can have these bills that have been opposed for many, many, many months. Many months, where there has not been discussion about them and bills that they have refused to submit to the committee because the committee probably would not approve them, bills that they have submitted to no hearings because the hearings would be controversial and probably end up with people opposing the legislation from local organizations and elsewhere. Now all of a sudden they decide that all of that has got to be put into one bill and Members are told to take it or leave it. The Members ought to leave it. Then we ought to get back to the business of legislating legislation in the environmental area, in the public lands area that we can be proud of, that we can talk about and we can show the American people that we care about the environmental assets of this country without destroying them in the name of saving a few others in different parts of the country.

I would urge Members on a bipartisan basis, my colleagues here, to oppose this legislation and then let us get on with the people's business.

Mr. Chairman, I yield the balance of my time to the gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Mr. Chairman, I just want to comment. I think it is regrettable. At the end of the session we do not need this type of polarization. I appreciate the gentleman from Utah attempting to mollify some of the provisions in the bill that are troublesome, but frankly it simply does not go far enough. I think my fear is at the end of the session like this that Members want an opportunity to demonstrate that they are against these types of provisions. We went through this catharsis for the last 3½ years, in the last Congress passing laws like logging without laws, riders on various things. I had hoped that this session that we would at least be able to come to compromise as we did toward the end of the last session, and I think that that is possible. But this step is a step in the wrong direction. I fear this will in fact end up polarizing the circumstances. I rise in opposition to this bill again and ask Members to oppose it.

□ 1515

Mr. HANSEN. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. POMBO).

Mr. POMBO. Mr. Chairman, I thank the gentleman for yielding this time to me, and I come to the floor reluctantly opposed to the bill and reluctantly opposed to the manager's amendment.

I heard the gentleman from California (Mr. MILLER) a minute ago say that the manager's amendment was inconsequential, that it really did not do anything. Well, it does do things. It takes a lot of things out of the bill that I care about, it takes things out that I think made this bill better than it will be after the manager's amendment passes. It also adopts a provision that will be included in this particular bill that is known as the California Coastal Rocks and Islands Wilderness Act of 1998 that I do not think anybody in this place knows or has any clue how many thousands of rocks and islands and reefs and everything else that will be included in that; nobody has any idea what will be included in that. And I oppose including that in this bill.

I also believe that the gentleman from Utah (Mr. HANSEN) went way too far in accepting changes to try to make this bill work, and I know he was trying to put a bill together that would work for people, he was trying to put good legislation together that we could pass and that the President would sign. But as far as this Member is concerned, he went way too far. He went way too far in trying to codify and trying to accept the things that these people that are down here complaining about the bill wanted. He did not get a single vote for doing all that. And as far as I am concerned, he ought to strip all that stuff out, and then maybe we will vote on it.

But I appreciate the gentleman having yielded to me.

Mr. HANSEN. Mr. Chairman I yield myself such time as I may consume.

Mr. Chairman, I found this very interesting on this debate on the Hansen amendment as I have not heard anyone talk to the Hansen amendment except myself when we started out, and, as long as we have a few minutes here, I really appreciate my friend from New York giving me the final time in all this debate that we can find out what these people object to, and they have a list of five here. I am having a very difficult time seeing where it is in any part of the bill.

It would remove areas from wilderness protection. I guess they are talking about one of these 90 something bills in the Cumberland where there is a small little road goes through so people can have access. That is as far as we can figure that out. Sets new weaker guidelines for wilderness protection; I assume they are talking about the big horn sheep which I talked about before where here we are trying to establish a herd of desert big horn sheep, and it would not be called wilderness, but it would be preserved. But I guess some people cannot get enough, and the only place I know of in America where we can have a herd of big horn sheep, but we are against those poor sheep. That is fine. Veterinarians cannot go in and take care of them because they have to do it with a helicopter, and we cannot have guzzlers to give them a drink, but that is all right, if we just every little square inch of grounds got to be wilderness. Forget these poor sheep in this thing. This idea of the poor Indians up there in the tribe in Alaska, these American natives, cannot have access to their own property. That is the other one I see. So, if we have an emergency of some kind, let us fly a plane in there in turbulent weather and kill everybody on board, and as a past pilot I can tell you they would not get me to do it, but apparently some have tried. We have had a lot of debts up there, but let us worry about this one little road going across there so these American natives can get out. We do not want that to happen. Keep every square inch in there to take care of it.

Makes no sense to me, and that is all I can see on the omnibus park bill that the environmentalists object to. That is all there seems to be.

But on the flip side of the argument look at all of the good things that are in this bill. I think it was interesting, my friend from California says that Congressman HANSEN went too far. My gosh, there is 435 big egos in this place, and everyone of us goes too far occasionally. I am trying to work out a compromise; that is why it has got so many things in for my friends on the other side of the aisle.

And again, there is no tent around here; we are trying to come up with a compromise piece of legislation that we can be proud of. I do not know. It is easy to stand in the kitchen and talk

to the kids and tell them how things go, but standing on this floor is a lot harder, and I would hope people would realize, yes, I did not get everything I wanted, I did not cross every T and dot every I and get everything I personally wanted because my ego is so big I have got to have it all. Let us just say here a good compromise, and drop these egos around here and vote for something good for the American people

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Utah (Mr. HANSEN).

The amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. HASTERT) having assumed the chair, Mr. NEY, Chairman 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. 4570) to provide for certain boundary adjustments and conveyances involving public lands, to establish and improve the management of certain heritage areas, historic areas, National Parks, wild and scenic rivers, and national trails, to protect communities by reducing hazardous fuels levels on public lands, and for other purposes, pursuant to House Resolution 573, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MILLER of California. 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 123, nays 302, not voting 9, as follows:

[Roll No. 489]

YEAS—123

Archer
Armey
Baker
Ballenger
Barr
Barrett (NE)
Barton
Bateman
Bereuter
Bliley
Blunt
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Bunning
Burton
Buyer
Callahan
Calvert
Cannon
Chambliss
Christensen
Coble
Collins
Combest
Cook
Cooksey
Cox
Crane
Cubin
Deal
DeLay
Dickey
Dingell
Doolittle
Dreier
Duncan
Dunn
Fowler
Frelinghuysen
Gallegly
Gibbons
Gillmor
Goodling
Granger
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hunter
Istook
Jenkins
Johnson, Sam
Kim
Kingston
Knollenberg
Kolbe
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
Lucas
Maloney (CT)
McCollum
McDade
McHugh
McInnis
McKeon
Metcalf
Mica
Norwood
Ortiz
Oxley
Packard
Parker
Paxon
Pickering
Pitts
Radanovich
Redmond
Regula
Riley
Rogers
Ros-Lehtinen
Roukema
Royce
Salmon
Schaefer, Dan
Schaffer, Bob
Sessions
Shadegg
Shuster
Skeen
Smith (OR)
Smith (TX)
Snowbarger
Solomon
Souder
Spence
Stenholm
Stump
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wicker
Wilson
Young (AK)

NAYS—302

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Bachus
Baesler
Baldacci
Barcia
Barrett (WI)
Bartlett
Bass
Becerra
Bentsen
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Burr
Camp
Campbell
Canady
Capps
Cardin
Carson
Castle
Chabot
Chenoweth
Clay
Clayton
Clement
Clyburn
Coburn
Condit
Conyers
Costello
Coyne
Cramer
Crapo
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dixon
Doggett
Dooley
Doyle
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Filner
Foley
Forbes
Ford
Fossella
Fox
Frank (MA)
Franks (NJ)
Frost
Furse
Ganske
Gejdenson
Gephardt
Gilchrest
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hutchinson
Hyde
Inglis
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Klink
Klug
Kucinich
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (GA)
LoBiondo
Lofgren
Lowey
Luther
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntosh
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Nussle
Oberstar
Obey
Olver
Owens
Pallone
Pappas
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Price (NC)
Quinn
Rahall
Ramstad
Rangel
Reyes
Riggs
Rivers
Rodriguez
Roemer
Rogan
Rohrabacher
Rothman
Roybal-Allard
Rush
Ryun
Sabo
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schumer
Scott
Sensenbrenner
Serrano
Shaw
Shays
Sherman
Shimkus
Sisisky
Skaggs
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith, Adam
Smith, Linda
Snyder
Spratt
Stabenow
Stark
Stearns
Stokes
Strickland
Stupak
Sununu
Talent
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Waters
Watt (NC)
Waxman
Wexler
Weygand
White
Whitfield
Wise
Wolf
Woolsey
Wynn
Yates
Young (FL)

NOT VOTING—9

Fazio
Gekas
Hefner
Kennedy (MA)
Kennelly
LaFalce
McCrery
Poshard
Pryce (OH)

☐ 1543

Mrs. JOHNSON of Connecticut and Messrs. GRAHAM, NEY, ADERHOLT, CUNNINGHAM, RUSH, KASICH, GOODLATTE, BACHUS And MCHALE changed their vote from ''yea'' to ''nay.''

Messrs. CALLAHAN, HEFLEY, LIPINSKI and ORTIZ changed their vote from ''nay'' to ''yea.''

So the bill was not passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. GEKAS. Mr. Speaker, earlier today, October 7, 1998, I was unavoidably detained while discussing the conference committee report on bankruptcy reform and missed a recorded vote on H.R. 4570, the Omnibus National Parks and Public Lands Act of 1998. Had I been present, I would have voted ''aye'' on rollcall No. 489, to agree to H.R. 4570.

☐ 1545

CONFERENCE REPORT ON H.R. 4104, TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1999

Mr. KOLBE submitted the following conference report and statement on the bill (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, and for other purposes:

CONFERENCE REPORT (H. REPT. 105–789)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (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, 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 stricken and inserted by said amendment, insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, 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, and for other purposes, namely:

TITLE I—DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

For necessary expenses of the Departmental Offices including operation and maintenance of the Treasury Building and Annex; hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; not to exceed $2,900,000 for official travel expenses; not to exceed $150,000 for official reception and representation expenses; not to exceed $258,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate, $123,151,000: Provided, That the Office of Foreign Assets Control shall be funded at no less than $6,560,800: Provided further, That the Department is authorized to charge both direct and indirect costs to the Office of Foreign Assets Control in the implementation of this floor: Provided further, That the methodology for applying such charges will be the same method used in developing the Departmental Offices Fiscal Year 1999 President's Budget Justification to the Congress.

AUTOMATION ENHANCEMENT

(INCLUDING TRANSFER OF FUNDS)

For development and acquisition of automatic data processing equipment, software, and services for the Department of the Treasury, $28,690,000: Provided, That these funds shall remain available until September 30, 2000: Provided further, That these funds shall be transferred to accounts and in amounts as necessary to satisfy the requirements of the Department's offices, bureaus, and other organizations: Provided further, That this transfer authority shall be in addition to any other transfer authority provided in this Act: Provided further, That none of the funds appropriated shall be used to support or supplement the Internal Revenue Service appropriations for Information Systems: Provided further, That $6,000,000 of the funds appropriated for the Customs Modernization project may not be transferred to the United States Customs Service or obligated until the Treasury's Chief Information Officer, through the Treasury Investment Review Board, concurs on the plan and milestone schedule for the deployment of the system: Provided further, That $6,000,000 of the funds made available for the Customs Modernization project may not be obligated for any major system investments prior to the development of an architecture which is compliant with the Treasury Information Systems Architecture Framework (TISAF) and the establishment of measures to enforce compliance with the architecture.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, not to exceed $2,000,000 for official travel expenses; including hire of passenger motor vehicles; and not to exceed $100,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General of the Treasury, $30,678,000.

TREASURY BUILDING AND ANNEX REPAIR AND RESTORATION

For the repair, alteration, and improvement of the Treasury Building and Annex, $27,000,000, to remain available until expended: Provided, That none of the funds provided shall be available for obligation until September 30, 1999.

FINANCIAL CRIMES ENFORCEMENT NETWORK

SALARIES AND EXPENSES

For necessary expenses of the Financial Crimes Enforcement Network, including hire of passenger motor vehicles; travel expenses of non-Federal law enforcement personnel to attend meetings concerned with financial intelligence activities, law enforcement, and financial regulation; not to exceed $14,000 for official reception and representation expenses; and for assistance to Federal law enforcement agencies, with or without reimbursement, $24,000,000: Provided, That funds appropriated in this account may be used to procure personal services contracts.

VIOLENT CRIME REDUCTION PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

For activities authorized by Public Law 103–322, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund, as follows:

(1) As authorized by section 190001(e), $119,000,000; of which $3,000,000 shall be available to the Bureau of Alcohol, Tobacco and Firearms for administering the Gang Resistance Education and Training program; of which $1,400,000 shall be available to the Financial Crimes Enforcement Network; of which $22,628,000 shall be available to the United States Secret Service, including $6,700,000 for vehicle replacement, $5,000,000 for investigations of counterfeiting, $7,732,000 for the 2000 candidate/nominee protection program, and $3,196,000 for forensic and related support of investigations of missing and exploited children, of which $1,196,000 shall be available as a grant for activities related to the investigations of exploited children and shall remain available until expended; of which $65,472,000 shall be available for the United States Customs Service, including $54,000,000 for narcotics detection technology, $9,500,000 for the passenger processing initiative, $972,000 for construction of canopies for inspection of outbound vehicles along the Southwest border, and $1,000,000 for technology investments related to the Cyber-Smuggling Center; of which $2,500,000 shall be available to the Office of National Drug Control Policy, including $1,000,000 for Model State Drug Law Conferences, and $1,500,000 to expand the Milwaukee, Wisconsin High Intensity Drug Trafficking Area; and of which $24,000,000 shall be available for Interagency Crime and Drug Enforcement;

(2) As authorized by section 32401, $13,000,000 to the Bureau of Alcohol, Tobacco and Firearms for disbursement through grants, cooperative agreements, or contracts to local governments for Gang Resistance Education and Training: Provided, That notwithstanding sections 32401 and 310001, such funds shall be allocated to State and local law enforcement and prevention organizations.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Law Enforcement Training Center, as a bureau of the Department of the Treasury, including materials and support costs of Federal law enforcement basic training; purchase (not to exceed 52 for police-type use, without regard to the general purchase price limitation) and hire of passenger motor vehicles; for expenses for student athletic and related activities; uniforms without regard to the general purchase price limitation for the current fiscal year; the conducting of and participating in firearms matches and presentation of awards; for public awareness and enhancing community support of law enforcement training; not to exceed $9,500 for official reception and representation expenses; room and board for student interns; and services as authorized by 5 U.S.C. 3109, $71,923,000, of which up to $13,843,000 for materials and support costs of Federal law enforcement basic training shall remain available until September 30, 2001: Provided, That the Center is authorized to accept and use gifts of property, both real and personal, and to accept services, for authorized purposes, including funding of a gift of intrinsic value which shall be awarded annually by the Director of the Center to the outstanding student who graduated from a basic training program at the Center during the previous fiscal year, which shall be funded only by gifts received through the Center's gift authority: Provided further, That notwithstanding any other provision of law, students attending training at any Federal Law Enforcement Training Center site shall reside in on-Center or Center-provided housing, insofar as available and in accordance with Center policy: Provided further, That funds appropriated in this account shall be available, at the discretion of the Director, for the following: (1) training United States Postal Service law enforcement personnel and Postal police officers; (2) State and local government law enforcement training on a space-available basis; (3) training of foreign law enforcement officials on a space-available basis with reimbursement of actual costs to this appropriation, except that reimbursement may be waived by the Secretary for law enforcement training activities in foreign countries undertaken pursuant to section 801 of the Antiterrorism and Effective Death Penalty Act of 1996, Public Law 104–32; (4) training of private sector security officials on a space-available basis with reimbursement of actual costs to this appropriation; and (5) travel expenses of non-Federal personnel to attend course development meetings and training sponsored by the Center: Provided further, That the Center is authorized to obligate funds in anticipation of reimbursements from agencies receiving training sponsored by the Federal Law Enforcement Training Center, except that total obligations at the end of the fiscal year shall not exceed total budgetary resources available at the end of the fiscal year: Provided further, That the Federal Law Enforcement Training Center is authorized to provide training for the Gang Resistance Education and Training program to Federal and non-Federal personnel at any facility in partnership with the Bureau of Alcohol, Tobacco and Firearms: Provided further, That the Federal Law Enforcement Training Center is authorized to provide short-term medical services for students undergoing training at the Center.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

For expansion of the Federal Law Enforcement Training Center, for acquisition of necessary additional real property and facilities, and for ongoing maintenance, facility improvements, and related expenses, $34,760,000, to remain available until expended.

INTERAGENCY LAW ENFORCEMENT

INTERAGENCY CRIME AND DRUG ENFORCEMENT

For expenses necessary for the detection and investigation of individuals involved in organized crime drug trafficking, including cooperative efforts with State and local law enforcement, $51,900,000, of which $7,827,000 shall remain available until expended.

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Financial Management Service, $196,490,000, of which not to exceed $13,235,000 shall remain available until September 30, 2001, for information systems modernization initiatives.

FEDERAL FINANCING BANK

For liquidation of certain debts to the United States Treasury incurred by the Federal Financing Bank pursuant to section 9(b) of the Federal Financing Bank Act of 1973, $3,317,960,000.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

For necessary expenses of the Bureau of Alcohol, Tobacco and Firearms, including purchase of not to exceed 812 vehicles for police-type use, of which 650 shall be for replacement only, and hire of passenger motor vehicles; hire of aircraft; services of expert witnesses at such rates as may be determined by the Director; for payment of per diem and/or subsistence allowances to employees where an assignment to the National Response Team during the investigation of a bombing or arson incident requires an employee to work 16 hours or more per day or to remain overnight at his or her post of duty; not to exceed $15,000 for official reception and representation expenses; for training of State and local law enforcement agencies with or without reimbursement, including training in connection with the training and acquisition of canines for explosives and fire accelerants detection; and provision of laboratory assistance to State and local agencies, with or without reimbursement, $541,574,000, of which $2,206,000 shall not be available for obligation until September 30, 1999; of which $27,000,000 may be used for the Youth Crime Gun Interdiction Initiative; of which not to exceed $1,000,000 shall be available for the payment of attorneys' fees as provided by 18 U.S.C. 924(d)(2); and of which $1,000,000 shall be available for the equipping of any vessel, vehicle, equipment, or aircraft available for official use by a State or local law enforcement agency if the conveyance will be used in joint law enforcement operations with the Bureau of Alcohol, Tobacco and Firearms and for the payment of overtime salaries, travel, fuel, training, equipment, and other similar costs of State and local law enforcement personnel, including sworn officers and support personnel, that are incurred in joint operations with the Bureau of Alcohol, Tobacco and Firearms: Provided, That no funds made available by this or any other Act may be used to transfer the functions, missions, or activities of the Bureau of Alcohol, Tobacco and Firearms to other agencies or Departments in fiscal year 1999: Provided further, That of the funds made available, $4,500,000 shall be made available for the expansion of the National Tracing Center: Provided further, That no funds appropriated herein shall be available for salaries or administrative expenses in connection with consolidating or centralizing, within the Department of the Treasury, the records, or any portion thereof, of acquisition and disposition of firearms maintained by Federal firearms licensees: Provided further, That no funds appropriated herein shall be used to pay administrative expenses or the compensation of any officer or employee of the United States to implement an amendment or amendments to 27 CFR 178.118 or to change the definition of ''Curios or relics'' in 27 CFR 178.11 or remove any item from ATF Publication 5300.11 as it existed on January 1, 1994: Provided further, That none of the funds appropriated herein shall be available to investigate or act upon applications for relief from Federal firearms disabilities under 18 U.S.C. 925(c): Provided further, That such funds shall be available to investigate and act upon applications filed by corporations for relief from Federal firearms disabilities under 18 U.S.C. 925(c): Provided further, That no funds in this Act may be used to provide ballistics imaging equipment to any State or local authority who has obtained similar equipment through a Federal grant or subsidy unless the State or local authority agrees to return that equipment or to repay that grant or subsidy to the Federal Government: Provided further, That no funds under this Act may be used to electronically retrieve information gathered pursuant to 18 U.S.C. 923(g)(4) by name or any personal identification code.

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Customs Service, including purchase and lease of up to 1,050 motor vehicles of which 550 are for replacement only and of which 1,030 are for police-type use and commercial operations; hire of motor vehicles; contracting with individuals for personal services abroad; not to exceed $40,000 for official reception and representation expenses; and awards of compensation to informers, as authorized by any Act enforced by the United States Customs Service, $1,642,565,000, of which such sums as become available in the Customs User Fee Account, except sums subject to section 13031(f)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (19 U.S.C. 58c(f)(3)), shall be derived from that Account; of the total, not to exceed $150,000 shall be available for payment for rental space in connection with pre-clearance operations, not to exceed $4,000,000 shall be available until expended for research, not to exceed $5,000,000 shall be available until expended for conducting special operations pursuant to 19 U.S.C. 2081, and up to $8,000,000 shall be available until expended for the procurement of automation infrastructure items, including hardware, software, and installation: Provided, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: Provided further, That of the amount provided, an additional $2,400,000 shall be made available for staffing and resources for the child pornography cyber-smuggling initiative: Provided further, That $500,000 shall be available to fund the expansion of services at the Vermont World Trade Office: Provided further, That not to exceed $2,500,000 shall be available until expended for relocation of the Customs Air Branch from Belle Chase, Louisiana, to Hammond, Louisiana: Provided further, That notwithstanding any other provision of law, the fiscal year aggregate overtime limitation prescribed in subsection 5(c)(1) of the Act of February 13, 1911 (19 U.S.C. 261 and 267) shall be $30,000: Provided further, That of the amount provided, $9,500,000 shall not be available for obligation until September 30, 1999.

OPERATION, MAINTENANCE AND PROCUREMENT, AIR AND MARINE INTERDICTION PROGRAMS

For expenses, not otherwise provided for, necessary for the operation and maintenance of marine vessels, aircraft, and other related equipment of the Air and Marine Programs, including operational training and mission-related travel, and rental payments for facilities occupied by the air or marine interdiction and demand reduction programs, the operations of which include the following: (1) the interdiction of narcotics and other goods; (2) the provision of support to Customs and other Federal, State, and local agencies in the enforcement or administration of laws enforced by the Customs Service; and (3) at the discretion of the Commissioner of Customs, the provision of assistance to Federal, State, and local agencies in other law enforcement and emergency humanitarian efforts, $113,688,000, which shall remain available until expended: Provided, That no aircraft or other related equipment, with the exception of aircraft which is one of a kind and has been identified as excess to Customs requirements and aircraft which has been damaged beyond repair, shall be transferred to any other Federal agency, department, or office outside of the Department of the Treasury, during fiscal year 1999 without the prior approval of the Committees on Appropriations.

HARBOR MAINTENANCE FEE COLLECTION

(INCLUDING TRANSFER OF FUNDS)

For administrative expenses related to the collection of the Harbor Maintenance Fee, pursuant to Public Law 103–182, $3,000,000, to be derived from the Harbor Maintenance Trust Fund and to be transferred to and merged with the Customs ''Salaries and Expenses'' account for such purposes.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

For necessary expenses connected with any public-debt issues of the United States, $176,500,000, of which not to exceed $2,500 shall be available for official reception and representation expenses, and of which not to exceed $2,000,000 shall remain available until September 30, 2001, for information systems modernization initiatives: Provided, That the sum appropriated herein from the General Fund for fiscal year 1999 shall be reduced by not more than $4,400,000 as definitive security issue fees and Treasury Direct Investor Account Maintenance fees are collected, so as to result in a final fiscal year 1999 appropriation from the General Fund estimated at $172,100,000, and in addition, $20,000, to be derived from the Oil Spill Liability Trust Fund to reimburse the Bureau for administrative and personnel expenses for financial management of the Fund, as authorized by section 102 of Public Law 101–380: Provided further, That notwithstanding any other provisions of law, effective upon enactment and thereafter, the Bureau of the Public Debt shall be fully and directly reimbursed by the funds described in section 104 of Public Law 101–136 (103 Stat. 789) for costs and services performed by the Bureau in the administration of such funds.

INTERNAL REVENUE SERVICE

PROCESSING, ASSISTANCE, AND MANAGEMENT

For necessary expenses of the Internal Revenue Service for tax returns processing; revenue accounting; tax law and account assistance to taxpayers by telephone and correspondence; programs to match information returns and tax returns; management services; rent and utilities; and inspection; including purchase (not to exceed 150 for replacement only for police-type use) and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, $3,086,208,000, of which up to $3,700,000 shall be for the Tax Counseling for the Elderly Program, and of which not to exceed $25,000 shall be for official reception and representation expenses: Provided, That of the amount provided, $105,000,000 shall remain available until expended for postage and shall not be obligated before September 30, 1999: Provided further, That, pursuant to 39 U.S.C. 3206(a), funds shall continue to be provided to the United States Postal Service for postage due: Provided further, That of the amount provided, $25,000,000 shall not be available for obligation until September 30, 1999.

TAX LAW ENFORCEMENT

For necessary expenses of the Internal Revenue Service for determining and establishing tax liabilities; providing litigation support; issuing technical rulings; examining employee plans and exempt organizations; conducting criminal investigation and enforcement activities; securing unfiled tax returns; collecting unpaid accounts; compiling statistics of income and conducting compliance research; purchase (for police-type use, not to exceed 850) and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and

services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, $3,164,189,000.

EARNED INCOME TAX CREDIT COMPLIANCE INITIATIVE

For funding essential earned income tax credit compliance and error reduction initiatives pursuant to section 5702 of the Balanced Budget Act of 1997 (Public Law 105–33), $143,000,000, of which not to exceed $10,000,000 may be used to reimburse the Social Security Administration for the costs of implementing section 1090 of the Taxpayer Relief Act of 1997.

INFORMATION SYSTEMS

For necessary expenses of the Internal Revenue Service for information systems and telecommunications support, including developmental information systems and operational information systems; the hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, $1,265,456,000, which shall remain available until September 30, 2000, and of which $103,000,000 shall be available only for improvements to customer service.

INFORMATION TECHNOLOGY INVESTMENTS

For necessary expenses of the Internal Revenue Service, $211,000,000, to remain available until September 30, 2002, for the capital asset acquisition of information technology systems, including management and related contractual costs of such acquisition, and including contractual costs associated with operations authorized by 5 U.S.C. 3109: Provided, That none of these funds is available for obligation until September 30, 1999: Provided further, That none of these funds shall be obligated until the Internal Revenue Service and the Department of the Treasury submit to Congress for approval, a plan for expenditure that: (1) implements the Internal Revenue Service's Modernization Blueprint submitted to Congress on May 15, 1997; (2) meets the information systems investment guidelines established by the Office of Management and Budget and in the fiscal year 1998 budget; (3) is reviewed and approved by the Office of Management and Budget, the Department of the Treasury's IRS Management Board, and is reviewed by the General Accounting Office; (4) meets the requirements of the May 15, 1997 Internal Revenue Service's Systems Life Cycle program; and (5) is in compliance with acquisition rules, requirements, guidelines, and systems acquisition management practices of the Federal Government.

ADMINISTRATIVE PROVISIONS—INTERNAL REVENUE SERVICE

SECTION 101. Not to exceed 5 percent of any appropriation made available in this Act to the Internal Revenue Service may be transferred to any other Internal Revenue Service appropriation upon the advance approval of the House and Senate Committees on Appropriations.

SEC. 102. The Internal Revenue Service shall maintain a training program to ensure that Internal Revenue Service employees are trained in taxpayers' rights, in dealing courteously with the taxpayers, and in cross-cultural relations.

SEC. 103. The funds provided in this Act for the Internal Revenue Service shall be used to provide, as a minimum, the fiscal year 1995 level of service, staffing, and funding for Taxpayer Services.

SEC. 104. None of the funds appropriated by this title shall be used in connection with the collection of any underpayment of any tax imposed by the Internal Revenue Code of 1986 unless the conduct of officers and employees of the Internal Revenue Service in connection with such collection, including any private sector employees under contract to the Internal Revenue Service, complies with subsection (a) of section 805 (relating to communications in connection with debt collection), and section 806 (relating to harassment or abuse), of the Fair Debt Collection Practices Act (15 U.S.C. 1692).

SEC. 105. The Internal Revenue Service shall institute and enforce policies and procedures which will safeguard the confidentiality of taxpayer information.

SEC. 106. Funds made available by this or any other Act to the Internal Revenue Service shall be available for improved facilities and increased manpower to provide a sufficient and effective 1–800 help line for taxpayers. The Commissioner shall continue to make the improvement of the Internal Revenue Service 1–800 help line service a priority and allocate resources necessary to increase phone lines and staff to improve the Internal Revenue Service 1–800 help line service.

SEC. 107. Notwithstanding any other provision of law, no reorganization of the field office structure of the Internal Revenue Service Criminal Investigators Division will result in a reduction of criminal investigators in Wisconsin and South Dakota from the 1996 level.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Secret Service, including purchase of not to exceed 739 vehicles for police-type use, of which 675 shall be for replacement only, and hire of passenger motor vehicles; hire of aircraft; training and assistance requested by State and local governments, which may be provided without reimbursement; services of expert witnesses at such rates as may be determined by the Director; rental of buildings in the District of Columbia, and fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control, as may be necessary to perform protective functions; for payment of per diem and/or subsistence allowances to employees where a protective assignment during the actual day or days of the visit of a protectee require an employee to work 16 hours per day or to remain overnight at his or her post of duty; the conducting of and participating in firearms matches; presentation of awards; for travel of Secret Service employees on protective missions without regard to the limitations on such expenditures in this or any other Act if approval is obtained in advance from the Committees on Appropriations; for research and development; for making grants to conduct behavioral research in support of protective research and operations; not to exceed $20,000 for official reception and representation expenses; not to exceed $50,000 to provide technical assistance and equipment to foreign law enforcement organizations in counterfeit investigations; for payment in advance for commercial accommodations as may be necessary to perform protective functions; and for uniforms without regard to the general purchase price limitation for the current fiscal year, $600,302,000: Provided, That $18,000,000 provided for protective travel shall remain available until September 30, 2000; Provided further, That of the amount provided, $5,000,000 shall not be available for obligation until September 30, 1999.

ACQUISITION, CONSTRUCTION, IMPROVEMENT, AND RELATED EXPENSES

For necessary expenses of construction, repair, alteration, and improvement of facilities, $8,068,000, to remain available until expended.

GENERAL PROVISIONS—DEPARTMENT OF THE TREASURY

SEC. 110. Any obligation or expenditure by the Secretary of the Treasury in connection with law enforcement activities of a Federal agency or a Department of the Treasury law enforcement organization in accordance with 31 U.S.C. 9703(g)(4)(B) from unobligated balances remaining in the Fund on September 30, 1999, shall be made in compliance with reprogramming guidelines.

SEC. 111. Appropriations to the Department of the Treasury in this Act shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901), including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; purchase of motor vehicles without regard to the general purchase price limitations for vehicles purchased and used overseas for the current fiscal year; entering into contracts with the Department of State for the furnishing of health and medical services to employees and their dependents serving in foreign countries; and services authorized by 5 U.S.C. 3109.

SEC. 112. The funds provided to the Bureau of Alcohol, Tobacco and Firearms for fiscal year 1999 in this Act for the enforcement of the Federal Alcohol Administration Act shall be expended in a manner so as not to diminish enforcement efforts with respect to section 105 of the Federal Alcohol Administration Act.

SEC. 113. Not to exceed 2 percent of any appropriations in this Act made available to the Federal Law Enforcement Training Center, Financial Crimes Enforcement Network, Bureau of Alcohol, Tobacco and Firearms, United States Customs Service, and United States Secret Service may be transferred between such appropriations upon the advance approval of the Committees on Appropriations. No transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 114. Not to exceed 2 percent of any appropriations in this Act made available to the Departmental Offices, Office of Inspector General, Financial Management Service, and Bureau of the Public Debt, may be transferred between such appropriations upon the advance approval of the Committees on Appropriations. No transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 115. Section 921(a) of title 18, United States Code, is amended—

(1) in paragraph (5), by striking ''the explosive in a fixed shotgun shell'' and inserting ''an explosive'';

(2) in paragraph (7), by striking ''the explosive in a fixed metallic cartridge'' and inserting ''an explosive''; and

(3) by striking paragraph (16) and inserting the following:

''(16) The term 'antique firearm' means—

''(A) any firearm (including any firearm with a matchlock, flintlock, percussion cap, or similar type of ignition system) manufactured in or before 1898; or

''(B) any replica of any firearm described in subparagraph (A) if such replica—

''(i) is not designed or redesigned for using rimfire or conventional centerfire fixed ammunition; or

''(ii) uses rimfire or conventional centerfire fixed ammunition which is no longer manufactured in the United States and which is not readily available in the ordinary channels of commercial trade; or

''(C) any muzzle loading rifle, muzzle loading shotgun, or muzzle loading pistol, which is designed to use black powder, or a black powder substitute, and which cannot use fixed ammunition. For purposes of this subparagraph, the term 'antique firearm' shall not include any weapon which incorporates a firearm frame or receiver, any firearm which is converted into a muzzle loading weapon, or any muzzle loading weapon which can be readily converted to fire fixed ammunition by replacing the barrel, bolt, breechblock, or any combination thereof.''.

SEC. 116. Of the funds available for the purchase of law enforcement vehicles, no funds may be obligated until the Secretary of the Treasury certifies that the purchase by the respective Treasury bureau is consistent with the vehicle management principles: Provided, That the Secretary may delegate this authority to the Assistant Secretary for Management.

SEC. 117. EXCEPTION TO IMMUNITY FROM ATTACHMENT OR EXECUTION. (a) Section 1610 of title 28, United States Code, is amended by adding at the end the following new subsection:

''(f)(1)(A) Notwithstanding any other provision of law, including but not limited to section

208(f) of the Foreign Missions Act (22 U.S.C. 4308(f)), and except as provided in subparagraph (B), any property with respect to which financial transactions are prohibited or regulated pursuant to section 5(b) of the Trading with the Enemy Act (50 U.S.C. App. 5(b)), section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a)), sections 202 and 203 of the International Emergency Economic Powers Act (50 U.S.C. 1701–1702), or any other proclamation, order, regulation, or license issued pursuant thereto, shall be subject to execution or attachment in aid of execution of any judgment relating to a claim for which a foreign state (including any agency or instrumentality or such state) claiming such property is not immune under section 1605(a)(7).

''(B) Subparagraph (A) shall not apply if, at the time the property is expropriated or seized by the foreign state, the property has been held in title by a natural person or, if held in trust, has been held for the benefit of a natural person or persons.

''(2)(A) At the request of any party in whose favor a judgment has been issued with respect to a claim for which the foreign state is not immune under section 1605(a)(7), the Secretary of the Treasury and the Secretary of State shall fully, promptly, and effectively assist any judgment creditor or any court that has issued any such judgment in identifying, locating, and executing against the property of that foreign state or any agency or instrumentality of such state.

''(B) In providing such assistance, the Secretaries—

''(i) may provide such information to the court under seal; and

''(ii) shall provide the information in a manner sufficient to allow the court to direct the United States Marshall's office to promptly and effectively execute against that property.''.

(b) CONFORMING AMENDMENT.—Section 1606 of title 28, United States Code, is amended by inserting after ''punitive damages'' the following: '', except any action under section 1605(a)(7) or 1610(f)''.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to any claim for which a foreign state is not immune under section 1605(a)(7) of title 28, United States Code, arising before, on, or after the date of the enactment of this Act.

(d) WAIVER.—The President may waive the requirements of this section in the interest of national security.

This title may be cited as the ''Treasury Department Appropriations Act, 1999''.

TITLE II—POSTAL SERVICE

PAYMENTS TO THE POSTAL SERVICE FUND

For payment to the Postal Service Fund for revenue forgone on free and reduced rate mail, pursuant to subsections (c) and (d) of section 2401 of title 39, United States Code, $71,195,000, which shall remain available until September 30, 2000: Provided, That none of the funds provided shall be available for obligation until October 1, 1999: Provided further, That mail for overseas voting and mail for the blind shall continue to be free: Provided further, That 6-day delivery and rural delivery of mail shall continue at not less than the 1983 level: Provided further, That none of the funds made available to the Postal Service by this Act shall be used to implement any rule, regulation, or policy of charging any officer or employee of any State or local child support enforcement agency, or any individual participating in a State or local program of child support enforcement, a fee for information requested or provided concerning an address of a postal customer: Provided further, That none of the funds provided in this Act shall be used to consolidate or close small rural and other small post offices in the fiscal year ending on September 30, 1999.

This title may be cited as the ''Postal Service Appropriations Act, 1999''.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT

COMPENSATION OF THE PRESIDENT AND THE WHITE HOUSE OFFICE

COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of $50,000 per annum as authorized by 3 U.S.C. 102, $250,000: Provided, That none of the funds made available for official expenses shall be expended for any other purpose and any unused amount shall revert to the Treasury pursuant to section 1552 of title 31, United States Code: Provided further, That none of the funds made available for official expenses shall be considered as taxable to the President.

SALARIES AND EXPENSES

For necessary expenses for the White House as authorized by law, including not to exceed $3,850,000 for services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 105; subsistence expenses as authorized by 3 U.S.C. 105, which shall be expended and accounted for as provided in that section; hire of passenger motor vehicles, newspapers, periodicals, teletype news service, and travel (not to exceed $100,000 to be expended and accounted for as provided by 3 U.S.C. 103); and not to exceed $19,000 for official entertainment expenses, to be available for allocation within the Executive Office of the President, $52,344,000: Provided, That $10,100,000 of the funds appropriated shall be available for reimbursements to the White House Communications Agency.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurnishing, improvement, heating, and lighting, including electric power and fixtures, of the Executive Residence at the White House and official entertainment expenses of the President, $8,061,000, to be expended and accounted for as provided by 3 U.S.C. 105, 109, 110, and 112–114: Provided, That such amount shall not be available for expenses for domestic staff overtime.

In addition, for necessary expenses for domestic staff overtime, $630,000: Provided, That such amount shall not become available for obligation until the Comptroller General of the United States notifies the Committees on Appropriations that: (1) the Executive Office of the President has received, reviewed, and commented on the draft report of the General Accounting Office with respect to its audit of the Executive Residence at the White House; and (2) the General Accounting Office has received the comments of the Executive Office of the President.

REIMBURSABLE EXPENSES

For the reimbursable expenses of the Executive Residence at the White House, such sums as may be necessary: Provided, That all reimbursable operating expenses of the Executive Residence shall be made in accordance with the provisions of this paragraph: Provided further, That, notwithstanding any other provision of law, such amount for reimbursable operating expenses shall be the exclusive authority of the Executive Residence to incur obligations and to receive offsetting collections, for such expenses: Provided further, That the Executive Residence shall require each person sponsoring a reimbursable political event to pay in advance an amount equal to the estimated cost of the event, and all such advance payments shall be credited to this account and remain available until expended: Provided further, That the Executive Residence shall require the national committee of the political party of the President to maintain on deposit $25,000, to be separately accounted for and available for expenses relating to reimbursable political events sponsored by such committee during such fiscal year: Provided further, That the Executive Residence shall ensure that a written notice of any amount owed for a reimbursable operating expense under this paragraph is submitted to the person owing such amount within 60 days after such expense is incurred, and that such amount is collected within 30 days after the submission of such notice: Provided further, That the Executive Residence shall charge interest and assess penalties and other charges on any such amount that is not reimbursed within such 30 days, in accordance with the interest and penalty provisions applicable to an outstanding debt on a United States Government claim under section 3717 of title 31, United States Code: Provided further, That each such amount that is reimbursed, and any accompanying interest and charges, shall be deposited in the Treasury as miscellaneous receipts: Provided further, That the Executive Residence shall prepare and submit to the Committees on Appropriations, by not later than 90 days after the end of the fiscal year covered by this Act, a report setting forth the reimbursable operating expenses of the Executive Residence during the preceding fiscal year, including the total amount of such expenses, the amount of such total that consists of reimbursable official and ceremonial events, the amount of such total that consists of reimbursable political events, and the portion of each such amount that has been reimbursed as of the date of the report: Provided further, That the Executive Residence shall maintain a system for the tracking of expenses related to reimbursable events within the Executive Residence that includes a standard for the classification of any such expense as political or nonpolitical: Provided further, That no provision of this paragraph may be construed to exempt the Executive Residence from any other applicable requirement of subchapter I or II of chapter 37 of title 31, United States Code.

SPECIAL ASSISTANCE TO THE PRESIDENT AND THE OFFICIAL RESIDENCE OF THE VICE PRESIDENT

SALARIES AND EXPENSES

For necessary expenses to enable the Vice President to provide assistance to the President in connection with specially assigned functions; services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 106, including subsistence expenses as authorized by 3 U.S.C. 106, which shall be expended and accounted for as provided in that section; and hire of passenger motor vehicles, $3,512,000.

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For the care, operation, refurnishing, improvement, heating, and lighting, including electric power and fixtures, of the official residence of the Vice President; the hire of passenger motor vehicles; and not to exceed $90,000 for official entertainment expenses of the Vice President, to be accounted for solely on his certificate, $334,000: Provided, That advances or repayments or transfers from this appropriation may be made to any department or agency for expenses of carrying out such activities.

COUNCIL OF ECONOMIC ADVISERS

SALARIES AND EXPENSES

For necessary expenses of the Council in carrying out its functions under the Employment Act of 1946 (15 U.S.C. 1021), $3,666,000.

OFFICE OF POLICY DEVELOPMENT

SALARIES AND EXPENSES

For necessary expenses of the Office of Policy Development, including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, $4,032,000.

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

For necessary expenses of the National Security Council, including services as authorized by 5 U.S.C. 3109, $6,806,000.

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Administration, including services as authorized by

5 U.S.C. 3109 and 3 U.S.C. 107, and hire of passenger motor vehicles, $28,350,000.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

For necessary expenses of the Office of Management and Budget (OMB), including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, $60,617,000, of which not to exceed $5,000,000 shall be available to carry out the provisions of chapter 35 of title 44, United States Code: Provided, That, as provided in 31 U.S.C. 1301(a), appropriations shall be applied only to the objects for which appropriations were made except as otherwise provided by law: Provided further, That none of the funds appropriated in this Act for the Office of Management and Budget may be used for the purpose of reviewing any agricultural marketing orders or any activities or regulations under the provisions of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601 et seq.): Provided further, That none of the funds made available for the Office of Management and Budget by this Act may be expended for the altering of the transcript of actual testimony of witnesses, except for testimony of officials of the Office of Management and Budget, before the Committees on Appropriations or the Committees on Veterans' Affairs or their subcommittees: Provided further, That the preceding shall not apply to printed hearings released by the Committees on Appropriations or the Committees on Veterans' Affairs: Provided further, That the Director of OMB amends Section ____.36 of OMB Circular A–110 to require Federal awarding agencies to ensure that all data produced under an award will be made available to the public through the procedures established under the Freedom of Information Act: Provided further, That if the agency obtaining the data does so solely at the request of a private party, the agency may authorize a reasonable user fee equaling the incremental cost of obtaining the data: Provided further, That OMB is directed to submit a report by March 31, 1999, to the Committees on Appropriations, the Senate Committee on Governmental Affairs, and the House Committee on Government Reform and Oversight that: (1) identifies specific paperwork reduction accomplishments expected, constituting annual 5 percent reductions in paperwork expected in fiscal year 1999 and fiscal year 2000; and (2) issues guidance on the requirements of 5 U.S.C. Sec. 801(a)(1) and (3); sections 804(3), and 808(2), including a standard new rule reporting form for use under section 801(a)(1)(A) and (B).

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of National Drug Control Policy; for research activities pursuant to title I of Public Law 100–690; not to exceed $8,000 for official reception and representation expenses; and for participation in joint projects or in the provision of services on matters of mutual interest with nonprofit, research, or public organizations or agencies, with or without reimbursement, $48,042,000, of which $30,100,000 shall remain available until expended, consisting of $1,100,000 for policy research and evaluation, and $16,000,000 for the Counterdrug Technology Assessment Center for counternarcotics research and development projects, and $13,000,000 for the continued operation of the technology transfer program: Provided, That the $16,000,000 for the Counterdrug Technology Assessment Center shall be available for transfer to other Federal departments or agencies: Provided further, That the Office is authorized to accept, hold, administer, and utilize gifts, both real and personal, public and private, without fiscal year limitation, for the purpose of aiding or facilitating the work of the Office.

FEDERAL DRUG CONTROL PROGRAMS

HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of National Drug Control Policy's High Intensity Drug Trafficking Areas Program, $182,477,000 for drug control activities consistent with the approved strategy for each of the designated High Intensity Drug Trafficking Areas, of which no less than 51 percent shall be transferred to State and local entities for drug control activities, which shall be obligated within 120 days of the date of the enactment of this Act: Provided, That funding shall be provided for existing High Intensity Drug Trafficking Areas at no less than the total fiscal year 1998 level consisting of funding from this account as well as the Violent Crime Reduction Trust Fund.

SPECIAL FORFEITURE FUND

(INCLUDING TRANSFER OF FUNDS)

For activities to support a national anti-drug campaign for youth, and other purposes, authorized by Public Law 100–690, as amended, $214,500,000, to remain available until expended: Provided, That such funds may be transferred to other Federal departments and agencies to carry out such activities: Provided further, That of the funds provided, $185,000,000 shall be to support a national media campaign to reduce and prevent drug use among young Americans: Provided further, That none of the funds provided for the support of a national media campaign may be obligated for the following purposes: to supplant current anti-drug community based coalitions; to supplant current pro bono public service time donated by national and local broadcasting networks; for partisan political purposes; or to fund media campaigns that feature any elected officials, persons seeking elected office, cabinet-level officials, or other Federal officials employed pursuant to Schedule C of title 5, Code of Federal Regulations, section 213, absent advance notice to the Committees on Appropriations and the Senate Judiciary Committee: Provided further, That: (1) the Office of National Drug Control Policy (ONDCP) will require a pro bono match commitment up-front as part of its media buy from each and every seller of ad time and space; (2) ONDCP, or any agent acting on its behalf, may not obligate any funds for the creative development of advertisements from for-profit organizations, not including out-of-pocket production costs and talent re-use payments, unless: (A) the advertisements are intended to reach a minority, ethnic or other special audience that cannot be obtained on a pro bono basis within the time frames required by ONDCP's advertising and buying agencies; and (B) ONDCP receives prior approval from the Committees on Appropriations; (3) ONDCP will submit within 3 months of the enactment of this Act an implementation plan to the Committees on Appropriations to secure corporate sponsorship equaling 40 percent of the appropriated amount in fiscal year 1999, the definition of which is a contribution that is not received as a result of leveraging funds to receive said sponsorship, corporate sponsorship equaling 60 percent of the appropriated amount in fiscal year 2000, corporate sponsorship equaling 80 percent of the appropriated amount in fiscal year 2001, corporate sponsorship equaling 100 percent of the appropriated amount in fiscal year 2002; (4) the funds provided for the support of a national media campaign may be used to fund the purchase of media time and space, talent re-use payments, out-of-pocket advertising production costs, testing and evaluation of advertising, evaluation of the effectiveness of the media campaign, the negotiated fees for the winning bidder on the request for proposal recently issued by ONDCP, partnership with community, civic, and professional groups, and Government organizations related to the media campaign, entertainment industry collaborations to fashion anti-drug messages in movies, television programming, and popular music, interactive (Internet and new) media projects/activities, public information (News Media Outreach), and corporate sponsorship/participation; (5) ONDCP shall not obligate funds provided for the national media campaign for fiscal year 1999 until ONDCP has submitted the evaluation and results of Phase I of the campaign to the Committees on Appropriations, and may obligate not more than 75 percent of these funds until ONDCP has submitted the evaluation and results of Phase II of the campaign to the Committees on Appropriations; and (6) ONDCP is required to report to the Committees on Appropriations not only quarterly, but also to provide monthly itemized reports of all expenditures and obligations relating to the media campaign as well as the specific parameters of the national media campaign, and shall report to Congress within 1 year on the effectiveness of the national media campaign based upon the measurable outcomes provided to Congress previously: Provided further, That of the funds provided, $4,500,000 shall be available for transfer to the Agricultural Research Service for anti-drug research and related matters: Provided further, That of the funds provided, $20,000,000 shall be to continue a program of matching grants to drug-free communities, as authorized in the Drug-Free Communities Act of 1997: Provided further, That of the funds provided, $5,000,000 shall be available for the chronic users study.

UNANTICIPATED NEEDS

For expenses necessary to enable the President to meet unanticipated needs, in furtherance of the national interest, security, or defense which may arise at home or abroad during the current fiscal year, $1,000,000.

This title may be cited as the ''Executive Office Appropriations Act, 1999''.

TITLE IV—INDEPENDENT AGENCIES

COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

SALARIES AND EXPENSES

For necessary expenses of the Committee for Purchase From People Who Are Blind or Severely Disabled established by the Act of June 23, 1971, Public Law 92–28, $2,464,000.

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the Federal Election Campaign Act of 1971, as amended, $36,500,000, of which no less than $4,402,500 shall be available for internal automated data processing systems, and of which not to exceed $5,000 shall be available for reception and representation expenses: Provided, That of the amounts appropriated for salaries and expenses, $1,120,000 may not be obligated until the Federal Election Commission submits a plan for approval to the House Committee on Appropriations for the expenditure of such funds.

FEDERAL LABOR RELATIONS AUTHORITY

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Federal Labor Relations Authority, pursuant to Reorganization Plan Numbered 2 of 1978, and the Civil Service Reform Act of 1978, including services authorized by 5 U.S.C. 3109, including hire of experts and consultants, hire of passenger motor vehicles, and rental of conference rooms in the District of Columbia and elsewhere, $22,586,000: Provided, That public members of the Federal Service Impasses Panel may be paid travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons employed intermittently in the Government service, and compensation as authorized by 5 U.S.C. 3109: Provided further, That notwithstanding 31 U.S.C. 3302, funds received from fees charged to non-Federal participants at labor-management relations conferences shall be credited to and merged with

this account, to be available without further appropriation for the costs of carrying out these conferences.

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

(INCLUDING TRANSFER OF FUNDS)

For additional expenses necessary to carry out the purpose of the Fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)), $450,018,000 to be deposited into the Fund. The revenues and collections deposited into the Fund shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving governmental agencies (including space adjustments and telecommunications relocation expenses) in connection with the assignment, allocation and transfer of space; contractual services incident to cleaning or servicing buildings, and moving; repair and alteration of federally owned buildings including grounds, approaches and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; acquisition of options to purchase buildings and sites; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, and any other obligations for public buildings acquired by installment purchase and purchase contract; in the aggregate amount of $5,605,018,000, of which: (1) $492,190,000 shall remain available until expended for construction of additional projects at locations and at maximum construction improvement costs (including funds for sites and expenses and associated design and construction services) as follows:

New construction:

Arkansas:

Little Rock, U.S. courthouse, $3,436,000

California:

San Diego, U.S. courthouse, $15,400,000

San Jose, U.S. courthouse, $10,800,000

Colorado:

Denver, U.S. courthouse, $83,959,000

District of Columbia:

Southeast Federal Center remediation, $10,000,000

Florida:

Jacksonville, U.S. courthouse, $86,010,000

Orlando, U.S. courthouse, $1,930,000

Massachusetts:

Springfield, U.S. courthouse, $5,563,000

Michigan:

Sault Sainte Marie, border station, $572,000

Mississippi:

Biloxi-Gulfport, U.S. courthouse, $7,543,000

Missouri:

Cape Girardeau, U.S. courthouse, $2,196,000

Montana:

Babb, Piegan border station, $6,165,000

New York:

Brooklyn, U.S. courthouse, $152,626,000

New York, U.S. Mission to the United Nations, $3,163,000

Oregon:

Eugene, U.S. courthouse, $7,190,000

Tennessee:

Greenville, U.S. courthouse, $28,229,000

Texas:

Laredo, U.S. courthouse, $28,105,000

West Virginia:

Wheeling, U.S. courthouse, $29,303,000

Nationwide:

Non-prospectus, $10,000,000:

Provided, That each of the immediately foregoing limits of costs on new construction projects may be exceeded to the extent that savings are effected in other such projects, but not to exceed 10 percent unless advance approval is obtained from the Committees on Appropriations of a greater amount: Provided further, That notwithstanding any other provision of law in order to rescind a General Services Administration property sale, the General Services Administration is authorized to re-acquire that parcel of land on Block 111, East Denver, Denver, Colorado, which was sold at public auction by the Federal Government to its present owner pursuant to paragraphs (6) and (7) of section 12 of Public Law 94–204 (43 U.S.C. 1611 note) at a price equivalent to the 1988 auction sale price plus the amount of cumulative consumer price index, pursuant to the methodology as used in Public Law 104–42, Sec. 107(a), from the closing date of the sale until the date of re-acquisition by the Federal Government, offset by any net income received from the property by the present owner since the 1988 sale: Provided further, That the funds provided in Public Law 102–393 for Hilo, Hawaii, shall be expended for the planning and design of the Mauna Kea Astronomy Educational Center, notwithstanding Public Law 103–123, and of the funds provided not more than $475,000 is to be disbursed in this fiscal year: Provided further, That all funds for direct construction projects shall expire on September 30, 2000, and remain in the Federal Buildings Fund except for funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: Provided further, That of the funds provided for non-prospectus construction projects, $2,100,000 shall be available until expended for acquisition, lease, construction, and equipping of flexiplace telecommuting centers: Provided further, That from the funds made available under this heading in this or prior Acts of Congress, the Administrator of General Services may purchase at a price he determines appropriate, notwithstanding any other provision of law, property adjacent to the new courthouse currently under construction in Scranton, Pennsylvania; and (2) $668,031,000 shall remain available until expended, for repairs and alterations which includes associated design and construction services: Provided further, That of the amount provided, $161,500,000 shall not be available for obligation until September 30, 1999: Provided further, That funds in the Federal Buildings Fund for Repairs and Alterations shall, for prospectus projects, be limited to the amount by project as follows, except each project may be increased by an amount not to exceed 10 percent unless advance approval is obtained from the Committees on Appropriations of a greater amount:

Repairs and alterations:

California:

San Francisco, Appraisers Building, $29,778,000

Colorado:

Lakewood, Denver Federal Center, Building 25, $29,351,000

District of Columbia:

Federal Office Building, 10B, $13,844,000

Interstate Commerce Commission, Connecting Wing Complex, Customs Building, Phase 3/3, $83,959,000

Old Executive Office Building, $25,210,000

Department of State, Phase 1, $29,779,000

New York:

Brookhaven, Internal Revenue Service, Service Center, $20,019,000

New York, U.S. Courthouse, 40 Foley Square, $4,782,000

Pennsylvania:

Philadelphia, Byrne-Green, Federal Building-U.S. Courthouse, $11,212,000

Virginia:

Reston, J.W. Powell Building, $9,151,000

Nationwide:

Chlorofluorocarbons Program, $25,000,000

Energy Program, $25,000,000

Design Program, $16,710,000

Basic Repairs and Alteration, $344,236,000:

Provided further, That additional projects for which prospectuses have been fully approved may be funded under this category only if advance approval is obtained from the Committees on Appropriations: Provided further, That the amounts provided in this or any prior Act for ''Repairs and Alterations'' may be used to fund costs associated with implementing security improvements to buildings necessary to meet the minimum standards for security in accordance with current law and in compliance with the reprogramming guidelines of the appropriate committees of the House and Senate: Provided further, That the difference between the funds appropriated and expended on any projects in this or any prior Act, under the heading ''Repairs and Alterations'', may be transferred to Basic Repairs and Alterations or used to fund authorized increases in prospectus projects: Provided further, That all funds for repairs and alterations prospectus projects shall expire on September 30, 2000, and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: Provided further, That of the amount provided, $100,000 shall be used to address the lighting issues at the Byrne-Green Federal Courthouse in Philadelphia, Pennsylvania: Provided further, That of the amount provided in this or any prior Act for Basic Repairs and Alterations, $1,600,000 shall be provided to complete the alterations required at the Milwaukee, Wisconsin Courthouse: Provided further, That of the amount provided in this or any prior Act for Basic Repairs and Alterations, $1,100,000 may be used to provide a new fence surrounding the Suitland Federal Complex in Suitland, Maryland: Provided further, That $5,700,000 of the funds provided under this heading in Public Law 103–329 for the Holtsville, New York, IRS Service Center shall remain available until September 30, 1999: Provided further, That the amount provided in this or any prior Act for Basic Repairs and Alterations may be used to pay claims against the Government arising from any projects under the heading ''Repairs and Alterations'' or used to fund authorized increases in prospectus projects; (3) $215,764,000 for installment acquisition payments including payments on purchase contracts which shall remain available until expended; (4) $2,583,261,000 for rental of space which shall remain available until expended: Provided further, That of the amount provided, $15,000,000 shall not be available for obligation until September 30, 1999; and (5) $1,554,772,000 for building operations which shall remain available until expended: Provided further, That of the amount provided $68,000,000 shall not be available for obligation until September 30, 1999: Provided further, That funds available to the General Services Administration shall not be available for expenses of any construction, repair, alteration and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, as amended, has not been approved, except that necessary funds may be expended for each project for required expenses for the development of a proposed prospectus: Provided further, That for the purposes of this authorization, and hereafter, buildings constructed pursuant to the purchase contract authority of the Public Buildings Amendments of 1972 (40 U.S.C. 602a), buildings occupied pursuant to installment purchase contracts, and buildings under the control of another department or agency where alterations of such buildings are required in connection with the moving of such other department or agency from buildings then, or thereafter to be, under the control of the General Services Administration shall be considered to be federally owned buildings: Provided further, That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance approval is obtained from the Committees on Appropriations: Provided further, That amounts

necessary to provide reimbursable special services to other agencies under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)(6)) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056, shall be available from such revenues and collections: Provided further, That the remaining balances and associated assets and liabilities of the Pennsylvania Avenue Activities account are hereby transferred to the Federal Buildings Fund to be effective October 1, 1998, and that all income earned after that effective date that would otherwise have been deposited to the Pennsylvania Avenue Activities account shall thereafter be deposited to the Federal Buildings Fund, to be available for the purposes authorized by Public Laws 104–134 and 104–208, notwithstanding subsection 210(f)(2) of the Federal Property and Administrative Services Act, as amended: Provided further, That of the amount provided, $475,000 shall be made available for the 1999 Women's World Cup Soccer event: Provided further, That of the amount provided, $600,000 shall be made available for the 1999 World Alpine Ski Championships: Provided further, That revenues and collections and any other sums accruing to this Fund during fiscal year 1999, excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)) in excess of $5,605,018,000 shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

POLICY AND OPERATIONS

For expenses authorized by law, not otherwise provided for, for Government-wide policy and oversight activities associated with asset management activities; utilization and donation of surplus personal property; transportation; procurement and supply; Government-wide and internal responsibilities relating to automated data management, telecommunications, information resources management, and related technology activities; utilization survey, deed compliance inspection, appraisal, environmental and cultural analysis, and land use planning functions pertaining to excess and surplus real property; agency-wide policy direction; Board of Contract Appeals; accounting, records management, and other support services incident to adjudication of Indian Tribal Claims by the United States Court of Federal Claims; services as authorized by 5 U.S.C. 3109; and not to exceed $5,000 for official reception and representation expenses; $109,594,000: Provided, That none of the funds appropriated from this Act shall be available to convert the Old Post Office at 1100 Pennsylvania Avenue in Northwest Washington, D.C., from office use to any other use until a comprehensive plan, which shall include street-level retail use, has been approved by the Senate Committee on Appropriations, the House Committee on Transportation and Infrastructure, and the Senate Committee on Environment and Public Works: Provided further, That no funds from this Act shall be available to acquire by purchase, condemnation, or otherwise the leasehold rights of the existing lease with private parties at the Old Post Office prior to the approval of the comprehensive plan by the Senate Committee on Appropriations, the House Committee on Transportation and Infrastructure, and the Senate Committee on Environment and Public Works: Provided further, That $100,000 is provided to the property disposal activity for the Racine, Wisconsin, property transfer identified in General Services Administration General Provision section 409.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General and services authorized by 5 U.S.C. 3109, $32,000,000: Provided, That not to exceed $10,000 shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property: Provided further, That not to exceed $2,500 shall be available for awards to employees of other Federal agencies and private citizens in recognition of efforts and initiatives resulting in enhanced Office of Inspector General effectiveness.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

(INCLUDING TRANSFER OF FUNDS)

For carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), and Public Law 95–138, $2,241,000: Provided, That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of such Acts.

GENERAL PROVISIONS—GENERAL SERVICES ADMINISTRATION

SEC. 401. The appropriate appropriation or fund available to the General Services Administration shall be credited with the cost of operation, protection, maintenance, upkeep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U.S.C. 129).

SEC. 402. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.

SEC. 403. Funds in the Federal Buildings Fund made available for fiscal year 1999 for Federal Buildings Fund activities may be transferred between such activities only to the extent necessary to meet program requirements: Provided, That any proposed transfers shall be approved in advance by the Committees on Appropriations.

SEC. 404. No funds made available by this Act shall be used to transmit a fiscal year 2000 request for United States Courthouse construction that: (1) does not meet the design guide standards for construction as established and approved by the General Services Administration, the Judicial Conference of the United States, and the Office of Management and Budget; and (2) does not reflect the priorities of the Judicial Conference of the United States as set out in its approved 5-year construction plan: Provided, That the fiscal year 2000 request must be accompanied by a standardized courtroom utilization study of each facility to be constructed, replaced, or expanded.

SEC. 405. None of the funds provided in this Act may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided through the Federal Buildings Fund, to any agency which does not pay the rate per square foot assessment for space and services as determined by the General Services Administration in compliance with the Public Buildings Amendments Act of 1972 (Public Law 92–313).

SEC. 406. Funds provided to other Government agencies by the Information Technology Fund, General Services Administration, under 40 U.S.C. 757 and sections 5124(b) and 5128 of Public Law 104–106, Information Technology Management Reform Act of 1996, for performance of pilot information technology projects which have potential for Government-wide benefits and savings, may be repaid to this Fund from any savings actually incurred by these projects or other funding, to the extent feasible.

SEC. 407. From funds made available under the heading ''Federal Buildings Fund Limitations on Revenue'', claims against the Government of less than $250,000 arising from direct construction projects and acquisition of buildings may be liquidated from savings effected in other construction projects with prior notification to the Committees on Appropriations.

SEC. 408. From the funds made available under the heading ''Federal Buildings Fund Limitations on Revenue'', in addition to amounts provided in budget activities above, up to $5,000,000 shall be available for the demolition, cleanup and conveyance of the property at block 35 and lot 2 of block 36 in Anchorage, Alaska: Provided, That notwithstanding any other provision of law, the Administrator of General Services shall, not later than 18 months after the date of the enactment of this Act, demolish and remove all buildings, structures and other fixtures on the property at block 35 and lot 2 of block 36, Anchorage Original Townsite East Addition, Anchorage, Alaska, excluding any portion dedicated for use by the Centers for Disease Control and Prevention: Provided further, That the remediation of said parcel shall include the removal of all asbestos, lead and any other contamination, and restoration of the property, to the extent practicable, to an undeveloped condition: Provided further, That upon completion of the activities required for the demolition and removal of buildings, and notwithstanding any other provision of law, the Administrator of General Services shall convey to the municipality of Anchorage, without reimbursement, all right, title, and interest of the United States to the property.

SEC. 409. The Administrator of General Services may convey to the City of Racine, Wisconsin, all right, title, and interest of the United States in and to a parcel of excess real property, including improvements thereon, that is located on 2310 Center Street, commencing at the intersection of the North line of 24th Street and the center line of Center Street, being the point of the beginning; thence Northerly along the center line of Center Street, 426 feet to the South line of 23rd Street extended East; thence Westerly along the South line of 23rd Street extended East; 325 feet to the West line of Franklin Street extended South; thence southerly along the West line of Franklin Street extended South to a point on the North line of 24th Street; thence Easterly along the North line of 24th Street to the point of beginning located in Racine, Wisconsin, and which contains the U.S. Army Reserve Center.

SEC. 410. DEPARTMENT OF TRANSPORTATION HEADQUARTERS. (a) IN GENERAL.—The Administrator of General Services shall—

(1) enter into an operating lease to acquire space for the Department of Transportation headquarters; and

(2) commence procurement of the lease not later than November 1, 1998:

Provided, That the annual rent payment does not exceed $55,000,000.

(b) TERMS.—The authority granted in subsection (a) is effective only to the extent that the lease acquisition meets the guidelines for operating leases set forth in the joint statement of the managers for the conference report to the Balanced Budget Agreement of 1997, as determined by the Director of the Office of Management and Budget.

SEC. 411. Notwithstanding any other provision of law, the requirement under section 407 of Public Law 104–208 (110 Stat. 3009–337–38), that the Administrator of General Services charge user fees for flexiplace telecommuting centers that approximate commercial charges for comparable space and services but in no instance less than the amount necessary to pay the cost of establishing and operating such centers, shall not apply to the user fees charged for the period beginning October 1, 1996, and ending September 30, 1998, for the telecommuting centers established as part of a pilot telecommuting demonstration program in the Washington, D.C. metropolitan area by Public Laws 102–393, 103–123, 103–329, 104–52, and 104–208: Provided, That for these centers in the pilot demonstration program for the period beginning October 1, 1998, and ending September 30, 2000, the Administrator shall charge fees for Federal agency use of a telecenter based on 50 percent of the Administrator's annual costs of operating the center, including the reasonable cost of replacement

for furniture, fixtures, and equipment: Provided further, That effective October 1, 2000, the Administrator shall charge fees for Federal agency use of the demonstration telecommuting centers based on 100 percent of the annual operating costs, including the reasonable cost of replacement for furniture, fixtures, and equipment: Provided further, That, to the extent such user charges do not cover the Administrator's costs in operating these centers, appropriations to the General Services Administration are authorized to reimburse the Federal Buildings Fund for any loss of revenue.

SEC. 412. (a) AUTHORITY TO CONVEY.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the Administrator of General Services shall convey to the University of Miami, by negotiated sale or by negotiated land exchange and by not later than September 30, 1999, all right, title, and interest of the United States in and to the property described in paragraph (2).

(2) PROPERTY DESCRIBED.—The property referred to in paragraph (1) is real property in Miami-Dade County, Florida, including improvements thereon, comprising the Federal facility known as the United States Naval Observatory/Alternate Time Service Laboratory, consisting of approximately 76 acres. The exact acreage and legal description of the property shall be determined by a survey that is satisfactory to the Administrator.

(b) CONDITION REGARDING USE.—Any conveyance under subsection (a) shall be subject to the condition that during the 10-year period beginning on the date of the conveyance, the University shall use the property, or provide for use of the property, only for—

(1) a research, education, and training facility complementary to longstanding national research missions, subject to such incidental exceptions as may be approved by the Administrator;

(2) research-related purposes other than the use specified in paragraph (1), under an agreement entered into by the Administrator and the University; or

(3) a combination of uses described in paragraph (1) and paragraph (2), respectively.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Administrator may require such additional terms and conditions with respect to the conveyance under subsection (a) as the Administrator considers appropriate to protect the interests of the United States.

(d) REVERSION.—If the Administrator determines at any time that the property conveyed under subsection (a) is not being used in accordance with this section, all right, title, and interest in and to the property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry thereon.

SEC. 413. The Administrator of General Services is directed to reincorporate the elements of the original proposed design for the façade of the United States Courthouse, London, Kentucky, project into the revised design of the building in order to ensure compatibility of this new facility with the historic U.S. Courthouse in London, Kentucky, to maintain the stateliness of the building. Construction or design of the London, Kentucky, project should not be diminished in anyway to achieve this goal.

ENVIRONMENTAL DISPUTE RESOLUTION FUND

For payment to the Environmental Dispute Resolution Fund to carry out activities authorized in the Environmental Policy and Conflict Resolution Act of 1997, $4,250,000, to remain available until expended, of which $3,000,000 will be for capitalization of the Fund, and $1,250,000 will be for annual operating expenses.

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out functions of the Merit Systems Protection Board pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and direct procurement of survey printing, $25,805,000, together with not to exceed $2,430,000 for administrative expenses to adjudicate retirement appeals to be transferred from the Civil Service Retirement and Disability Fund in amounts determined by the Merit Systems Protection Board.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

For necessary expenses in connection with the administration of the National Archives (including the Information Security Oversight Office) and records and related activities, as provided by law, and for expenses necessary for the review and declassification of documents, and for the hire of passenger motor vehicles, $224,614,000: Provided, That of the amount provided, $7,861,000 shall not be available for obligation until September 30, 1999: Provided further, That the Archivist of the United States is authorized to use any excess funds available from the amount borrowed for construction of the National Archives facility, for expenses necessary to provide adequate storage for holdings.

REPAIRS AND RESTORATION

For the repair, alteration, and improvement of archives facilities, and to provide adequate storage for holdings, $11,325,000, to remain available until expended, of which $2,000,000 is for an architectural and engineering study for the renovation of the Archives I facility, of which $4,000,000 is for encasement of the Charters of Freedom, and of which $875,000 is for a requirements study and design of the National Archives Anchorage, Alaska, facility.

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

GRANTS PROGRAM

For necessary expenses for allocations and grants for historical publications and records as authorized by 44 U.S.C. 2504, as amended, $10,000,000, to remain available until expended: Provided, That of the amount provided, $4,000,000 shall not be available for obligation until September 30, 1999.

OFFICE OF GOVERNMENT ETHICS

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Government Ethics pursuant to the Ethics in Government Act of 1978, as amended and the Ethics Reform Act of 1989, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and not to exceed $1,500 for official reception and representation expenses, $8,492,000.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109; medical examinations performed for veterans by private physicians on a fee basis; rental of conference rooms in the District of Columbia and elsewhere; hire of passenger motor vehicles; not to exceed $2,500 for official reception and representation expenses; advances for reimbursements to applicable funds of the Office of Personnel Management and the Federal Bureau of Investigation for expenses incurred under Executive Order No. 10422 of January 9, 1953, as amended; and payment of per diem and/or subsistence allowances to employees where Voting Rights Act activities require an employee to remain overnight at his or her post of duty, $85,350,000; and in addition $91,236,000 for administrative expenses, to be transferred from the appropriate trust funds of the Office of Personnel Management without regard to other statutes, including direct procurement of printed materials, for the retirement and insurance programs: Provided, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by section 8348(a)(1)(B) of title 5, United States Code: Provided further, That, except as may be consistent with 5 U.S.C. 8902a(f)(1) and (i), no payment may be made from the Employees Health Benefits Fund to any physician, hospital, or other provider of health care services or supplies who is, at the time such services or supplies are provided to an individual covered under chapter 89 of title 5, United States Code, excluded, pursuant to section 1128 or 1128A of the Social Security Act (42 U.S.C. 1320a–7 through 1320a–7a), from participation in any program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.): Provided further, That no part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of the Office of Personnel Management established pursuant to Executive Order No. 9358 of July 1, 1943, or any successor unit of like purpose: Provided further, That the President's Commission on White House Fellows, established by Executive Order No. 11183 of October 3, 1964, may, during fiscal year 1999, accept donations of money, property, and personal services in connection with the development of a publicity brochure to provide information about the White House Fellows, except that no such donations shall be accepted for travel or reimbursement of travel expenses, or for the salaries of employees of such Commission.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act, as amended, including services as authorized by 5 U.S.C. 3109, hire of passenger motor vehicles, $960,000; and in addition, not to exceed $9,145,000 for administrative expenses to audit the Office of Personnel Management's retirement and insurance programs, to be transferred from the appropriate trust funds of the Office of Personnel Management, as determined by the Inspector General: Provided, That the Inspector General is authorized to rent conference rooms in the District of Columbia and elsewhere.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), as amended, such sums as may be necessary.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

For payment of Government contributions with respect to employees retiring after December 31, 1989, as required by chapter 87 of title 5, United States Code, such sums as may be necessary.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, such sums as may be necessary: Provided, That annuities authorized by the Act of May 29, 1944, as amended, and the Act of August 19, 1950, as amended (33 U.S.C. 771–775), may hereafter be paid out of the Civil Service Retirement and Disability Fund.

OFFICE OF SPECIAL COUNSEL

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Special Counsel pursuant to Reorganization Plan Numbered 2 of 1978, the Civil Service Reform Act of 1978 (Public Law 95–454), the Whistleblower Protection Act of 1989 (Public Law 101–12), Public Law 103–424, and the Uniformed Services Employment and Reemployment Act of 1994 (Public Law 103–353), including services as authorized by 5 U.S.C. 3109, payment of fees and expenses for witnesses, rental of conference rooms in the District of Columbia and elsewhere, and hire of passenger motor vehicles, $8,720,000.

UNITED STATES TAX COURT

SALARIES AND EXPENSES

For necessary expenses, including contract reporting and other services as authorized by 5 U.S.C. 3109, $32,765,000: Provided, That travel expenses of the judges shall be paid upon the written certificate of the judge.

This title may be cited as the ''Independent Agencies Appropriations Act, 1999''.

TITLE V—GENERAL PROVISIONS

THIS ACT

SEC. 501. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 502. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 503. None of the funds made available by this Act shall be available for any activity or for paying the salary of any Government employee where funding an activity or paying a salary to a Government employee would result in a decision, determination, rule, regulation, or policy that would prohibit the enforcement of section 307 of the Tariff Act of 1930.

SEC. 504. None of the funds made available by this Act shall be available in fiscal year 1999 for the purpose of transferring control over the Federal Law Enforcement Training Center located at Glynco, Georgia, and Artesia, New Mexico, out of the Department of the Treasury.

SEC. 505. No part of any appropriation contained in this Act shall be available to pay the salary for any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service, and has within 90 days after his release from such service or from hospitalization continuing after discharge for a period of not more than 1 year, made application for restoration to his former position and has been certified by the Office of Personnel Management as still qualified to perform the duties of his former position and has not been restored thereto.

SEC. 506. No funds appropriated pursuant to this Act may be expended by an entity unless the entity agrees that in expending the assistance the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a–10c, popularly known as the ''Buy American Act'').

SEC. 507. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this Act, it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act, the Secretary of the Treasury shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

SEC. 508. If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a ''Made in America'' inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, such person shall be ineligible to receive any contract or subcontract made with funds provided pursuant to this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 509. No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions.

SEC. 510. The provision of section 509 shall not apply where the life of the mother would be endangered if the fetus were carried to term, or the pregnancy is the result of an act of rape or incest.

SEC. 511. Except as otherwise specifically provided by law, not to exceed 50 percent of unobligated balances remaining available at the end of fiscal year 1999 from appropriations made available for salaries and expenses for fiscal year 1999 in this Act, shall remain available through September 30, 2000, for each such account for the purposes authorized: Provided, That a request shall be submitted to the Committees on Appropriations for approval prior to the expenditure of such funds: Provided further, That these requests shall be made in compliance with reprogramming guidelines.

SEC. 512. None of the funds made available in this Act may be used by the Executive Office of the President to request from the Federal Bureau of Investigation any official background investigation report on any individual, except when it is made known to the Federal official having authority to obligate or expend such funds that—

(1) such individual has given his or her express written consent for such request not more than 6 months prior to the date of such request and during the same presidential administration; or

(2) such request is required due to extraordinary circumstances involving national security.

SEC. 513. Funds provided in this Act may be used to initiate or continue projects or activities to the extent necessary, consistent with existing agency plans, to achieve Year 2000 (Y2K) computer conversion until such time as supplemental appropriations are made available for that purpose: Provided, That the program, project, or activity from which funds are obligated for Y2K conversion activities shall be reimbursed when such supplemental appropriations are made available.

SEC. 514. Hereafter, any payment of attorneys fees, costs, and sanctions required to be made by the Federal Government pursuant to the order of the district court in the case Association of American Physicians and Surgeons, Inc. v. Clinton, 989 F. Supp. 8 (1997), or any appeal of such case, shall be derived by transfer from amounts made available in this or any other Act for any fiscal year for ''Compensation of the President and the White House Office—Salaries and Expenses''.

SEC. 515. Notwithstanding section 515 of Public Law 104–208, 50 percent of the unobligated balances available to the White House Office, Salaries and Expenses appropriations in fiscal year 1997, shall remain available through September 30, 1999, for the purposes of satisfying the conditions of section 515 of this Act.

SEC. 516. The Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992, as amended (20 U.S.C. 5601 et seq.), is amended as follows:

(a) in section 11, by—

(1) deleting the heading and inserting ''Use of the Institute by a Federal Agency or Other Entity.''; and

(2) adding the following new subsection at the end:

''(e) NON-FEDERAL ENTITIES.—

''(1) Non-Federal entities, including State and local governments, Native American tribal governments, nongovernmental organizations and persons, as defined in 1 U.S.C. 1, may use the Foundation and the Institute to provide assessment, mediation, or other related services in connection with a dispute or conflict involving the Federal Government related to the environment, public lands, or natural resources.

''(2) PAYMENT INTO THE ENVIRONMENTAL DISPUTE RESOLUTION FUND.—Entities utilizing services pursuant to this subsection shall reimburse the Institute for the costs of services provided. Such amounts shall be deposited into the Environmental Dispute Resolution Fund established under section 10.''; and

(b) in section 12, by:

(1) deleting ''IN GENERAL—'' and inserting ''(a) IN GENERAL—''; and

(2) adding the following new subsection:

''(b) THE INSTITUTE.—The authorities set forth above shall, with the exception of paragraph (4), apply to the Institute established pursuant to section 10.''; and

(c) in section 10(b), by adding before the period the following: '', including not to exceed $1,000 annually for official reception and representation expenses''.

SEC. 517. The cost accounting standards promulgated under section 26 of the Office of Federal Procurement Policy Act (Public Law 93–400; 41 U.S.C. 422) shall not apply with respect to a contract under the Federal Employees Health Benefits Program established under chapter 89 of title 5, United States Code.

TITLE VI—GENERAL PROVISIONS

DEPARTMENTS, AGENCIES, AND CORPORATIONS

SEC. 601. Funds appropriated in this or any other Act may be used to pay travel to the United States for the immediate family of employees serving abroad in cases of death or life threatening illness of said employee.

SEC. 602. No department, agency, or instrumentality of the United States receiving appropriated funds under this or any other Act for fiscal year 1999 shall obligate or expend any such funds, unless such department, agency, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of such department, agency, or instrumentality.

SEC. 603. Notwithstanding 31 U.S.C. 1345, any agency, department, or instrumentality of the United States which provides or proposes to provide child care services for Federal employees may, in fiscal year 1999 and thereafter, reimburse any Federal employee or any person employed to provide such services for travel, transportation, and subsistence expenses incurred for training classes, conferences, or other meetings in connection with the provision of such services: Provided, That any per diem allowance made pursuant to this section shall not exceed the rate specified in regulations prescribed pursuant to section 5707 of title 5, United States Code.

SEC. 604. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year in accordance with section 16 of the Act of August 2, 1946 (60 Stat. 810), for the purchase of any passenger motor vehicle (exclusive of buses, ambulances, law enforcement, and undercover surveillance vehicles), is hereby fixed at $8,100 except station

wagons for which the maximum shall be $9,100: Provided, That these limits may be exceeded by not to exceed $3,700 for police-type vehicles, and by not to exceed $4,000 for special heavy-duty vehicles: Provided further, That the limits set forth in this section may not be exceeded by more than 5 percent for electric or hybrid vehicles purchased for demonstration under the provisions of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976: Provided further, That the limits set forth in this section may be exceeded by the incremental cost of clean alternative fuels vehicles acquired pursuant to Public Law 101–549 over the cost of comparable conventionally fueled vehicles.

SEC. 605. Appropriations of the executive departments and independent establishments for the current fiscal year available for expenses of travel, or for the expenses of the activity concerned, are hereby made available for quarters allowances and cost-of-living allowances, in accordance with 5 U.S.C. 5922–5924.

SEC. 606. Unless otherwise specified during the current fiscal year, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in the continental United States unless such person: (1) is a citizen of the United States; (2) is a person in the service of the United States on the date of the enactment of this Act who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date and is actually residing in the United States; (3) is a person who owes allegiance to the United States; (4) is an alien from Cuba, Poland, South Vietnam, the countries of the former Soviet Union, or the Baltic countries lawfully admitted to the United States for permanent residence; (5) is a South Vietnamese, Cambodian, or Laotian refugee paroled in the United States after January 1, 1975; or (6) is a national of the People's Republic of China who qualifies for adjustment of status pursuant to the Chinese Student Protection Act of 1992: Provided, That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his or her status have been complied with: Provided further, That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined no more than $4,000 or imprisoned for not more than 1 year, or both: Provided further, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law: Provided further, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of Ireland, Israel, or the Republic of the Philippines, or to nationals of those countries allied with the United States in a current defense effort, or to international broadcasters employed by the United States Information Agency, or to temporary employment of translators, or to temporary employment in the field service (not to exceed 60 days) as a result of emergencies.

SEC. 607. Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for payment to the General Services Administration for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements performed in accordance with the Public Buildings Act of 1959 (73 Stat. 749), the Public Buildings Amendments of 1972 (87 Stat. 216), or other applicable law.

SEC. 608. In addition to funds provided in this or any other Act, all Federal agencies are authorized to receive and use funds resulting from the sale of materials, including Federal records disposed of pursuant to a records schedule recovered through recycling or waste prevention programs. Such funds shall be available until expended for the following purposes:

(1) Acquisition, waste reduction and prevention, and recycling programs as described in Executive Order No. 12873 (October 20, 1993), including any such programs adopted prior to the effective date of the Executive order.

(2) Other Federal agency environmental management programs, including, but not limited to, the development and implementation of hazardous waste management and pollution prevention programs.

(3) Other employee programs as authorized by law or as deemed appropriate by the head of the Federal agency.

SEC. 609. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to chapter 91 of title 31, United States Code, shall be available, in addition to objects for which such funds are otherwise available, for rent in the District of Columbia; services in accordance with 5 U.S.C. 3109; and the objects specified under this heading, all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: Provided, That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

SEC. 610. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person.

SEC. 611. No part of any appropriation contained in this or any other Act shall be available for interagency financing of boards (except Federal Executive Boards), commissions, councils, committees, or similar groups (whether or not they are interagency entities) which do not have a prior and specific statutory approval to receive financial support from more than one agency or instrumentality.

SEC. 612. Funds made available by this or any other Act to the Postal Service Fund (39 U.S.C. 2003) shall be available for employment of guards for all buildings and areas owned or occupied by the Postal Service and under the charge and control of the Postal Service, and such guards shall have, with respect to such property, the powers of special policemen provided by the first section of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318), and, as to property owned or occupied by the Postal Service, the Postmaster General may take the same actions as the Administrator of General Services may take under the provisions of sections 2 and 3 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318a and 318b), attaching thereto penal consequences under the authority and within the limits provided in section 4 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318c).

SEC. 613. None of the funds made available pursuant to the provisions of this Act shall be used to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States.

SEC. 614. (a) Notwithstanding any other provision of law, and except as otherwise provided in this section, no part of any of the funds appropriated for fiscal year 1999, by this or any other Act, may be used to pay any prevailing rate employee described in section 5342(a)(2)(A) of title 5, United States Code—

(1) during the period from the date of expiration of the limitation imposed by section 614 of the Treasury and General Government Appropriations Act, 1998, until the normal effective date of the applicable wage survey adjustment that is to take effect in fiscal year 1999, in an amount that exceeds the rate payable for the applicable grade and step of the applicable wage schedule in accordance with section 614; and

(2) during the period consisting of the remainder of fiscal year 1999, in an amount that exceeds, as a result of a wage survey adjustment, the rate payable under paragraph (1) by more than the sum of—

(A) the percentage adjustment taking effect in fiscal year 1999 under section 5303 of title 5, United States Code, in the rates of pay under the General Schedule; and

(B) the difference between the overall average percentage of the locality-based comparability payments taking effect in fiscal year 1999 under section 5304 of such title (whether by adjustment or otherwise), and the overall average percentage of such payments which was effective in fiscal year 1998 under such section.

(b) Notwithstanding any other provision of law, no prevailing rate employee described in subparagraph (B) or (C) of section 5342(a)(2) of title 5, United States Code, and no employee covered by section 5348 of such title, may be paid during the periods for which subsection (a) is in effect at a rate that exceeds the rates that would be payable under subsection (a) were subsection (a) applicable to such employee.

(c) For the purposes of this section, the rates payable to an employee who is covered by this section and who is paid from a schedule not in existence on September 30, 1998, shall be determined under regulations prescribed by the Office of Personnel Management.

(d) Notwithstanding any other provision of law, rates of premium pay for employees subject to this section may not be changed from the rates in effect on September 30, 1998, except to the extent determined by the Office of Personnel Management to be consistent with the purpose of this section.

(e) This section shall apply with respect to pay for service performed after September 30, 1998.

(f) For the purpose of administering any provision of law (including any rule or regulation that provides premium pay, retirement, life insurance, or any other employee benefit) that requires any deduction or contribution, or that imposes any requirement or limitation on the basis of a rate of salary or basic pay, the rate of salary or basic pay payable after the application of this section shall be treated as the rate of salary or basic pay.

(g) Nothing in this section shall be considered to permit or require the payment to any employee covered by this section at a rate in excess of the rate that would be payable were this section not in effect.

(h) The Office of Personnel Management may provide for exceptions to the limitations imposed by this section if the Office determines that such exceptions are necessary to ensure the recruitment or retention of qualified employees.

SEC. 615. During the period in which the head of any department or agency, or any other officer or civilian employee of the Government appointed by the President of the United States, holds office, no funds may be obligated or expended in excess of $5,000 to furnish or redecorate the office of such department head, agency head, officer, or employee, or to purchase furniture or make improvements for any such office, unless advance notice of such furnishing or redecoration is expressly approved by the Committees on Appropriations. For the purposes of this section, the word ''office'' shall include the entire suite of offices assigned to the individual, as well as any other space used primarily by the individual or the use of which is directly controlled by the individual.

SEC. 616. Notwithstanding any other provision of law, no executive branch agency shall purchase, construct, and/or lease any additional facilities, except within or contiguous to existing

locations, to be used for the purpose of conducting Federal law enforcement training without the advance approval of the Committees on Appropriations, except that the Federal Law Enforcement Training Center is authorized to obtain the temporary use of additional facilities by lease, contract, or other agreement for training which cannot be accommodated in existing Center facilities.

SEC. 617. Notwithstanding section 1346 of title 31, United States Code, or section 611 of this Act, funds made available for fiscal year 1999 by this or any other Act shall be available for the interagency funding of national security and emergency preparedness telecommunications initiatives which benefit multiple Federal departments, agencies, or entities, as provided by Executive Order No. 12472 (April 3, 1984).

SEC. 618. (a) None of the funds appropriated by this or any other Act may be obligated or expended by any Federal department, agency, or other instrumentality for the salaries or expenses of any employee appointed to a position of a confidential or policy-determining character excepted from the competitive service pursuant to section 3302 of title 5, United States Code, without a certification to the Office of Personnel Management from the head of the Federal department, agency, or other instrumentality employing the Schedule C appointee that the Schedule C position was not created solely or primarily in order to detail the employee to the White House.

(b) The provisions of this section shall not apply to Federal employees or members of the armed services detailed to or from—

(1) the Central Intelligence Agency;

(2) the National Security Agency;

(3) the Defense Intelligence Agency;

(4) the offices within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance programs;

(5) the Bureau of Intelligence and Research of the Department of State;

(6) any agency, office, or unit of the Army, Navy, Air Force, and Marine Corps, the Federal Bureau of Investigation and the Drug Enforcement Administration of the Department of Justice, the Department of Transportation, the Department of the Treasury, and the Department of Energy performing intelligence functions; and

(7) the Director of Central Intelligence.

SEC. 619. No department, agency, or instrumentality of the United States receiving appropriated funds under this or any other Act for fiscal year 1999 shall obligate or expend any such funds, unless such department, agency, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from discrimination and sexual harassment and that all of its workplaces are not in violation of title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, and the Rehabilitation Act of 1973.

SEC. 620. No part of any appropriation contained in this Act may be used to pay for the expenses of travel of employees, including employees of the Executive Office of the President, not directly responsible for the discharge of official governmental tasks and duties: Provided, That this restriction shall not apply to the family of the President, Members of Congress or their spouses, Heads of State of a foreign country or their designees, persons providing assistance to the President for official purposes, or other individuals so designated by the President.

SEC. 621. For purposes of each provision of law amended by section 704(a)(2) of the Ethics Reform Act of 1989 (5 U.S.C. 5318 note), no adjustment under section 5303 of title 5, United States Code, shall be considered to have taken effect in fiscal year 1999 in the rates of basic pay for the statutory pay systems.

SEC. 622. None of the funds appropriated in this or any other Act shall be used to acquire information technologies which do not comply with part 39.106 (Year 2000 compliance) of the Federal Acquisition Regulation, unless an agency's Chief Information Officer determines that noncompliance with part 39.106 is necessary to the function and operation of the requesting agency or the acquisition is required by a signed contract with the agency in effect before the date of the enactment of this Act. Any waiver granted by the Chief Information Officer shall be reported to the Office of Management and Budget, and copies shall be provided to Congress.

SEC. 623. None of the funds made available in this Act for the United States Customs Service may be used to allow the importation into the United States of any good, ware, article, or merchandise mined, produced, or manufactured by forced or indentured child labor, as determined pursuant to section 307 of the Tariff Act of 1930 (19 U.S.C. 1307).

SEC. 624. Notwithstanding any other provision of law, no part of any funds provided by this Act or any other Act beginning in fiscal year 1999 and thereafter shall be available for paying Sunday premium pay to any employee unless such employee actually performed work during the time corresponding to such premium pay.

SEC. 625. No part of any appropriation contained in this or any other Act shall be available for the payment of the salary of any officer or employee of the Federal Government, who—

(1) prohibits or prevents, or attempts or threatens to prohibit or prevent, any other officer or employee of the Federal Government from having any direct oral or written communication or contact with any Member, committee, or subcommittee of the Congress in connection with any matter pertaining to the employment of such other officer or employee or pertaining to the department or agency of such other officer or employee in any way, irrespective of whether such communication or contact is at the initiative of such other officer or employee or in response to the request or inquiry of such Member, committee, or subcommittee; or

(2) removes, suspends from duty without pay, demotes, reduces in rank, seniority, status, pay, or performance of efficiency rating, denies promotion to, relocates, reassigns, transfers, disciplines, or discriminates in regard to any employment right, entitlement, or benefit, or any term or condition of employment of, any other officer or employee of the Federal Government, or attempts or threatens to commit any of the foregoing actions with respect to such other officer or employee, by reason of any communication or contact of such other officer or employee with any Member, committee, or subcommittee of the Congress as described in paragraph (1).

SEC. 626. Section 626(b) of the Treasury, Postal Service, and General Government Appropriations Act, 1997, as contained in section 101(f) of Public Law 104–208 (110 Stat. 3009–360), the Omnibus Consolidated Appropriations Act, 1997, is amended to read as follows: ''(b) Until September 30, 1999, or until the end of the current FTS 2000 contracts, whichever is earlier, subsection (a) shall continue to apply to the use of the funds appropriated by this or any other Act.''.

SEC. 627. (a) DEFINITIONS.—In this section—

(1) the term ''crime of violence'' has the meaning given that term in section 16 of title 18, United States Code; and

(2) the term ''law enforcement officer'' means any employee described in subparagraph (A), (B), or (C) of section 8401(17) of title 5, United States Code; and any special agent in the Diplomatic Security Service of the Department of State.

(b) RULE OF CONSTRUCTION.—Notwithstanding any other provision of law, for purposes of chapter 171 of title 28, United States Code, or any other provision of law relating to tort liability, a law enforcement officer shall be construed to be acting within the scope of his or her office or employment, if the officer takes reasonable action, including the use of force, to—

(1) protect an individual in the presence of the officer from a crime of violence;

(2) provide immediate assistance to an individual who has suffered or who is threatened with bodily harm; or

(3) prevent the escape of any individual who the officer reasonably believes to have committed in the presence of the officer a crime of violence.

SEC. 628. FEDERAL FIREFIGHTERS OVERTIME PAY REFORM ACT OF 1998. (a) IN GENERAL.—Subchapter V of chapter 55 of title 5, United States Code, is amended—

(1) in section 5542 by adding at the end the following new subsection:

''(f) In applying subsection (a) of this section with respect to a firefighter who is subject to section 5545b—

''(1) such subsection shall be deemed to apply to hours of work officially ordered or approved in excess of 106 hours in a biweekly pay period, or, if the agency establishes a weekly basis for overtime pay computation, in excess of 53 hours in an administrative workweek; and

''(2) the overtime hourly rate of pay is an amount equal to one and one-half times the hourly rate of basic pay under section 5545b(b)(1)(A) or (c)(1)(B), as applicable, and such overtime hourly rate of pay may not be less than such hourly rate of basic pay in applying the limitation on the overtime rate provided in paragraph (2) of such subsection (a).''; and

(2) by inserting after section 5545a the following new section:

''§ 5545b. Pay for firefighters

''(a) This section applies to an employee whose position is classified in the firefighter occupation in conformance with the GS–081 standard published by the Office of Personnel Management, and whose normal work schedule, as in effect throughout the year, consists of regular tours of duty which average at least 106 hours per biweekly pay period.

''(b)(1) If the regular tour of duty of a firefighter subject to this section generally consists of 24-hour shifts, rather than a basic 40-hour workweek (as determined under regulations prescribed by the Office of Personnel Management), section 5504(b) shall be applied as follows in computing pay—

''(A) paragraph (1) of such section shall be deemed to require that the annual rate be divided by 2756 to derive the hourly rate; and

''(B) the computation of such firefighter's daily, weekly, or biweekly rate shall be based on the hourly rate under subparagraph (A);

''(2) For the purpose of sections 5595(c), 5941, 8331(3), and 8704(c), and for such other purposes as may be expressly provided for by law or as the Office of Personnel Management may by regulation prescribe, the basic pay of a firefighter subject to this subsection shall include an amount equal to the firefighter's basic hourly rate (as computed under paragraph (1)(A)) for all hours in such firefighter's regular tour of duty (including overtime hours).

''(c)(1) If the regular tour of duty of a firefighter subject to this section includes a basic 40-hour workweek (as determined under regulations prescribed by the Office of Personnel Management), section 5504(b) shall be applied as follows in computing pay—

''(A) the provisions of such section shall apply to the hours within the basic 40-hour workweek;

''(B) for hours outside the basic 40-hour workweek, such section shall be deemed to require that the hourly rate be derived by dividing the annual rate by 2756; and

''(C) the computation of such firefighter's daily, weekly, or biweekly rate shall be based on subparagraphs (A) and (B), as each applies to the hours involved.

''(2) For purposes of sections 5595(c), 5941, 8331(3), and 8704(c), and for such other purposes as may be expressly provided for by law or as the Office of Personnel Management may by regulation prescribe, the basic pay of a firefighter subject to this subsection shall include—

''(A) an amount computed under paragraph (1)(A) for the hours within the basic 40-hour workweek; and

''(B) an amount equal to the firefighter's basic hourly rate (as computed under paragraph (1)(B)) for all hours outside the basic 40-hour workweek that are within such firefighter's regular tour of duty (including overtime hours).

''(d)(1) A firefighter who is subject to this section shall receive overtime pay in accordance with section 5542, but shall not receive premium pay provided by other provisions of this subchapter.

''(2) For the purpose of applying section 7(k) of the Fair Labor Standards Act of 1938 to a firefighter who is subject to this section, no violation referred to in section 7(k) shall be deemed to have occurred if the requirements of section 5542(a) are met, applying section 5542(a) as provided in subsection (f) of that section: Provided, That the overtime hourly rate of pay for such firefighter shall in all cases be an amount equal to one and one-half times the firefighter's hourly rate of basic pay under subsection (b)(1)(A) or (c)(1)(B) of this section, as applicable.

''(3) The Office of Personnel Management may prescribe regulations, with respect to firefighters subject to this section, that would permit an agency to reduce or eliminate the variation in the amount of firefighters' biweekly pay caused by work scheduling cycles that result in varying hours in the regular tours of duty from pay period to pay period. Under such regulations, the pay that a firefighter would otherwise receive for regular tours of duty over the work scheduling cycle shall, to the extent practicable, remain unaffected.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 55 of title 5, United States Code, is amended by inserting after the item relating to section 5545a the following:

''5545b. Pay for firefighters.''.

(c) TRAINING.—Section 4109 of title 5, United States Code, is amended by adding at the end the following new subsection:

''(d) Notwithstanding subsection (a)(1), a firefighter who is subject to section 5545b of this title shall be paid basic pay and overtime pay for the firefighter's regular tour of duty while attending agency sanctioned training.''.

(d) INCLUSION IN BASIC PAY FOR FEDERAL RETIREMENT.—Section 8331(3) of title 5, United States Code, is amended—

(1) by striking ''and'' after subparagraph (D);

(2) by redesignating subparagraph (E) as subpara-graph (G);

(3) by inserting the following:

''(E) with respect to a criminal investigator, availability pay under section 5545a of this title;

''(F) pay as provided in section 5545b (b)(2) and (c)(2); and ''; and

(4) by striking ''subparagraphs (B), (C), (D), and (E)'' and inserting ''subparagraphs (B) through (G)''.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the first applicable pay period which begins on or after October 1, 1998.

(f) REGULATIONS.—Under regulations prescribed by the Office of Personnel Management, a firefighter subject to section 5545b of title 5, United States Code, as added by this section, whose regular tours of duty average 60 hours or less per workweek and do not include a basic 40-hour workweek, shall, upon implementation of this section, be granted an increase in basic pay equal to 2 step-increases of the applicable General Schedule grade, and such increase shall not be an equivalent increase in pay. If such increase results in a change to a longer waiting period for the firefighter's next step increase, the firefighter shall be credited with an additional year of service for the purpose of such waiting period. If such increase results in a rate of basic pay which is above the maximum rate of the applicable grade, such resulting pay rate shall be treated as a retained rate of basic pay in accordance with section 5363 of title 5, United States Code.

(g) NO REDUCTION IN REGULAR PAY.—Under regulations prescribed by the Office of Personnel Management, the regular pay (over the established work scheduling cycle) of a firefighter subject to section 5545b of title 5, United States Code, as added by this section, shall not be reduced as a result of the implementation of this section.

SEC. 629. (1) Not later than 180 days after the date of the enactment of this Act, the Director of the Office of National Drug Control Policy, the Secretary of the Treasury, and the Attorney General shall conduct a joint review of Federal efforts and submit to the appropriate congressional committees, including the Committees on Appropriations, a plan to improve coordination among the Federal agencies with responsibility to protect the borders against drug trafficking. The review shall also include consideration of Federal agencies' coordination with State and local law enforcement agencies. The plan shall include an assessment and action plan, including the activities of the following departments and agencies:

(A) Department of the Treasury;

(B) Department of Justice;

(C) United States Coast Guard;

(D) Department of Defense;

(E) Department of Transportation;

(F) Department of State; and

(G) Department of the Interior.

(2) The purpose of the plan under paragraph (1) is to maximize the effectiveness of the border control efforts in achieving the objectives of the national drug control strategy in a manner that is also consistent with the goal of facilitating trade. In order to maximize the effectiveness, the plan shall:

(A) specify the methods used to enhance cooperation, planning and accountability among the Federal, State, and local agencies with responsibilities along the Southwest border;

(B) specify mechanisms to ensure cooperation among the agencies, including State and local agencies, with responsibilities along the Southwest border;

(C) identify new technologies that will be used in protecting the borders including conclusions regarding appropriate deployment of technology;

(D) identify new initiatives for infrastructure improvements;

(E) recommend reinforcements in terms of resources, technology and personnel necessary to ensure capacity to maintain appropriate inspections;

(F) integrate findings of the White House Intelligence Architecture Review into the plan; and

(G) make recommendations for strengthening the HIDTA program along the Southwest border.

SEC. 630. (a) FLEXIPLACE WORK TELECOMMUTING PROGRAMS.—For fiscal year 1999 and each fiscal year thereafter, of the funds made available to each Executive agency for salaries and expenses, at a minimum $50,000 shall be available only for the necessary expenses of the Executive agency to carry out a flexiplace work telecommuting program.

(b) DEFINITIONS.—For purposes of this section:

(1) EXECUTIVE AGENCY.—The term ''Executive agency'' means the following list of departments and agencies: Department of State, Treasury, Defense, Justice, Interior, Labor, Health and Human Services, Agriculture, Commerce, Housing and Urban Development, Transportation, Energy, Education, Veterans' Affairs, General Services Administration, Office of Personnel Management, Small Business Administration, Social Security Administration, Environmental Protection Agency, and the United States Postal Service.

(2) FLEXIPLACE WORK TELECOMMUTING PROGRAM.—The term ''flexiplace work telecommuting program'' means a program under which employees of an Executive agency are permitted to perform all or a portion of their duties at a flexiplace work telecommuting center established under section 210(l) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(l)) or other Federal law.

SEC. 631. (a) MERITORIOUS EXECUTIVE.—Section 4507(e)(1) of title 5, United States Code, is amended by striking ''$10,000'' and inserting ''an amount equal to 20 percent of annual basic pay''.

(b) DISTINGUISHED EXECUTIVE.—Section 4507(e)(2) of title 5, United States Code, is amended by striking ''$20,000'' and inserting ''an amount equal to 35 percent of annual basic pay''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1998, or the date of the enactment of this Act, whichever is later.

SEC. 632. (a) CAREER SES PERFORMANCE AWARDS.—Section 5384(b)(3) of title 5, United States Code, is amended—

(1) by striking ''3 percent'' and inserting ''10 percent''; and

(2) by striking ''15 percent'' and inserting ''20 percent''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1998, or the date of the enactment of this Act, whichever is later.

SEC. 633. (a) INTERNATIONAL POSTAL ARRANGEMENTS.—Section 407 of title 39, United States Code, is amended to read as follows:

''§ 407. International Postal Arrangements

''(a)(1) The Secretary of State shall have primary responsibility for formulation, coordination and oversight of policy with respect to United States participation in the Universal Postal Union, including the Universal Postal Convention and other Acts of the Universal Postal Union, amendments thereto, and all postal treaties and conventions concluded within the framework of the Convention and such Acts.

''(2) Subject to subsection (d), the Secretary may, with the consent of the President, negotiate and conclude treaties, conventions and amendments referred to in paragraph (1).

''(b)(1) Subject to subsections (a), (c), and (d), the Postal Service may, with the consent of the President, negotiate and conclude postal treaties and conventions.

''(2) The Postal Service may, with the consent of the President, establish rates of postage or other charges on mail matter conveyed between the United States and other countries.

''(3) The Postal Service shall transmit a copy of each postal treaty or convention concluded with other governments under the authority of this subsection to the Secretary of State, who shall furnish a copy to the Public Printer for publication.

''(c) The Postal Service shall not conclude any treaty or convention under the authority of this section or any other arrangement related to the delivery of international postal services that is inconsistent with any policy developed pursuant to subsection (a).

''(d) In carrying out their responsibilities under this section, the Secretary and the Postal Service shall consult with such federal agencies as the Secretary or the Postal Service considers appropriate, private providers of international postal services, users of international postal services, the general public, and such other persons as the Secretary or the Postal Service considers appropriate.''.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that any treaty, convention or amendment entered into under the authority of section 407 of title 39 of the United States Code, as amended by this section, should not grant any undue or unreasonable preference to the Postal Service, a private provider of postal services, or any other person.

(c) TRADE-IN-SERVICE PROGRAMS.—The second sentence of paragraph (5) of section 306(a)

of the Trade and Tariff Act of 1984 (19 U.S.C. 2114b(5)) is amended by inserting ''postal and delivery services,'' after ''transportation.''.

(d) TRANSFER OF FUNDS.—In fiscal year 1999 and each fiscal year hereafter, the Postal Service shall allocate to the Department of State from any funds available to the Postal Service such sums as may be reasonable, documented and auditable for the Department of State to carry out the activities of section 407 of title 39, United States Code.

SEC. 634. Notwithstanding any provision of law, the President, or his designee, must certify to Congress, annually, that no person or persons with direct or indirect responsibility for administering the Executive Office of the President's Drug-Free Workplace Plan are themselves subject to a program of individual random drug testing.

SEC. 635. (a) None of the funds made available in this or any other Act may be obligated or expended for any employee training that—

(1) does not meet identified needs for knowledge, skills, and abilities bearing directly upon the performance of official duties;

(2) contains elements likely to induce high levels of emotional response or psychological stress in some participants;

(3) does not require prior employee notification of the content and methods to be used in the training and written end of course evaluation;

(4) contains any methods or content associated with religious or quasi-religious belief systems or ''new age'' belief systems as defined in Equal Employment Opportunity Commission Notice N–915.022, dated September 2, 1988; or

(5) is offensive to, or designed to change, participants' personal values or lifestyle outside the workplace.

(b) Nothing in this section shall prohibit, restrict, or otherwise preclude an agency from conducting training bearing directly upon the performance of official duties.

SEC. 636. No funds appropriated in this or any other Act for fiscal year 1999 may be used to implement or enforce the agreements in Standard Forms 312 and 4355 of the Government or any other nondisclosure policy, form, or agreement if such policy, form, or agreement does not contain the following provisions: ''These restrictions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by Executive Order No. 12958; section 7211 of title 5, United States Code (governing disclosures to Congress); section 1034 of title 10, United States Code, as amended by the Military Whistleblower Protection Act (governing disclosure to Congress by members of the military); section 2302(b)(8) of title 5, United States Code, as amended by the Whistleblower Protection Act (governing disclosures of illegality, waste, fraud, abuse or public health or safety threats); the Intelligence Identities Protection Act of 1982 (50 U.S.C. 421 et seq.) (governing disclosures that could expose confidential Government agents); and the statutes which protect against disclosure that may compromise the national security, including sections 641, 793, 794, 798, and 952 of title 18, United States Code, and section 4(b) of the Subversive Activities Act of 1950 (50 U.S.C. 783(b)). The definitions, requirements, obligations, rights, sanctions, and liabilities created by said Executive order and listed statutes are incorporated into this agreement and are controlling.'': Provided, That notwithstanding the preceding paragraph, a nondisclosure policy form or agreement that is to be executed by a person connected with the conduct of an intelligence or intelligence-related activity, other than an employee or officer of the United States Government, may contain provisions appropriate to the particular activity for which such document is to be used. Such form or agreement shall, at a minimum, require that the person will not disclose any classified information received in the course of such activity unless specifically authorized to do so by the United States Government. Such nondisclosure forms shall also make it clear that they do not bar disclosures to Congress or to an authorized official of an executive agency or the Department of Justice that are essential to reporting a substantial violation of law.

SEC. 637. No part of any funds appropriated in this or any other Act shall be used by an agency of the executive branch, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, and for the preparation, distribution or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

SEC. 638. (a) IN GENERAL.—For calendar year 2000, the Director of the Office of Management and Budget shall prepare and submit to Congress, with the budget submitted under section 1105 of title 31, United States Code, an accounting statement and associated report containing—

(1) an estimate of the total annual costs and benefits (including quantifiable and nonquantifiable effects) of Federal rules and paperwork, to the extent feasible—

(A) in the aggregate;

(B) by agency and agency program; and

(C) by major rule;

(2) an analysis of impacts of Federal regulation on State, local, and tribal government, small business, wages, and economic growth; and

(3) recommendations for reform.

(b) NOTICE.—The Director of the Office of Management and Budget shall provide public notice and an opportunity to comment on the statement and report under subsection (a) before the statement and report are submitted to Congress.

(c) GUIDELINES.—To implement this section, the Director of the Office of Management and Budget shall issue guidelines to agencies to standardize—

(1) measures of costs and benefits; and

(2) the format of accounting statements.

(d) PEER REVIEW.—The Director of the Office of Management and Budget shall provide for independent and external peer review of the guidelines and each accounting statement and associated report under this section. Such peer review shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.).

SEC. 639. None of the funds appropriated by this Act or any other Act, may be used by an agency to provide a Federal employee's home address to any labor organization except when it is made known to the Federal official having authority to obligate or expend such funds that the employee has authorized such disclosure or that such disclosure has been ordered by a court of competent jurisdiction.

SEC. 640. The Secretary of the Treasury is authorized to establish scientific certification standards for explosives detection canines, and shall provide, on a reimbursable basis, for the certification of explosives detection canines employed by Federal agencies, or other agencies providing explosives detection services at airports in the United States.

SEC. 641. None of the funds made available in this Act or any other Act may be used to provide any non-public information such as mailing or telephone lists to any person or any organization outside of the Federal Government without the approval of the Committees on Appropriations.

SEC. 642. No part of any appropriation contained in this or any other Act shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress.

SEC. 643. The Director of the United States Marshals Service is directed to conduct a quarterly threat assessment on the Director of the Office of National Drug Control Policy.

SEC. 644. Section 636(c) of Public Law 104–208 is amended as follows:

(1) In subparagraph (1) by inserting after ''United States Code'' the following: ''any agency or court in the Judicial Branch,'';

(2) In subparagraph (2) by amending ''prosecution, or detention'' to read: ''prosecution, detention, or supervision''; and

(3) In subparagraph (3) by inserting after ''title 5,'' the following: ''and, with regard to the Judicial Branch, mean a justice or judge of the United States as defined in 28 U.S.C. 451 in regular active service or retired from regular active service, other judicial officers as authorized by the Judicial Conference of the United States, and supervisors and managers within the Judicial Branch as authorized by the Judicial Conference of the United States,''.

SEC. 645. (a) In this section the term ''agency''—

(1) means an Executive agency as defined under section 105 of title 5, United States Code;

(2) includes a military department as defined under section 102 of such title, the Postal Service, and the Postal Rate Commission; and

(3) shall not include the General Accounting Office.

(b) Unless authorized in accordance with law or regulations to use such time for other purposes, an employee of an agency shall use official time in an honest effort to perform official duties. An employee not under a leave system, including a Presidential appointee exempted under section 6301(2) of title 5, United States Code, has an obligation to expend an honest effort and a reasonable proportion of such employee's time in the performance of official duties.

SEC. 646. Notwithstanding any other provision of law, the Secretary of the Treasury is authorized to, upon submission of proper documentation (as determined by the Secretary), reimburse importers of large capacity military magazine rifles as defined in the Treasury Department's April 6, 1998 ''Study on the Sporting Suitability of Modified Semiautomatic Assault Rifles'', for which authority had been granted to import such firearms into the United States on or before November 14, 1997, and released under bond to the importer by the U.S. Customs Service on or before February 10, 1998: Provided, That the importer abandons title to the firearms to the United States: Provided further, That reimbursements are submitted to the Secretary for his approval within 120 days of the enactment of this provision. In no event shall reimbursements under this provision exceed the importers cost for the weapons, plus any shipping, transportation, duty, and storage costs related to the importation of such weapons. Money made available for expenditure under 31 U.S.C. 1304(a) in an amount not to exceed $1,000,000 shall be available for reimbursements under this provision: Provided further, That accepting the compensation provided under this provision is final and conclusive and constitutes a complete release of any and all claims, demands, rights, and causes of action whatsoever against the United States, its agencies, officers, or employees arising from the denial by the Department of the Treasury of the entry of such firearms into the United States. Such compensation is not otherwise required by law and is not intended to create or recognize any legally enforceable right to any person.

SEC. 647. (a) The adjustment in rates of basic pay for the statutory pay systems that takes effect in fiscal year 1999 under section 5303 and 5304 of title 5, United States Code, shall be an increase of 3.6 percent.

(b) Funds used to carry out this section shall be paid from appropriations which are made to each applicable department or agency for salaries and expenses for fiscal year 1999.

SEC. 648. INTERNATIONAL MAIL REPORTING REQUIREMENT. (a) IN GENERAL.—Chapter 36 of title 39, United States Code, is amended by adding after section 3662 the following:

"§ 3663. Annual report on international services

''(a) Not later than July 1 of each year, the Postal Rate Commission shall transmit to each House of Congress a comprehensive report of the costs, revenues, and volumes accrued by the Postal Service in connection with mail matter conveyed between the United States and other countries for the previous fiscal year.

''(b) Not later than March 15 of each year, the Postal Service shall provide to the Postal Rate Commission such data as the Commission may require to prepare the report required under subsection (a) of this section. Data shall be provided in sufficient detail to enable the Commission to analyze the costs, revenues, and volumes for each international mail product or service, under the methods determined appropriate by the Commission for the analysis of rates for domestic mail.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 63 of title 39, United States Code, is amended by adding after the item relating to section 3662 the following:

''3663. Annual report on international services.''.

SEC. 649. EXTENSION OF SUNSET PROVISION.—Section 2(f)(2) of the Undetectable Firearms Act of 1988 (18 U.S.C. 922 note) is amended by striking ''(2)'' and all that follows through ''10 years'' and inserting the following:

''(2) SUNSET.—Effective 15 years''.

SEC. 650. IMPORTATION OF CERTAIN GRAINS. (a) FINDINGS.—The Congress finds that—

(1) importation of grains into the United States at less than the cost to produce those grains is causing injury to the United States producers of those grains;

(2) importation of grains into the United States at less than the fair value of those grains is causing injury to the United States producers of those grains;

(3) the Canadian Government and the Canadian Wheat Board have refused to disclose pricing and cost information necessary to determine whether grains are being exported to the United States at prices in violation of United States trade laws or agreements.

(b) REQUIREMENTS.—

(1) The Customs Service, consulting with the United States Trade Representative and the Department of Commerce, shall conduct a study of the efficiency and effectiveness of requiring that all spring wheat, durum or barley imported into the United States be imported into the United States through a single port of entry.

(2) The Customs Service shall report to the Committees on Appropriations and the Senate Committee on Finance and the House Committee on Ways and Means not later than 90 days after the effective date of this Act on the results of the study required by paragraph (1).

SEC. 651. DESIGNATION OF EUGENE J. MCCARTHY POST OFFICE BUILDING. (a) IN GENERAL.—The building of the United States Postal Service located at 180 East Kellogg Boulevard in Saint Paul, Minnesota, shall be known and designated as the ''Eugene J. McCarthy Post Office Building''.

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the building referred to in subsection (a) shall be deemed to be a reference to the ''Eugene J. McCarthy Post Office Building''.

SEC. 652. The Administrator of General Services may provide, from government-wide credit card rebates, up to $3,000,000 in support of the Joint Financial Management Improvement Program as approved by the Chief Financial Officer's Council.

SEC. 653. Section 6302(g) of title 5, United States Code, is amended by inserting after ''chapter 35'' the following: ''or section 3595''.

SEC. 654. ASSESSMENT OF FEDERAL REGULATIONS AND POLICIES ON FAMILIES. (a) PURPOSES.—The purposes of this section are to—

(1) require agencies to assess the impact of proposed agency actions on family well-being; and

(2) improve the management of executive branch agencies.

(b) DEFINITIONS.—In this section—

(1) the term ''agency'' has the meaning given the term ''Executive agency'' by section 105 of title 5, United States Code, except such term does not include the General Accounting Office; and

(2) the term ''family'' means—

(A) a group of individuals related by blood, marriage, adoption, or other legal custody who live together as a single household; and

(B) any individual who is not a member of such group, but who is related by blood, marriage, or adoption to a member of such group, and over half of whose support in a calendar year is received from such group.

(c) FAMILY POLICYMAKING ASSESSMENT.—Before implementing policies and regulations that may affect family well-being, each agency shall assess such actions with respect to whether—

(1) the action strengthens or erodes the stability or safety of the family and, particularly, the marital commitment;

(2) the action strengthens or erodes the authority and rights of parents in the education, nurture, and supervision of their children;

(3) the action helps the family perform its functions, or substitutes governmental activity for the function;

(4) the action increases or decreases disposable income or poverty of families and children;

(5) the proposed benefits of the action justify the financial impact on the family;

(6) the action may be carried out by State or local government or by the family; and

(7) the action establishes an implicit or explicit policy concerning the relationship between the behavior and personal responsibility of youth, and the norms of society.

(d) GOVERNMENTWIDE FAMILY POLICY COORDINATION AND REVIEW.—

(1) CERTIFICATION AND RATIONALE.—With respect to each proposed policy or regulation that may affect family well-being, the head of each agency shall—

(A) submit a written certification to the Director of the Office of Management and Budget and to Congress that such policy or regulation has been assessed in accordance with this section; and

(B) provide an adequate rationale for implementation of each policy or regulation that may negatively affect family well-being.

(2) OFFICE OF MANAGEMENT AND BUDGET.—The Director of the Office of Management and Budget shall—

(A) ensure that policies and regulations proposed by agencies are implemented consistent with this section; and

(B) compile, index, and submit annually to the Congress the written certifications received pursuant to paragraph (1)(A).

(3) OFFICE OF POLICY DEVELOPMENT.—The Office of Policy Development shall—

(A) assess proposed policies and regulations in accordance with this section;

(B) provide evaluations of policies and regulations that may affect family well-being to the Director of the Office of Management and Budget; and

(C) advise the President on policy and regulatory actions that may be taken to strengthen the institutions of marriage and family in the United States.

(e) ASSESSMENTS UPON REQUEST BY MEMBERS OF CONGRESS.—Upon request by a Member of Congress relating to a proposed policy or regulation, an agency shall conduct an assessment in accordance with subsection (c), and shall provide a certification and rationale in accordance with subsection (d).

(f) JUDICIAL REVIEW.—This section is not intended to create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or any person.

SEC. 655. None of the funds appropriated pursuant to this Act or any other provision of law may be used for any system to implement section 922(t) of title 18, United States Code, unless the system allows, in connection with a person's delivery of a firearm to a Federal firearms licensee as collateral for a loan, the background check to be performed at the time the collateral is offered for delivery to such licensee: Provided, That the licensee notifies local law enforcement within 48 hours of the licensee receiving a denial on the person offering the collateral: Provided further, That the provisions of section 922(t) shall apply at the time of the redemption of the firearm.

TITLE VIII—TECHNICAL AND CLARIFYING AMENDMENTS

SEC. 801. TECHNICAL AND CLARIFYING AMENDMENTS RELATING TO DISTRICT OF COLUMBIA RETIREMENT FUNDS.

(a) PERMITTING OTHER FEDERAL ENTITIES TO ADMINISTER PROGRAM.—Section 11003 of the Balanced Budget Act of 1997 (D.C. Code, sec. 1–761.2) is amended—

(1) in paragraph (1), by inserting '', and includes any agreement with a department, agency, or instrumentality of the United States entered into under that section'' after ''the Trustee''; and

(2) in paragraph (10), by striking '', partnership, joint venture, corporation, mutual company, joint-stock company, trust, estate, unincorporated organization, association, or employee organization'' and inserting ''; partnership; joint venture; corporation; mutual company; joint-stock company; trust; estate; unincorporated organization; association; employee organization; or department, agency, or instrumentality of the United States'' .

(b) PERMITTING WAIVER OF RECOVERY OF AMOUNTS PAID IN ERROR.—Section 11021(3) of such Act (D.C. Code, sec. 1–763.1(3)) is amended by inserting '', or waive recoupment or recovery of,'' after ''recover''.

(c) PERMITTING USE OF TRUST FUND TO COVER ADMINISTRATIVE EXPENSES.—Section 11032 of such Act (D.C. Code, sec. 1–764.2) is amended—

(1) by amending subsection (a) to read as follows:

''(a) IN GENERAL.—Amounts in the Trust Fund shall be used—

''(1) to make Federal benefit payments under this subtitle;

''(2) subject to subsection (b)(1), to cover the reasonable and necessary expenses of administering the Trust Fund under the contract entered into pursuant to section 11035(b);

''(3) to cover the reasonable and necessary administrative expenses incurred by the Secretary in carrying out the Secretary s responsibilities under this subtitle; and

''(4) for such other purposes as are specified in this subtitle.''; and

(2) in subsection (b)(2), by inserting ''(including expenses described in section 11041(b))'' after ''to administer the Trust Fund''.

(d) PROMOTING FLEXIBILITY IN ADMINISTRATION OF PROGRAM.—Section 11035 of such Act (D.C. Code, sec. 1–764.5) is amended—

(1) by redesignating subsection (c) as subsection (e); and

(2) by inserting after subsection (b) the following new subsections:

''(c) SUBCONTRACTS.—Notwithstanding any provision of a District Retirement Program or any other law, rule, or regulation, the Trustee may, with the approval of the Secretary, enter into one or more subcontracts with the District Government or any person to provide services to the Trustee in connection with its performance of the contract. The Trustee shall monitor the performance of any such subcontract and enforce its provisions.

''(d) DETERMINATION BY THE SECRETARY.—Notwithstanding subsection (b) or any other provision of this subtitle, the Secretary may determine, with respect to any function otherwise

to be performed by the Trustee, that in the interest of economy and efficiency such function shall be performed by the Secretary rather than the Trustee.''.

(e) PROCESS FOR REIMBURSEMENT OF DISTRICT GOVERNMENT FOR EXPENSES OF INTERIM ADMINISTRATION.—Section 11041 of such Act (D.C. Code, sec. 1–765.1) is amended—

(1) in subsection (b), by striking ''The Trustee shall'' and inserting ''The Secretary or the Trustee shall, at such times during or after the period of interim administration described in subsection (a) as are deemed appropriate by the Secretary or the Trustee'';

(2) in subsection (b)(1), by inserting ''the Secretary or'' after ''if''; and

(3) in subsection (c), by striking ''the replacement plan adoption date'' and inserting ''such time as the Secretary notifies the District Government that the Secretary has directed the Trustee to carry out the duties and responsibilities required under the contract''.

(f) ANNUAL FEDERAL PAYMENT INTO FEDERAL SUPPLEMENTAL FUND.—Section 11053 of such Act (D.C. Code, sec. 1–766.3) is amended—

(1) by amending subsection (a) to read as follows:

''(a) ANNUAL AMORTIZATION AMOUNT.—At the end of each applicable fiscal year the Secretary shall promptly pay into the Federal Supplemental Fund from the General Fund of the Treasury an amount equal to the annual amortization amount for the year (which may not be less than zero).'';

(2) in subsection (b), by striking ''freeze date'' and inserting ''effective date of this Act'';

(3) by redesignating subsections (b) and (c) as subsections (c) and (d); and

(4) by inserting after subsection (a) the following new subsection:

''(b) ADMINISTRATIVE EXPENSES.—During each applicable fiscal year, the Secretary shall pay into the Federal Supplemental Fund from the General Fund of the Treasury amounts not to exceed the covered administrative expenses for the year.''.

(g) TECHNICAL CORRECTIONS.—(1) Section 11012(c) of such Act (D.C. Code, sec. 1–752.2(c)) is amended by striking ''District of Columbia Retirement Board'' and inserting ''District Government''.

(2) Section 11033(c)(1) of such Act (D.C. Code, sec. 1–764.3(c)(1)) is amended by striking ''consisting'' in the first place that it appears.

(3) Section 11052 of such Act (D.C. Code, sec. 1–766.2) is amended by inserting ''to'' after ''may be made only''.

SEC. 802. CLARIFYING TREATMENT OF DISTRICT OF COLUMBIA EMPLOYEES TRANSFERRED TO FEDERAL RETIREMENT SYSTEMS.

(a) ELIGIBILITY OF NONJUDICIAL EMPLOYEES OF DISTRICT OF COLUMBIA COURTS FOR MEDICARE AND SOCIAL SECURITY BENEFITS.—Section 11246(b) of the Balanced Budget Act of 1997 (Public Law 105–33; 111 Stat. 755) is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4); and

(2) by inserting after paragraph (1) the following new paragraph:

''(2) CONFORMING AMENDMENTS TO INTERNAL REVENUE CODE AND SOCIAL SECURITY.—(A) Section 3121(b)(7)(C) of the Internal Revenue Code of 1986 (relating to the definition of employment for service performed in the employ of the District of Columbia) is amended by inserting '(other than the Federal Employees Retirement System provided in chapter 84 of title 5, United States Code)' after 'law of the United States'.

''(B) Section 210(a)(7)(D) of the Social Security Act (42 U.S.C. 410(a)(7)(D)) (relating to the definition of employment for service performed in the employ of the District of Columbia), is amended by inserting '(other than the Federal Employees Retirement System provided in chapter 84 of title 5, United States Code)' after 'law of the United States.''.

(b) VESTING UNDER PREVIOUS DISTRICT OF COLUMBIA RETIREMENT PROGRAM.—For purposes of vesting pursuant to section 2610(b) of the District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Code, sec. 1–627.10(b)), creditable service with the District for employees whose participation in the District Defined Contribution Plan ceases as a result of the implementation of the Balanced Budget Act of 1997 shall include—

(1) continuous service performed by nonjudicial employees of the District of Columbia courts after September 30, 1997; and

(2) service performed for a successor employer, including the Department of Justice or the District of Columbia Offender Supervision, Defender, and Courts Services Agency established under section 11233 of the Balanced Budget Act of 1997, that provides services previously performed by the District government.

SEC. 803. METHODOLOGY FOR DESIGNATING ASSETS OF RETIREMENT FUND.

Section 11033 of the Balanced Budget Act of 1997 (D.C. Code, sec. 1–764.3) is amended by adding at the end the following new subsection:

''(e) METHODOLOGY FOR DESIGNATING ASSETS.—

''(1) IN GENERAL.—In carrying out subsection (b), the Secretary may develop and implement a methodology for designating assets after the replacement plan adoption date that takes into account the value of the District Retirement Fund as of the replacement plan adoption date and the proportion of such value represented by $1.275 billion, together with the income (including returns on investments) earned on the assets of and withdrawals from and deposits to the Fund during the period between such date and the date on which the Secretary designates assets under subsection (b). In implementing a methodology under the previous sentence, the Secretary shall not be required to determine the value of designated assets as of the replacement plan adoption date. Nothing in this paragraph may be deemed to effect the entitlement of the District Retirement Fund to income (including returns on investments) earned after the replacement plan adoption date on assets designated for retention by the Fund.

''(2) EMPLOYEE CONTRIBUTIONS; JUDICIAL RETIREMENT AND SURVIVORS ANNUITY FUND.—The Secretary may develop and implement a methodology comparable to the methodology described in paragraph (1) in carrying out the requirements of subsection (c) and in designating assets to be transferred to the District of Columbia Judicial Retirement and Survivors Annuity Fund pursuant to section 124(c)(1) of the District of Columbia Retirement Reform Act (as amended by section 11252).

''(3) DISCRETION OF THE SECRETARY.—The Secretary's development and implementation of methodologies for designating assets under this subsection shall be final and binding.''.

SEC. 804. TECHNICAL AND CLARIFYING AMENDMENTS RELATING TO JUDICIAL RETIREMENT PROGRAM.

(a) ADMINISTRATION OF JUDICIAL RETIREMENT AND SURVIVORS ANNUITY FUND.—Section 11–1570, District of Columbia Code, as amended by section 11251 of the Balanced Budget Act of 1997, is amended as follows:

(1) In subsection (b)(1)—

(A) by striking ''title I of the National Capital Revitalization and Self-Government Improvement Act of 1997'' and inserting ''subtitle A of title XI of the Balanced Budget Act of 1997''; and

(B) by inserting after the second sentence the following new sentences: ''Notwithstanding any other provision of District law or any other law, rule, or regulation, any Trustee, contractor, or enrolled actuary selected by the Secretary under this subsection may, with the approval of the Secretary, enter into one or more subcontracts with the District of Columbia government or any person to provide services to such Trustee, contractor, or enrolled actuary in connection with its performance of its agreement with the Secretary. Such Trustee, contractor, or enrolled actuary shall monitor the performance of any subcontract to which it is a party and enforce its provisions.''.

(2) In subsection (b)(2)—

(A) by striking ''chief judges of the District of Columbia Court of Appeals and Superior Court of the District of Columbia'' and inserting ''Secretary'';

(B) by striking ''and the Secretary'';

(C) by striking ''and appropriations''; and

(D) by striking ''and deficiency''.

(3) By amending subsection (c) to read as follows:

''(c)(1) Amounts in the Fund are available—

''(A) for the payment of judges retirement pay, annuities, refunds, and allowances under this subchapter;

''(B) to cover the reasonable and necessary expenses of administering the Fund under any agreement entered into with a Trustee, contractor, or enrolled actuary under subsection (b)(1), including any agreement with a department, agency or instrumentality of the United States; and

''(C) to cover the reasonable and necessary administrative expenses incurred by the Secretary in carrying out the Secretary s responsibilities under this subchapter.

''(2) Notwithstanding any other provision of District law or any other law, rule, or regulation—

''(A) the Secretary may review benefit determinations under this subchapter made prior to the date of the enactment of the Balanced Budget Act of 1997, and shall make initial benefit determinations after such date; and

''(B) the Secretary may recoup or recover, or waive recoupment or recovery of, any amounts paid under this subchapter as a result of errors or omissions by any person.''.

(4) In subsection (d)(1)—

(A) by striking ''Subject to the availability of appropriations, there shall be deposited into the Fund'' and inserting ''The Secretary shall pay into the Fund from the General Fund of the Treasury''; and

(B) by striking ''(beginning with the first fiscal year which ends more than 6 months after the replacement plan adoption date described in section 103(13) of the National Capital Revitalization and Self-Government Improvement Act of 1997)''.

(5) In subsection (d)(2)(A)—

(A) by striking ''June 30, 1997'' and inserting ''September 30, 1997''; and

(B) by striking ''net the sum of future normal cost'' and inserting ''net of the sum of the present value of future normal costs''.

(6) In subsection (d)(3), by striking ''shall be taken from sums available for that fiscal year for the payment of the expenses of the Court, and''.

(7) By adding at the end the following new subsections:

''(h) For purposes of the Internal Revenue Code of 1986—

''(1) the Fund shall be treated as a trust described in section 401(a) of the Code that is exempt from taxation under section 501(a) of the Code;

''(2) any transfer to or distribution from the Fund shall be treated in the same manner as a transfer to or distribution from a trust described in section 401(a) of the Code; and

''(3) the benefits provided by the Fund shall be treated as benefits provided under a governmental plan maintained by the District of Columbia.

''(i) For purposes of the Employee Retirement Income Security Act of 1974, the benefits provided by the Fund shall be treated as benefits provided under a governmental plan maintained by the District of Columbia.

''(j) To the extent that any provision of subpart A of part I of subchapter D of the chapter 1 of the Internal Revenue Code of 1986 (26 U.S.C. 401 et seq.) is amended after the date of the enactment of this subsection, such provision

as amended shall apply to the Fund only to the extent the Secretary determines that application of the provision as amended is consistent with the administration of this subchapter.

''(k) Federal obligations for benefits under this subchapter are backed by the full faith and credit of the United States.''.

(b) REGULATORY AUTHORITY OF SECRETARY.—Section 11251 of the Balanced Budget Act of 1997 (Public Law 105–33; 111 Stat. 756) is amended—

(1) by redesignating subsection (b) as subsection (c);

(2) by inserting after subsection (a) the following new subsection:

''(b) REGULATIONS; EFFECT ON REFORM ACT.—Title 11, District of Columbia Code, is amended by adding the following new section:

'§ 11–1572. Regulations; effect on Reform Act

'(a) The Secretary is authorized to issue regulations to implement, interpret, administer and carry out the purposes of this subchapter, and, in the Secretary's discretion, those regulations may have retroactive effect, except that nothing in this subsection may be construed to permit the Secretary to issue any regulation to retroactively reduce or eliminate the benefits to which any individual is entitled under this subchapter.

'(b) This subchapter supersedes any provision of the District of Columbia Retirement Reform Act (Public Law 96-122) inconsistent with this subchapter and the regulations thereunder.'.''; and

(3) by amending subsection (c) (as so redesignated) to read as follows:

''(c) CLERICAL AMENDMENTS.—

''(1) The table of sections for subchapter III of chapter 15 of title 11, District of Columbia Code, is amended by amending the item relating to section 11–1570 to read as follows:

'11–1570. The District of Columbia Judicial Retirement and Survivors Annuity Fund.'.

''(2) The table of sections for subchapter III of chapter 15 of title 11, District of Columbia Code, is amended by adding at the end the following new item:

'11–1572. Regulations; effect on Reform Act.'.''.

(c) TERMINATION OF PREVIOUS FUND AND PROGRAM.—Section 124 of the District of Columbia Retirement Reform Act (D.C. Code, sec. 1–714), as amended by section 11252(a) of the Balanced Budget Act of 1997, is amended—

(1) in subsection (a), by inserting ''(except as provided in section 11–1570, District of Columbia Code)'' after ''the following'';

(2) in subsection (c)(1), by striking ''title I of the National Capital Revitalization and Self-Government Improvement Act of 1997'' and inserting ''subtitle A of title XI of the Balanced Budget Act of 1997''; and

(3) in subsection (c)(2)—

(A) by striking ''(2) The'' and inserting ''(2) In accordance with the direction of the Secretary, the'';

(B) by striking ''in the Treasury'' and inserting ''at the Board''; and

(C) by striking ''appropriated'' and inserting ''used''.

(d) ADMINISTRATION OF RETIREMENT FUNDS.—Section 11252 of the Balanced Budget Act of 1997 is amended—

(1) by redesignating subsection (b) as subsection (c);

(2) by inserting after subsection (a) the following new subsection:

''(b) TRANSITION FROM DISTRICT OF COLUMBIA ADMINISTRATION.—Sections 11023, 11032(b)(2), 11033(d), and 11041 shall apply to the administration of the District of Columbia Judges Retirement Fund established under section 124 of the District of Columbia Retirement Reform Act (D.C. Code, sec. 1–714), the District of Columbia Judicial Retirement and Survivors Annuity Fund established under section 11–1570, District of Columbia Code, and the retirement program for judges under subchapter III of chapter 15 of title 11, District of Columbia Code, except as follows:

''(1) In applying each such section—

''(A) any reference to this subtitle shall instead refer to subchapter III of chapter 15 of title 11, District of Columbia Code;

''(B) any reference to the District Retirement Program shall be deemed to include the retirement program for judges under subchapter III of chapter 15 of title 11, District of Columbia Code;

''(C) any reference to the District Retirement Fund shall be deemed to include the District of Columbia Judges Retirement Fund established under section 124 of the District of Columbia Retirement Reform Act;

''(D) any reference to Federal benefit payments shall be deemed to include judges retirement pay, annuities, refunds and allowances under subchapter III of chapter 15 of title 11, District of Columbia Code;

''(E) any reference to the Trust Fund shall instead refer to the District of Columbia Judicial Retirement and Survivors Annuity Fund established under section 11–1570, District of Columbia Code;

''(F) any reference to section 11033 shall instead refer to section 124 of the District of Columbia Retirement Reform Act, as amended by section 11252; and

''(G) any reference to chapter 2 shall instead refer to section 11–1570, District of Columbia Code.

''(2) In applying section 11023—

''(A) any reference to the contract shall instead refer to the agreement referred to in section 11–1570(b), District of Columbia Code ; and

''(B) any reference to the Trustee shall instead refer to the Trustee or contractor referred to in section 11–1570(b), District of Columbia Code.

''(3) In applying section 11033(d)—

''(A) any reference to this section shall instead refer to section 124 of the District of Columbia Retirement Reform Act, as amended by section 11252; and

''(B) any reference to the Trustee shall instead refer to the Secretary or the Trustee or contractor referred to in section 11–1570(b), District of Columbia Code.

''(4) In applying section 11041(b), any reference to the Trustee shall instead refer to the Trustee or contractor referred to in section 11–1570(b), District of Columbia Code.''; and

(3) by adding at the end the following new subsection:

''(d) EFFECTIVE DATE.—The provisions of subsection (c) shall take effect on the date on which the assets of the District of Columbia Judges Retirement Fund are transferred to the District of Columbia Judicial Retirement and Survivors Annuity Fund.''.

(e) MISCELLANEOUS TECHNICAL AND CLERICAL AMENDMENTS.—(1) Sections 11–1568(d) and 11–1569, District of Columbia Code, are each amended by striking ''Mayor'' each place it appears and inserting ''Secretary of the Treasury''.

(2) Section 11–1568.2, District of Columbia Code, is amended by striking ''Mayor of the District of Columbia'' each place it appears and inserting ''Secretary of the Treasury''.

(3) Section 121(b)(1)(A) of the District of Columbia Retirement Reform Act (D.C. Code, sec. 1–711(b)(1)(A)), as amended by section 11252(c)(1) of the Balanced Budget Act of 1997 (as redesignated by subsection (d)(1)), is amended in the matter preceding clause (i), by striking ''11'' and inserting ''12''.

(4) Section 11–1561(4), District of Columbia Code, as amended by section 11253(b) of the Balanced Budget Act of 1997, is amended by striking ''sections'' and inserting ''section''.

(5) Section 11253(c) of the Balanced Budget Act of 1997 (Public Law 105–33; 111 Stat. 759) is amended to read as follows:

''(c) TREATMENT OF FEDERAL SERVICE OF JUDGES.—Section 11–1564, District of Columbia Code, is amended—

''(1) in subsection (d)(2)(A), by striking 'section 1–1814)' and inserting 'section 1–714) or the District of Columbia Judicial Retirement and Survivors Annuity Fund (established by section 11–1570)'; and

''(2) in subsection (d)(4), by striking 'Judges Retirement Fund established by section 124(a) of the District of Columbia Retirement Reform Act' and inserting 'Judicial Retirement and Survivors Annuity Fund under section 11–1570'.''.

(6) Section 11253 of the Balanced Budget Act of 1997 (Public Law 105–33; 111 Stat. 759) is amended by adding at the end the following new subsection:

''(d) REDEPOSITS TO FUND.—Section 11–1568.1(4)(A), District of Columbia Code, is amended by striking 'Judges Retirement Fund' and inserting 'Judicial Retirement and Survivors Annuity Fund'.''.

(f) EFFECTIVE DATE.—The amendments made by subsections (a)(2), (a)(4), and (a)(6) shall take effect October 1, 1998.

SEC. 805. EFFECTIVE DATE.

Except as otherwise specifically provided, this title and the amendments made by this title shall take effect as if included in the enactment of title XI of the Balanced Budget Act of 1997.

This Act may be cited as the ''Treasury and General Government Appropriations Act, 1999''.

And the Senate agree to the same.

JIM KOLBE,
FRANK WOLF,
ERNEST ISTOOK, JR.,
ANNE M. NORTHUP,
ROBERT B. ADERHOLT,
BOB LIVINGSTON,
JOSEPH MCDADE,
Managers on the Part of House.

BEN NIGHTHORSE CAMPBELL,
RICHARD SHELBY,
LAUCH FAIRCLOTH,
TED STEVENS,
ROBERT C. BYRD,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT

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 Senate to the bill (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, 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.

The conference agreement on the Treasury and General Government Appropriations Act, 1999, incorporates some of the language and allocations set forth in House Report 105–592 and Senate Report 105–251. The language in these reports should be complied with unless specifically addressed in the accompanying statement of managers.

Senate Amendment: The Senate deleted the entire House bill after the enacting clause and inserted the Senate bill. The conference agreement includes a revised bill.

Throughout the accompanying explanatory statement, the managers refer to the Committee and the Committees on Appropriations. Unless otherwise noted, in both instances the managers are referring to the House Subcommittee on Treasury, Postal Service, and General Government and the Senate Subcommittee on Treasury and General Government.

REPROGRAMMING AND TRANSFER OF FUNDS GUIDELINES

Due to continuing issues associated with agency requests for reprogramming and transfer of funds and use of unobligated balances, the conferees have agreed to reprogramming guidelines included in House

Report 105–592. Those guidelines shall be complied with by all agencies funded by the Treasury and General Government Appropriations Act, 1999:

1. Except under extraordinary and emergency situations, the Committees on Appropriations will not consider requests for a reprogramming or a transfer of funds, or use of unobligated balances, which are submitted after the close of the third quarter of the fiscal year, June 30;

2. Clearly stated and detailed documentation presenting justification for the reprogramming, transfer, or use of unobligated balances shall accompany each request;

3. For agencies, departments, or offices receiving appropriations in excess of $20,000,000, a reprogramming shall be submitted if the amount to be shifted to or from any object class, budget activity, program line item, or program activity involved is in excess of $500,000 or 10 percent, whichever is greater, of the object class, budget activity, program line item, or program activity;

4. For agencies, departments, or offices receiving appropriations less than $20,000,000, a reprogramming shall be submitted if the amount to be shifted to or from any object class, budget activity, program line item, or program activity involved is in excess of $50,000, or 10 percent, whichever is greater, of the object class, budget activity, program line item, or program activity;

5. For any action where the cumulative effect of below threshold reprogramming actions, or past reprogramming and/or transfer actions added to the request, would exceed the dollar threshold mentioned above, a reprogramming shall be submitted;

6. For any action which would result in a major change to the program or item which is different than that presented to and approved by either of the Committees, or the Congress, a reprogramming shall be submitted;

7. For any action where funds earmarked by either of the Committees for a specific activity are proposed to be used for a different activity, a reprogramming shall be submitted; and,

8. For any action where funds earmarked by either of the Committees for a specific activity are in excess of the project or activity requirement, and are proposed to be used for a different activity, a reprogramming shall be submitted.

Additionally, each request shall include a declaration that, as of the date of the request, none of the funds included in the request have been obligated, and none will be obligated, until the Committees on Appropriations have approved the request.

TITLE I—DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

The conference agreement appropriates $123,151,000 for Departmental Offices instead of $122,889,000 as proposed by the House and $120,671,000 as proposed by the Senate. The amount appropriated includes: $3,704,000 for mandatory cost increases; an additional $470,000 for the Office of Tax Policy; an additional $255,000 for the Office of Economic Policy; an additional $499,000 for International Affairs Policies and Programs; an additional $801,000 for Enforcement Policies and Programs; an additional $866,000 for the Office of Foreign Assets Control; an additional $239,000 for Fiscal and Financial Policies and Programs; and an additional $300,000 for Treasury-wide management policies and practices. The conferees are aware that additional funds in the amount of $1,238,000 are required in fiscal year 1999 for Year 2000 compliance. The conference agreement also includes funding to allow the Department to provide no more than $500,000 in contract awards to the National Law Center for Inter-American Free Trade as proposed by the House.

The conferees have agreed to provide an additional $1,200,000 within this account for the Under Secretary of Enforcement to continue the operations of the Office of Professional Responsibility, should he so desire, as proposed by the Senate.

The conference agreement includes language which provides that the Office of Foreign Assets Control shall be funded at no less than $6,560,800 as proposed by the Senate instead of $5,517,000 as proposed by the House. The conferees have included language authorizing the Department to charge both direct and indirect costs to the Office of Foreign Assets Control in the implementation of this floor.

The Senate bill included language in this and a number of other accounts which provides that funds appropriated in this Act may be used for Year 2000 computer conversion costs pending the availability of funding for that purpose in a separate appropriation. The conferees have deleted that language in each instance in which it occurs and have instead included a new general provision (Section 513) to permit the use of funds provided in this Act to initiate or continue projects or activities to the extent necessary to achieve Year 2000 computer conversion until such time as supplemental appropriations are provided for those activities.

The conference agreement deletes language proposed by the House which provides compensation for losses incurred due to the denial of entry into the United States of certain firearms. The conferees have included language in Title VI (Section 646) of the bill to provide for this relief through the use of the Judgement Fund, as proposed by the Senate.

TREASURY LAW ENFORCEMENT VEHICLES

No later than 90 days after enactment of this Act, the Department shall submit to the Committees on Appropriations directives to implement the management of law enforcement vehicle usage in the Department. These directives shall include: development of a Department-wide vehicle management system to ensure adequate oversight of vehicle usage; standards and procedures for full compliance with home-to-work regulations on vehicle use; verifiable determination that vehicle use throughout the Department is in support of law enforcement purposes only; and implementation of a log tracking system by activity and specific use of law enforcement vehicles.

UNDER SECRETARY FOR ENFORCEMENT

The conferees direct the Department of the Treasury to submit, with its fiscal year 2000 budget request, detailed budget justification materials for the Office of the Under Secretary for Enforcement.

OFFICE OF PROFESSIONAL RESPONSIBILITY

SALARIES AND EXPENSES

The conferees agree to provide no separate funding for the Office of Professional Responsibility (OPR) in fiscal year 1999 as proposed by the Senate, but instead have provided adequate funding within the Departmental Offices appropriations for the Under Secretary for Enforcement to continue the work of this office should he so desire. The conferees expect that the Department also will use approximately $350,000 in reprogramming authority, the anticipated share of the unobligated balance of funds at the end of fiscal year 1998, to augment this appropriation.

In fiscal year 1998, the Under Secretary for Enforcement was charged with tasking OPR to conduct a comprehensive review of integrity issues and other matters related to the potential vulnerability of the United States Customs Service to corruption, to include examination of charges of professional misconduct and corruption as well as analysis of the efficacy of departmental and bureau internal affairs systems. The conferees expect that this work will continue, and that it will be in conjunction with related efforts funded through the Customs Integrity Awareness Program.

AUTOMATION ENHANCEMENT

The conferees agree to provide $28,690,000 for Automation Enhancement instead of $31,190,000 as proposed by the House and $28,990,000 as proposed by the Senate. The amount provided shall be transferred as follows:

Customs Service.—$8,000,000 for the Automated Commercial Environment.

Bureau of Alcohol, Tobacco, and Firearms.—$3,700,000 for a human resources system re-engineering pilot program.

Departmental Offices.—$16,990,000, of which $5,400,000 is for the International Trade Data System, of which $6,577,000 is for Department-wide human resources re-engineering program management and implementation, of which $3,813,000 is for Departmental Offices productivity enhancement, of which $1,000,000 is for the Treasury Vehicle Management System, and of which $200,000 is for Department-wide implementation of the Treasury Information System Architecture Framework.

The conferees agree that the funds provided shall remain available until September 30, 2000, as proposed by the House rather than remain available until expended as proposed by the Senate.

The conferees are aware that additional funds in the amount of $2,762,000 are required in fiscal year 1999 for Year 2000 compliance.

AUTOMATED COMMERCIAL ENVIRONMENT

The conferees agree to provide $8,000,000 for the Customs Service ACE project, with the proviso that $6,000,000 shall not be available for obligation until the Treasury's Chief Information Officer, through the Treasury Investment Review Board, concurs on the plan and milestone schedule for the deployment of the system. Furthermore, $6,000,000 shall not be obligated until the Commissioner of Customs provides to the Committees on Appropriations an Enterprise Information Systems Architecture (EISA) for Customs that covers all Customs' areas of business—not just trade compliance. For the EISA to be acceptable, it must comply with the Treasury Information Systems Architecture Framework, include measures to enforce compliance, and be approved by the Treasury Investment Review Board.

The conferees are pleased with the efforts made by the Treasury Department to exercise some management responsibility for the ACE project, which represents an enormous information technology investment for the Department and Customs. Clear benefits are already being seen in the quality of analysis applied to investment decisions, and coordination with other information technology projects such as the International Trade Data System (ITDS). The conferees support the continued exercise of strong oversight by the Treasury Department over this project.

FINANCIAL CRIMES ENFORCEMENT NETWORK

The conferees agree to provide $24,000,000 as proposed by the House instead of $23,670,000 as proposed by the Senate. In addition, the conferees agree that the funds shall be available with no earmark for the GATEWAY program, as had been proposed by the Senate.

TREASURY FORFEITURE FUND

The conferees expect that the super surplus for the Treasury Forfeiture Fund will

continue to be large in fiscal year 1999, and direct the Department to provide the Committees its plan for intended use of these resources in a timely fashion, as well as in its presentation of the fiscal year 2000 budget request.

The conferees support the use of the super surplus to further advance Treasury Department law enforcement programs, and acknowledge the Department's plan to use its surplus for a variety of activities. The conferees direct the Department to use $11,012,000 as follows: $5,512,000 for the construction of a P–3 hangar in Corpus Christi, Texas, for the United States Customs Service; $4,000,000 for the CEASEFIRE/IBIS program, and $1,500,000 for the Global Transpark Customs Information Project. The conferees also agree that super surplus funds may be used for replacement of law enforcement vehicles, instead of the prohibition proposed by the Senate.

VIOLENT CRIME REDUCTION PROGRAMS

The conferees agree to provide $132,000,000 as proposed by the House and Senate. This amount is to be used as follows:

Bureau of Alcohol, Tobacco and Firearms:	
GREAT administration/training	$3,000,000
GREAT Program Grants	13,000,000
Customs Service:	
Narcotics detection technology	54,000,000
Passenger processing initiative	9,500,000
Canopy construction	972,000
Child pornography investigation	1,000,000
Subtotal, Customs Service	65,472,000
Secret Service:	
Counterfeiting investigations	5,000,000
Forensic technology and assistance	2,000,000
NCMEC assistance	1,196,000
2000 campaign protection	7,732,000
Vehicle replacement	6,700,000
Subtotal, Secret Service	22,628,000
Financial Crimes Enforcement Network:	
Cyberpayment studies	800,000
Suspicious Activity Report analysis	300,000
Support for State & local GATEWAY	200,000
Money laundering regulations	100,000
Subtotal, FinCEN	1,400,000
Interagency Crime and Drug Enforcement	24,000,000
Office of National Drug Control Policy:	
Model State Drug Law Conferences	1,000,000
High Intensity Drug Trafficking Areas	1,500,000
Subtotal, ONDCP	2,500,000

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

The conferees agree to provide $3,000,000 to ATF for the management of the GREAT program as proposed by the House rather than in the ATF Salaries and Expenses appropriation as proposed by the Senate. The funding proposed by the Senate for laboratory and investigative support is funded under ATF's Salaries and Expenses appropriation.

GANG RESISTANCE EDUCATION AND TRAINING

The conferees agree to provide $13,000,000 to ATF, instead of $10,000,000 as proposed by the House and $13,239,000 as proposed by the Senate for grants to local law enforcement organizations for the Gang Resistance Education and Training (GREAT) program. The GREAT program has been enthusiastically endorsed by communities in Colorado, North Carolina and Wisconsin. The conferees direct that qualified law enforcement and prevention organizations from these areas be funded under GREAT.

The conferees are aware of concerns about the lack of a long-term evaluation of the impact of this program. Therefore, the conferees urge ATF to contract with the National Academy of Sciences, Committee on Law and Justice, to conduct an independent evaluation of the GREAT program.

CUSTOMS SERVICE

The conferees agree to provide $65,472,000, instead of $66,472,000 as proposed by the House and $54,000,000 as proposed by the Senate. Within these funds, the conferees include $54,000,000 for narcotics detection technology, $9,500,000 for passenger processing, $972,000 for canopy construction, and $1,000,000 for additional technologies associated with the child pornography cyber-smuggling initiative. The conferees agree that $2,400,000 of the Customs Salaries and Expenses account should be used for the cyber-smuggling initiative, as proposed by the Senate.

SECRET SERVICE

The conferees agree to provide $22,628,000, instead of $14,528,000 as proposed by the House and $15,403,000 as proposed by the Senate. Within these funds, the conferees include $5,000,000 for counterfeiting investigations, $7,732,000 for campaign protection activities, $6,700,000 for vehicle replacement, and $3,196,000 for forensic and related support of investigations of missing and exploited children. Of the amounts provided for missing and exploited children, the conferees agree to provide $1,196,000 for the continued operations of the Child Exploitation Unit at the National Center for Missing and Exploited Children.

FINANCIAL CRIMES ENFORCEMENT NETWORK

The conferees agree to provide $1,400,000 for FinCEN as proposed by the Senate, instead of no funding as proposed by the House. Within these funds, the conferees include $800,000 for cyberpayment studies; $300,000 for Suspicious Activity Report analysis; $200,000 for training and support for State and local GATEWAY participation; and $100,000 for money laundering regulations.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

The conferees agree to provide no VCRTF funding for FLETC as proposed by the House, instead of $1,158,000 as proposed by the Senate. The affected programs—rural law enforcement training and equipment replacement—are funded in FLETC's Salaries and Expenses appropriation.

INTERAGENCY CRIME AND DRUG ENFORCEMENT

The conferees agree to provide $24,000,000 for ICDE as proposed by the House, instead of $45,000,000 as proposed by the Senate. An additional $51,900,000 is provided in the Interagency Law Enforcement account. The total of $75,900,000 fully funds the President's request.

OFFICE OF NATIONAL DRUG CONTROL POLICY

The conferees agree to provide $2,500,000 for ONDCP, instead of $14,000,000 as proposed by the House and no funding as proposed by the Senate. $1,000,000 of this funding would cover the costs of continuing support for Model State Drug Law Conferences, as proposed by the House. $13,000,000 proposed by the House for continued funding for the technology transfer program run by the Counterdrug Technology Assessment Center will instead be funded in the ONDCP Salaries and Expenses account, as proposed by the Senate.

HIGH INTENSITY DRUG TRAFFICKING AREAS

The conferees agree to provide $1,500,000 in additional funding for the Milwaukee, Wisconsin HIDTA.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

The conferees agree to provide $71,923,000 as proposed by the House instead of $66,251,000 as proposed by the Senate, including up to $13,843,000 to be used for materials and support costs. The conferees agree to language proposed by the Senate to permit funding for travel expenses of non-Federal personnel to attend course development meetings and training sponsored by the Center. The conferees also agree to maintain existing statutory language affecting the authority to provide funding for student athletics and student interns, as proposed by the Senate.

GREAT TRAINING

The conferees agree to include new language, as proposed by the Senate, to authorize the Center to provide training for the Gang Resistance Education and Training program to Federal and non-Federal personnel at any facility in partnership with ATF.

FIREARMS TRAINING SYSTEMS

The conferees direct the Federal Law Enforcement Training Center, in consultation with their interested client law enforcement agencies, to examine and evaluate all available firearms training technologies for systems providing the greatest cost effective multi-application benefit for firearms training of law enforcement personnel. The conferees are aware of current technologies, such as the BEAMHIT targeting system and plastic cased ammunition, which appear to offer cost benefits and systems flexibility for multiple training activities and greater sensitivity for environmental protection.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

The conferees agree to provide $34,760,000, instead of $28,360,000 as proposed by the House and $15,360,000 as proposed by the Senate. This amount includes $6,400,000 for construction of new facilities at Artesia, New Mexico, required to meet the Center's basic training requirements.

INTERAGENCY LAW ENFORCEMENT

INTERAGENCY CRIME AND DRUG ENFORCEMENT

The conferees agree to provide $51,900,000 for ICDE as proposed by the House. An additional $24,000,000 is provided in the Violent Crime Reduction Programs account. The total of $75,900,000 fully funds the President's request.

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

The conference agreement appropriates $196,490,000 for the Financial Management Service (FMS) as proposed by the Senate instead of $198,510,000 as proposed by the House.

The conferees have agreed with the proposal of the Senate on the funding level for the FMS, which reflects a reduction of $6,000,000 for Year 2000 conversion costs which will be available for FMS from a separate appropriation. The conferees received

conflicting information from the Department of the Treasury about what the FMS's needs are for this purpose. Therefore, the conferees have assumed the higher number. The conferees understand and fully appreciate the need for FMS equipment to be Year 2000 compliant and note that the Department does have authority to transfer funding to FMS from other accounts within the Department under Section 114 of this Act should that become necessary.

The conference agreement deletes language proposed by the Senate delaying the availability of $4,500,000 for postage costs until September 30, 1999, and language proposed by the Senate stating that funds shall continue to be provided to the United States Postal Service for postage due.

DEBT COLLECTION IMPROVEMENT ACCOUNT

The conferees have agreed to delete funding for the Debt Collection Improvement Account proposed by the Senate. The House bill contained no similar provision.

FEDERAL FINANCING BANK

The conference agreement provides $3,317,960,000 for the liquidation of debts by the Federal Financing Bank instead of $3,317,690,000 as proposed by the Senate. The House bill contained no similar provision.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

The conferees agree to provide $541,574,000, instead of $530,624,000 as proposed by the House and $529,489,000 as proposed by the Senate. This includes $2,000,000 for the Violent Crime Coordinators program and $4,500,000 for expansion of the National Tracing Center, as proposed by the Senate. The conferees agree that $2,206,000 of this funding will not be available for obligation until September 30, 1999, as proposed by the House.

The conferees are aware that additional funds in the amount of $5,000,000 are required in fiscal year 1999 for Year 2000 compliance.

The conferees agree to increase the limit for purchase of police-type vehicles to 812, as proposed by the House. The conferees direct the Under Secretary for Enforcement to exercise strong oversight with regard to any additional purchases in keeping with Department-wide efforts (addressed under Departmental Offices, above) to manage the use, allocation and acquisition of law enforcement vehicles. While neither the House nor Senate provided funding for this purpose, the conferees agree to provide $3,700,000 for vehicle replacement as the Administration had requested.

The conferees agree to authorize up to $15,000 for official reception and representation expenses, instead of $20,000 as proposed by the House and $12,500 proposed by the Senate.

The conferees agree to retain the limitation of $1,000,000 in authority to fund the equipping of vessels, vehicles or aircraft available for official use by a State or local law enforcement agency for use in joint law enforcement operations with ATF and for the payment of overtime salaries, travel, fuel and other costs for State and local law enforcement personnel, including sworn officers and support personnel, as proposed by the House. The conferees note that, while this maintains a limitation, unlike the Senate proposal, it allows such funding to be used for law enforcement operations other than drug-related ones, and clarifies that it encompasses support personnel as well as sworn law enforcement officers.

The conferees agree that per diem and/or subsistence allowances may be paid to employees for extensive overtime required when an employee is assigned to a National Response Team during the investigation of a bombing or arson incident, as proposed by the Senate, rather than simply for a major investigative assignment, as proposed by the House.

YOUTH CRIME GUN INTERDICTION INITIATIVE

The conferees strongly support ATF's efforts to stop illegal trafficking of crime weapons to young people and its statistical analysis in ''The Crime Gun Trace Analysis Reports: The Illegal Youth Firearms Markets in 17 Communities'', published in July 1997. However, the conferees believe that the proposed increase in funding must be supported by evidence of a significant reduction in youth crime, gun trafficking and availability. The conferees would like to see additional evidence linking the Youth Crime Gun Interdiction Initiative (YCGII) to a corresponding decrease in gun trafficking among youths and minors. Therefore, the conferees direct ATF to report no later than February 1, 1999, on the performance of YCGII.

The conferees further believe that an investment in experienced trafficking agents to conduct investigations arising out of leads obtained through this regional initiative is likely to have a significant impact on the number of prosecutions for illegal firearms trafficking. As a result, the conferees direct that, of the $27,000,000 to be provided for YCGII efforts, $16,000,000 be used to hire 81 experienced trafficking agents to expand the YCGII efforts in the 27 pilot cities. As part of the expansion, the conferees recommend that not less than $2,400,000 be used for the addition of 12 experienced trafficking agents, including 3 in Milwaukee, Wisconsin, to implement a multifaceted regional enforcement strategy within the Midwest region. The conferees request that ATF give strong consideration to Aurora, CO, Denver, CO, and Omaha, NE, as it determines new locations for YCGII.

CEASEFIRE

The conferees agree to provide $2,000,000 for continued expansion of the CEASEFIRE/IBIS program, and expect that this will be used to meet requests for new equipment and related installation costs. The conferees also direct the Secretary of the Treasury to provide $4,000,000 to ATF from the Treasury Forfeiture Fund to allow ATF to provide CEASEFIRE technology to eligible State and local law enforcement organizations who have requested this equipment.

COLLECTION AND MAINTENANCE OF FEDERAL FIREARMS LICENSEE RECORDS

The conferees agree that there does not appear to be a written policy regarding the collection and maintenance of records on the acquisition and disposition of firearms by Federal firearms licensees for use in criminal or civil enforcement or firearms trace systems, in particular with regard to the length of time such records are kept. Therefore, the conferees direct ATF to develop such a written policy and provide a copy of that written policy to the Committees on Appropriations no later than March 31, 1999. This is in lieu of the direction by the House to provide the House Committee with a report on efforts to improve its practices within 90 days after enactment of this bill.

CONTRABAND CIGARETTES

The conferees direct ATF to continue to fully fund its investigations of diversion and trafficking of contraband cigarettes, particularly on Indian lands. The conferees are pleased to see that recent investigations have borne fruit in a number of arrests in Oklahoma and Kansas. The conferees understand that the current investigation in Oklahoma and Kansas is estimated to cost up to $2,000,000 and that nationwide investigation will cost approximately $8,000,000.

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

The conferees agree to provide $1,642,565,000 instead of $1,638,065,000 as proposed by the House and $1,630,273,000 as proposed by the Senate. $9,500,000 is delayed for obligation, instead of the delays proposed by the House and the Senate.

The conferees agree to restrict purchase of vehicles to 550 for replacement only, as proposed by the House, rather than 985, as proposed by the Senate. The conferees direct the Under Secretary for Enforcement to exercise strong oversight over any purchases of new vehicles in keeping with Department-wide efforts (addressed under Departmental Offices, above) to manage the use, allocation and acquisition of law enforcement vehicles. The conferees also agree that $500,000 of the appropriation should be used to fund expansion of services at the Vermont World Trade Office, as proposed by the Senate. The conferees also agree to increase the limitation on representation funding to $40,000, instead of $30,000 as proposed by the House and Senate.

The conferees agree to provide $2,500,000 to remain available until expended for the costs of relocation of the New Orleans Air Branch from Belle Chase, Louisiana, to Hammond, Louisiana.

CUSTOMS INTEGRITY AWARENESS PROGRAM

The conferees agree to provide $6,000,000 to the Customs Service, fully funding the new Customs Integrity Awareness Program (CIAP), as proposed by the House, instead of $4,200,000 as proposed by the Senate. The conferees direct the Secretary of the Treasury to be fully engaged in CIAP, providing necessary oversight and assistance to the Customs Service Office of Internal Affairs in order to achieve program goals.

CHILD PORNOGRAPHY

The conferees strongly support Customs leadership in stopping the vile traffic in child pornography and are pleased with its recent successful takedown of a major international pornography organization. To continue this success, the conferees agree to set aside $2,400,000 of the Customs appropriation to double the staffing and resources for the child pornography cyber-smuggling initiative, as proposed by the Senate, instead of $2,000,000 proposed by the House to be funded through the Violent Crime Reduction Trust Fund. In addition, the conferees agree to include $1,000,000 in the Violent Crime Reduction Trust Fund for technology support for this initiative.

CUSTOMS INSPECTION SERVICES FOR INTERNATIONAL AIR CARGO

The conferees are concerned about the availability of Customs Service personnel to provide inspection services for airports that are seeing increased traffic or project such increases as part of regional development patterns. In many locations Customs has been asked to initiate or expand the level and availability of such services. The conferees understand that decisions to allocate inspection personnel must be based on availability of staff and funding, and should also be a function of the level of current or expected traffic, as well as concerns about enforcing trade laws and countering smuggling threats. At the same time, the conferees recognize that some airports, such as Dulles International Airport, Miami International Airport, and Fort Lauderdale International Airport, are experiencing growth and may have good cases for initiating or increasing cargo traffic operations, which are dependent on the availability of specific Customs inspection services. The conferees therefore urge the Customs Service, as it undertakes to establish a comprehensive model for assessing and allocating its inspection and investigative staff, to work closely with the

airport authorities and the trade community to ensure that it will meet requirements for new and expanded service. The aim of such a process should be allocation of staff and resources that is in the best interest of regional economic interests, trade, and the mission of the Customs Service.

OPERATIONS, MAINTENANCE AND PROCUREMENT, AIR AND MARINE INTERDICTION PROGRAMS

The conferees agree to provide $113,688,000, instead of $100,688,000 as proposed by the House and $113,488,000 as proposed by the Senate. No funding for this account would be delayed, as had been proposed by the Senate, and there is no earmark for activities in South Florida and the Caribbean, as had been proposed by the Senate. This number includes an additional $1,000,000 for increased support for operations and upgrades for equipment for the marine enforcement program and $14,200,000 for Black Hawk helicopter program support.

BLACK HAWK HELICOPTERS

The conferees have included $14,200,000 to restore three off line Black Hawk helicopters to an operational readiness condition and provide for increased operation and maintenance requirements for Customs' helicopter component. The conferees understand that this funding will permit Customs to increase Black Hawk flying hours from 18 to 30 hours per month. The conferees direct the Customs Service to maximize the mission operability of all sixteen Black Hawk helicopters assigned to the Air Interdiction Program.

CUSTOMS MARINE PROGRAM

The conferees include an additional $1,000,000 to augment the $5,200,000 requested for the marine program.

CUSTOMS AIR AND MARINE INTERDICTION PROGRAMS

The conferees continue to be impressed with the successes associated with the Customs Air and Marine Interdiction programs and are aware of the growing operational commitments associated with this success. The conferees encourage the Customs Service to examine the benefits of a consolidated air maintenance system and take actions to improve operational coordination of its air assets to meet our national drug enforcement priorities. The conferees, in the interest of maintaining viable and effective air and marine interdiction programs, direct the Customs Service to develop two comprehensive modernization plans for the air interdiction and marine enforcement programs, respectively. These plans shall be submitted with the President's fiscal year 2000 budget and should include the projected lifespans and project a replacement schedule, as well as the current status, of each aircraft or vessel; associated operations and maintenance activities for these craft; and any costs for fleet extension or modernization. These modernization plans should be living documents that the Customs Service continually re-evaluates and utilizes in its effort to maximize its operational effectiveness.

SPECIAL OPERATIONS

The conferees agree that the special operations requirements of the Customs Service Air and Marine Interdiction Programs demand special tactical and logistical operations considerations due to the high threat nature of these activities. The conferees direct the Customs Service to review its utilization of these special operations assets with the goal of improving management, coordination, training and utilization of equipment and personnel. The Customs Service should consider all options to achieve the greatest efficiency and productivity for our coastal and border interdiction efforts.

BUREAU OF ENGRAVING AND PRINTING

DOLLAR BILL REDESIGN

To combat international counterfeiting threats to the United States, the Department of the Treasury is continuing to redesign Federal Reserve Notes. By the end of 1999, newly designed $100, $50, and $20 Federal Reserve Notes will be in circulation.

The conferees remain concerned about the cost associated with producing special anti-counterfeiting properties for the estimated 6 billion circulating $1 Federal Reserve Notes. As a result, the conferees do not believe the Bureau of Engraving and Printing should undertake cost prohibitive anti-counterfeiting changes to the $1 note. However, the conferees do believe it is important to update the currency, such as making minor modifications to assist the visually impaired.

Therefore, the conferees direct the Department of the Treasury and the Bureau of Engraving and Printing not to pursue redesign of the $1 Federal Reserve Note to combat international counterfeiting threats, but to only make minor design enhancements to the $1 note for the visually impaired and elderly population, provided it has no effect on the use of $1 Federal Reserve Notes with existing bill accepting machinery.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

The conference agreement appropriates $172,100,000 for the Bureau of the Public Debt as proposed by the House and the Senate.

The conference agreement also provides that $2,000,000 of the funds provided shall be available until September 30, 2001, for information systems modernization initiatives as proposed by the House instead of $1,000,000 as proposed by the Senate.

The conferees are aware that additional funds in the amount of $1,000,000 are required in fiscal year 1999 for Year 2000 compliance.

INTERNAL REVENUE SERVICE

PROCESSING, ASSISTANCE, AND MANAGEMENT

The conference agreement appropriates $3,086,208,000 for Processing, Assistance, and Management instead of $3,025,013,000 as proposed by the House and $3,077,353,000 as proposed by the Senate. The amount provided includes $90,650,000 for mandatory cost increases and $70,279,000 for base realignments from the Tax Law Enforcement account. The conferees have agreed not to transfer funding for the TIMIS personnel/payroll system from the Information Systems appropriation to this account as proposed by the Senate.

The budget request for Processing, Assistance, and Management included $58,325,000 for customer service initiatives. Funding for these initiatives has been included in the Information Systems account as proposed by the House. The Senate had proposed to provide $18,145,000 for customer service initiatives in this account.

The conferees want to express strong support for the Commissioner's proposal for organizational modernization. The recently enacted Internal Revenue Service Restructuring and Reform Act of 1998 will allow the Commissioner to make significant operational improvements through organizational modernization and reorganization. Therefore, the conference agreement also includes $25,000,000 for organizational modernization and restructuring of the Internal Revenue Service, the total amount requested by the Administration for that purpose. However, because the restructuring legislation has only recently been enacted and the Commissioner has not yet been able to provide a detailed plan and cost estimate for the restructuring effort, the conferees have included language in the bill which delays these funds for obligation until September 30, 1999.

The conferees have also provided $2,000,000 for low income taxpayer clinics. These funds will be used to award matching grants to develop, expand, or continue qualifying low income taxpayer clinics as authorized in Section 3601 of the Internal Revenue Service Restructuring and Reform Act of 1998.

The conference agreement includes language proposed by the Senate delaying the availability of $105,000,000 for postage costs until September 30, 1999, and language proposed by the Senate stating that funds shall continue to be provided to the United States Postal Service for postage due.

TAXPAYER EDUCATION

The conferees agree that the Internal Revenue Service needs to be more proactive in educating our citizens. Therefore, the conferees believe that the IRS should consider the feasibility of a taxpayer education initiative which encourages IRS employees to visit schools to talk about the history of our tax system as well as taxpayer rights and responsibilities. Further, the conferees believe that the IRS should provide no less than $750,000 to create an educational program, such as the project currently under development at the University of Florida, covering matters of current interest to those involved in administering, advising, teaching, and studying the technical aspects of Federal taxation. Therefore, the conferees request that the IRS provide an analysis of these proposals, and steps they would take to implement these proposals, to the Committees on Appropriations by March 1, 1999.

TAX LAW ENFORCEMENT

The conference agreement appropriates $3,164,189,000 for Tax Law Enforcement as proposed by the House instead of $3,164,399,000 as proposed by the Senate. The conference agreement does not delay the availability of $175,000,000 of the funds appropriated until September 30, 1999, proposed by the Senate.

The budget request included $2,645,000 for customer service initiatives. Funding for these initiatives has been included in the Information Systems account as proposed by the House. The Senate had proposed to fund $210,000 for customer service initiatives in this account.

TAX STANDARDS FOR TAX-EXEMPT HEALTH CLUBS

The conferees are aware that there has been significant growth in health club and fitness services. Intensified competition has developed a market for for-profit and tax-exempt health clubs. With certain tax-exempt organizations moving away from their core purpose, questions arise as to whether they are engaging in commercial competition with the for-profit sector. The conferees understand that the IRS has developed appropriate standards based on broad community accessibility for determining whether fitness activities are substantially related to the charitable mission of community organizations, such as YMCAs, YWCAs, and JCCs, organizations with a variety of programs based on community needs, including health and fitness for people of all ages, incomes, and abilities. Accordingly, changes in the standards that apply to such organizations are not the conferees' concern. Rather, the conferees direct that the IRS review the standards it applies to fitness activities operated by educational and health-care organizations. The conferees further request that the Department of the Treasury report to Congress by April 1, 1999, on the statutory and regulatory changes that may be needed to assure that the health and fitness activities of these organizations substantially further the purposes for which the organization was granted tax exemption and do not constitute unfair

competition with private sector, taxable organizations.

TRANSFER PRICING

The conferees are concerned about the Nation's loss of revenue as a result of foreign corporations employing transfer pricing. Transfer pricing, utilized by State Trading Enterprises, reallocates items of income and deduction among entities under common control. Reallocation of the income and deduction results in minimizing the U.S. tax of foreign corporations' U.S. affiliates. Since the foreign parent corporations do not normally do business in the United States, their income is completely free from U.S. tax.

To ensure the Internal Revenue Service is vigorously administering section 482 of the Internal Revenue Code, which empowers the Secretary of the Treasury to distribute, apportion, and allocate items of gross income and deduction between the parent corporations and their U.S. affiliates, the conferees direct the Internal Revenue Service to review and report to Congress, no later than six months after enactment of this Act, on the following issues: IRS's loss of revenue as a result of transfer pricing; detailed information on IRS's administration of section 482 to distribute, apportion, and allocate items of gross income and deduction; and recommendations on how to improve the collection of revenue from trading enterprises.

INFORMATION SYSTEMS

The conference agreement appropriates $1,265,456,000 for Information Systems instead of $1,224,032,000 as proposed by the House and $1,329,486,000 as proposed by the Senate. The amount provided includes $43,939,000 for mandatory cost increases; however, the conferees have agreed not to transfer funding for the TIMIS personnel/payroll system from this appropriation to the Processing, Assistance, and Management account. In addition, the conference agreement includes an increase of $32,900,000 for operational information systems as proposed by the House and the Senate and $68,700,000 for the modernization program infrastructure as proposed by the Senate instead of $34,350,000 as proposed by the House.

The conferees have agreed to include language in the bill which provides that $103,000,000 of the funds appropriated in this account shall only be available for improvements to customer service. This is the full amount requested by the Administration for customer service initiatives within the Internal Revenue Service.

The conferees are aware that additional funds in the amount of $359,000,000 are required in fiscal year 1999 for Year 2000 compliance. Included in that total is: $8,700,000 for the submissions processing investment program, $4,000,000 for compliance research information systems, $33,300,000 for examination laptop computers, $60,700,000 to complete the rollout of the Integrated Collection System, $4,300,000 for the Inventory Delivery System, and $14,000,000 for the Integrated Personnel System.

The conference agreement deletes language proposed by the Senate which delayed the availability of $68,700,000 of the funds appropriated until September 30, 1999.

INFORMATION TECHNOLOGY INVESTMENTS

The conference agreement appropriates $211,000,000 for Information Technology Investments instead of $210,000,000 as proposed by the House and $137,569,000 as proposed by the Senate. These funds are not available for obligation until September 30, 1999. The conference agreement also provides that the funds shall remain available until September 30, 2002, as proposed by the Senate instead of remaining available until expended as proposed by the House.

The conference agreement includes language proposed by the House which specifies the contents of an expenditure plan that the Internal Revenue Service and the Department of the Treasury are required to submit before the funds appropriated may be obligated.

The conferees are concerned that the IRS' efforts to modernize its information systems could divert its attention from the more pressing matter of assuring that all of its existing systems will be Year 2000 compliant. The conferees expect that IRS will continue to view Year 2000 compliance as its highest priority and direct that the IRS not divert any resources from its Year 2000 efforts to the information systems modernization program.

ADMINISTRATIVE PROVISIONS—INTERNAL REVENUE SERVICE

Section 101. The conference agreement includes a provision proposed by the House and the Senate which allows the transfer of 5 percent of any appropriation made available to the IRS to any other IRS appropriation subject to Congressional approval.

Section 102. The conference agreement includes a provision proposed by the House and the Senate which requires the IRS to maintain a training program in taxpayer's rights, dealing courteously with taxpayers, and cross cultural relations.

Section 103. The conference agreement includes a provision proposed by the House and the Senate which requires the IRS to maintain taxpayer services at not less than fiscal year 1995 levels.

Section 104. The conference agreement includes a provision proposed by the House and the Senate which prohibits the expenditure of funds for the collection of taxes unless the conduct of officers and employees of the IRS complies with the Fair Debt Collection Practices Act.

Section 105. The conference agreement includes a provision proposed by the House and the Senate which requires the IRS to institute policies and practices which will safeguard the confidentiality of taxpayer information.

Section 106. The conference agreement includes a provision proposed by the House and the Senate which directs that funds shall be available for improved facilities and increased manpower to provide sufficient and effective 1–800 help line telephone assistance.

Section 107. The conference agreement includes a provision proposed by the Senate which provides that no reorganization of the field office structure of the Internal Revenue Service Criminal Investigation Division will result in a reduction in the number of criminal investigators in Wisconsin and South Dakota from the 1996 level.

The conference agreement deletes a Sense of the Senate provision regarding the use of random selection of returns for examination by the Internal Revenue Service.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

The conferees agree to provide $600,302,000 instead of $594,657,000 as proposed by the House and $584,902,000 as proposed by the Senate. This includes an additional $18,000,000 for the costs of protective travel. The conferees agree that $1,623,000 required for fixed site security will be included in the Acquisition, Construction, Improvement, and Related Expenses account, as proposed by the Senate. The conferees also agree that the limitation for new vehicle purchases shall be 739, as proposed by the House, rather than 705, as proposed by the Senate. The conferees direct the Under Secretary for Enforcement to exercise strong oversight over any purchases of new vehicles in keeping with Department-wide efforts (addressed under Departmental Offices, above) to manage the use, allocation and acquisition of law enforcement vehicles. The conferees agree that $5,000,000 shall not be available for obligation until September 30, 1999.

The conferees are aware that additional funds in the amount of $3,000,000 are required in fiscal year 1999 for Year 2000 compliance.

PROTECTIVE TRAVEL

The conferees continue to be concerned about shortfalls in the United States Secret Service protective travel activity. Therefore the conferees direct the Service to develop an accurate financial plan for predicting protective travel needs, and report regularly to the Committees on Appropriations on their progress. As part of the financial plan the conferees expect the funds for this activity will be apportioned separately. The Service should consult with the Office of Management and Budget about the level of detail required in the financial plan. The conferees agree to provide additional funding of $18,000,000 for protective travel, which is made available for two fiscal years.

ARMORED PRIMARY LIMOUSINES

The conferees understand the need to provide the President of the United States safe and secure ground transportation both locally and around the world. The conferees are, however, concerned with the Secret Service's projected cost to acquire primary limousines for this purpose. As a result, the conferees direct the Secret Service to report to the Committees on Appropriations on the major differences and costs between the proposed project and armored vehicles previously acquired by the Service prior to the obligation of funds for this project.

ACQUISITION, CONSTRUCTION, IMPROVEMENT, AND RELATED EXPENSES

The conferees agree to provide $8,068,000 as proposed by the Senate, instead of $6,445,000 as proposed by the House, which includes $1,623,000 for fixed site security.

GENERAL PROVISIONS—DEPARTMENT OF THE TREASURY

Section 110. The conference agreement includes a provision which requires the Secretary of the Treasury to comply with certain reprogramming guidelines when obligating or expending funds for law enforcement activities from unobligated balances available on September 30, 1999, as proposed by the Senate instead of September 30, 1998, as proposed by the House.

Section 111. The conference agreement includes a provision proposed by the House and the Senate which allows the Department of the Treasury to purchase uniforms, insurance, and motor vehicles without regard to the general purchase price limitation, and enter into contracts with the State Department for health and medical services for Treasury employees in overseas locations.

Section 112. The conference agreement includes a provision proposed by the House and the Senate which requires the expenditure of funds so as not to diminish efforts under section 105 of the Federal Alcohol Administration Act.

Section 113. The conference agreement includes a provision proposed by the House and the Senate which authorizes transfers, up to 2 percent, between law enforcement appropriations under certain circumstances.

Section 114. The conference agreement includes a provision proposed by the House and the Senate which authorizes transfers, up to 2 percent, between the Departmental Offices, Office of Inspector General, Financial Management Service, and Bureau of the Public Debt appropriations under certain circumstances.

Section 115. The conference agreement includes a provision proposed by the Senate

which amends 18 U.S.C. 921(a) by broadening the definition of explosives and redefining the term ''antique firearm.''

Section 116. The conference agreement includes a provision regarding the purchase of law enforcement vehicles.

Section 117. The conferees have agreed to the provision contained in Section 117 of the Senate bill regarding the execution of property upon judgements against foreign state violators of international law. The conferees have included additional language giving the President the authority to waive the requirements of this provision in the interest of national security.

ELECTRONIC FILING

The conferees have agreed to delete language requested by the Administration and contained in Section 115 of the House and Senate bills regarding the electronic filing of tax returns since this matter has been addressed in a comprehensive fashion in the Internal Revenue Service Restructuring and Reform Act of 1998. In undertaking any electronic tax administration programs, the conferees expect the Internal Revenue Service to assure the security of all electronic transmissions and provide for the full protection of the privacy of taxpayer data.

CURRENCY PAPER

The House and Senate passed bills each contained a provision (Section 116 of both bills) regarding the acquisition of currency paper by the Bureau of Engraving and Printing. The conferees have agreed to include no language in the bill regarding this issue. The conferees are aware of attempts made by the Bureau of Engraving and Printing (BEP) to address concerns regarding the need to make it easier for all United States paper companies to compete for currency paper contracts. However, the conferees expect the BEP to continue to enhance the process for procuring currency paper to the extent permitted under Federal law. In carrying out its currency paper procurement responsibilities, the conferees expect BEP to secure the best overall value for the government, giving equal consideration to all cost factors. Based on the General Accounting Office's (GAO) inability to reach any concrete conclusions with respect to competition and pricing, the conferees understand this issue is very complicated and, therefore, direct the Department of the Treasury and the Bureau of Engraving and Printing to report to the Committees on Appropriations how they plan to address GAO's recommendations to the Secretary of the Treasury. Further, it is the conferees' understanding that the authorizing committees in both the House and Senate will closely examine the GAO report, hold hearings on this matter, and develop legislation, if necessary, to ensure that the Federal government will have adequate competition and fair pricing.

TITLE II—POSTAL SERVICE

PAYMENTS TO THE POSTAL SERVICE FUND

The conferees agree to provide $71,195,000 as proposed by the House and the Senate. The conferees defer the obligation of these funds until October 1, 1999, as proposed by the Senate.

NON-POSTAL COMMERCIAL ACTIVITIES

The conferees are aware that the Postal Service is initiating a wide range of new commercial activities. These activities include, but are not limited to, volume retail photocopying, packaging services, bankwire services, the sale of office supplies and novelty items, and new e-commerce or Internet related technologies.

The conferees recognize the Postal Service's need to generate new sources of revenue to offset its operating costs. However, many of the Postal Service's new commercial activities may result in unfair competition with a number of private sector enterprises, thus raising significant policy issues about the Postal Service's present and future commercial role.

Therefore, the conferees request the Postal Service submit, within 6 months of enactment of this Act, a report on its ongoing and planned commercial services, including policy justifications, the costs of development and implementation, revenues earned, and revenues lost. As part of the report, the conferees are interested in packaging services (''Pack and Send'') and specifically direct the Postal Service to describe how packaging services will meet ''customer demand'' in all geographic regions, especially rural areas, before such service is initiated. The conferees believe these issues deserve consideration by the authorizing committees.

AVONDALE-GOODYEAR, ARIZONA

The conferees urge the Postal Service, before awarding any contract to purchase or lease property for the Main Post Office in Avondale-Goodyear, Arizona, to do an analysis of the population presently in this area to be used in assisting the Postal Service in making a selection which will be most accessible for the current and future population of the area. The Postal Service shall report to the Committees prior to awarding any contract for sale or lease, but in no event later than October 14, 1998.

GILPIN COUNTY, COLORADO

The conferees urge the Postal Service to seriously consider providing a separate ZIP Code for Gilpin County, Colorado.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT

WHITE HOUSE OFFICE

SALARIES AND EXPENSES

The conferees agree to provide $52,344,000 for White House Office Salaries and Expenses, as proposed by the House and the Senate. The conferees provide $10,100,000 for reimbursements to the White House Communications Agency as a specific line item, as proposed by the House.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

OPERATING EXPENSES

The conferees provide $8,061,000, as proposed by the House instead of $8,691,000, as proposed by the Senate and prohibit the use of these funds for domestic staff overtime. As a separate provision, the conferees include $630,000 for domestic staff overtime and make these funds available upon the Comptroller General notifying the Committees that the Executive Office of the President (EOP) has received, reviewed and commented on the draft report of the General Accounting Office (GAO) with respect to Executive Residence operations and that the GAO is in receipt of the EOP's comments.

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

The conferees agree to provide $28,350,000 for the Office of Administration as proposed by the House instead of $29,140,000 as proposed by the Senate.

The conferees are aware that additional funds of $12,200,000 for Year 2000 compliance within the Executive Office of the President are required for fiscal year 1999.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

The conferees agree to provide $60,617,000 for the Office of Management and Budget as proposed by the Senate instead of $59,017,000 as proposed by the House. The conferees agree to delete the earmark and the fence on the use of funds for the Office of Information and Regulatory Affairs, as proposed by the Senate, and include two provisos regarding the review of transcripts of the Committees on Veterans' Affairs and agricultural marketing orders, as proposed by the House. The conferees have included new language to amend Section ____.36 of OMB Circular A–110 to ensure that all data produced under an award will be made available to the public through the procedures established under the Freedom of Information Act.

Including technical modifications, the conferees agree to include bill language requiring OMB to report on government wide paperwork reduction and the implementation of the Congressional Review Act, as proposed by the Senate.

PERFORMANCE OF STATUTORY RESPONSIBILITIES

The conferees have agreed to delete the earmark of $5,229,000 for the Office of Information and Regulatory Affairs (OIRA) and a fence of $1,200,000 for OIRA. The conferees have been assured that OMB will strictly adhere to the statutory requirements included in the bill on Paperwork Reduction and the Congressional Review Act. The conferees will monitor OMB's compliance with these requirements carefully.

FEDERAL EMPLOYEES' PAY COMPARABILITY ACT

The conferees question the validity of the Administration's use of the ''serious economic conditions'' exception in the Federal Employees' Pay Comparability Act (FEPCA) to put forth an alternative pay plan for 1999. Press reports have indicated that members of the Administration may have concerns regarding the pay setting methodology established by FEPCA. In an effort to see that FEPCA is either fully implemented or perfected, the conferees direct the President's Pay Agent to provide the Committees with any pay setting methodology concerns it has with regard to FEPCA by May 1, 1999.

CENTURY DATE CONVERSION

The conferees remain concerned that with little more than a year to go before the new millennium, many critical government information systems are still in jeopardy of not meeting the January 1, 2000, deadline for date conversion. The conferees further believe that the Administration has failed to adequately champion the Y2K issue, not only to its own departments, but has also not provided the critical national leadership and coordination to our local, state and international partners in both the public and private sectors. Information systems experts have reported that the Y2K fix is rooted in management and oversight, not in the lack of technology available to address the problem. Unfortunately, valuable time has been lost waiting for management to embrace the magnitude and consequences of this issue. Only recently, has organizational management finally recognized the potential for shut down of critical information systems associated with entitlement payments, revenue collection, air traffic control, defense systems, telecommunications, mass transit, supply inventories, elevator function, medical equipment, to mention a few. Many agencies at all levels of government still do not have a complete grasp of the problem and are now at the greatest risk for systems failure.

The conferees direct the Administration to focus all of its attention and resources on the management and oversight of the most critical date sensitive information and infrastructure systems, prioritizing systems renovations, repair and replacement to those that can meet the January 1, 2000, deadline. The conferees further direct the Administration to accelerate the development of contingency plans for those critical systems that

cannot meet the Y2K deadline, in order to maintain functional systems operations, until patent date conversion repairs can be completed.

The conferees strongly encourage the new Y2K Czar to take a high profile national leadership position, to aggressively promote century date change awareness for both information technology systems and sensitive infrastructure applications. The Y2K Czar should monitor, coordinate and provide oversight over the progress of all government-wide century date change conversion initiatives, with the primary goal of maintaining critical systems operations into the new millennium. Finally, the Y2K Czar should have Administration standing to directly access and take control of any critical agency system that is in jeopardy of not meeting the January 1, 2000, deadline because of ineffective management action.

OMB is directed to include in its quarterly Y2K report submissions an assessment of those critical information systems that will not meet the Y2K deadline and the problems that can be anticipated. In addition, the report should include the status of operational contingency plans for those systems identified as being in jeopardy.

VIOLENT CRIME REDUCTION PROGRAMS

The conferees expect the President's budget submissions for the Department of the Treasury's funding from the Violent Crime Reduction Trust Fund be reflected for the Department as a whole and not separately within each bureau's request.

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

The conferees agree to provide $48,042,000 for the Office of National Drug Control Policy (ONDCP) as proposed by the Senate, instead of $36,442,000 as proposed by the House. This includes $13,000,000 to continue the technology transfer pilot program managed by the Counterdrug Technology Assessment Center (CTAC). It also includes $17,942,000 for ONDCP operations, as proposed by the Senate, $16,000,000 for the basic CTAC program, and $1,100,000 for policy research of which $100,000 is to be used for evaluating the Drug-Free Communities Act, as proposed by the Senate. The conferees agree to modify language governing the authority of ONDCP to accept and use gifts.

The conference agreement separately funds $1,000,000 for Model State Drug Law Conferences through the Violent Crime Reduction Trust Fund.

ONDCP STAFFING

The conferees are concerned about requests by ONDCP to reprogram monies from the Salaries and Expenses account to fund other initiatives. The conferees in the past have fully supported and funded the full time equivalent staffing level requested by ONDCP and are concerned that ONDCP is not filling those vacancies but is instead requesting to use those funds for other purposes. The conferees believe that ONDCP needs to maintain its staffing at the authorized level in order to maximize the agency's effectiveness. The conferees therefore direct ONDCP to review its staffing requirements and report back to the Committees on Appropriations by December 15, 1998, on the steps it is taking to fill the vacancies or, if not, what changes it is making in its staffing plan.

PERFORMANCE MEASURES OF EFFECTIVENESS

The conferees strongly urge ONDCP to work within the Administration to ensure that the Performance Measures of Effectiveness (PMEs) it developed are embraced and employed by all federal agencies for future budgetary and planning work. The conferees direct ONDCP to apply the same standard to its own internal management and organization, and to include such measures with each new budget submission.

RESEARCH AND ANALYSIS INITIATIVES

The conferees recognize that ONDCP has proposed some initiatives for research that, owing to lack of resources, cannot be funded in this appropriation. Nonetheless, the conferees strongly urge ONDCP to continue to press through its interagency leadership to coordinate research in such areas as improving R&D coordination, developing a government-wide intelligence architecture, and mapping out drug trafficking flows.

PROTECTIVE SECURITY ASSESSMENT

The conferees have included a new general provision, Section 643, as proposed by the Senate which directs the U.S. Marshals Service to conduct a threat assessment on the Director of the Office of National Drug Control Policy on a quarterly basis. The level of security is to be provided to ONDCP on a reimbursable basis by the U.S. Marshals Service and will be based on this quarterly threat assessment.

RURAL DRUG CONFERENCES

The conferees are concerned about the spread of drugs and drug-related crimes to rural areas and whether or not rural law enforcement can sufficiently address these new trends. Therefore, the conferees encourage the Director to consider convening a national conference on rural drug crime, to include regional conferences in rural areas, such as Luna County, NM, and similar counties in Colorado, in order to assess the needs of rural law enforcement and the impact that drug-related crimes have on rural communities as they cope with these issues.

The conferees believe that ONDCP can combine its knowledge and experience working with larger communities in this area and translate effective drug fighting practices to rural law enforcement, while taking into consideration their unique needs. Should ONDCP convene this event, the conference is requested to report to the Committees on Appropriations and the Director of ONDCP on its findings.

SHOUT

The conferees have provided $50,000 to continue the work of SHOUT, an outreach organization that works with minors, as defined by 21 CFR 897.14. This early intervention program focuses on shaping the attitudes of minors in order to discourage the use of illegal substances.

COUNTERDRUG TECHNOLOGY ASSESSMENT CENTER

The conferees expect the multiagency research and development programs to be coordinated by the Counterdrug Technology Assessment Center (CTAC) in order to prevent duplication of effort and to assure that, whenever possible, those efforts provide capabilities that transcend the need of any single Federal agency. Prior to obligation of these funds, the conferees expect to be notified by the chief scientist on how these funds will be spent. The conferees also expect to receive periodic reports from the chief scientist on the priority counterdrug enforcement research and development requirements identified by the Center and on the status of projects funded by CTAC.

FEDERAL DRUG CONTROL PROGRAMS

HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM

The conferees provide $182,477,000, instead of $162,007,000 as proposed by the House and $183,977,000 as proposed by the Senate. The conferees agree to fund all existing High Intensity Drug Trafficking Areas (HIDTAs) at the fiscal year 1998 level. This funding level shall be based on direct fiscal year 1998 appropriations for HIDTAs contained in the HIDTA and Violent Crime Reduction Trust Fund accounts. The conferees also agree that not less than fifty-one percent of this amount shall be transferred to State and local entities for drug control activities.

Within the amount appropriated, the conferees include $20,477,000 to supplement or expand existing HIDTAs, or provide for the creation of new HIDTAs. The conferees have been informed that unmet needs for funding exist in: the Arizona HIDTA for completion of an intelligence center and unmet programmatic needs for methamphetamine and border initiatives; the New Mexico HIDTA for unmet programmatic needs; the Southwest HIDTA for its wiretapping initiative; the Cascade HIDTA for unmet programmatic needs; the expansion of the Midwest HIDTA to include the State of North Dakota; the Rocky Mountain HIDTA for expansion of its methamphetamine initiative; the Chicago HIDTA for unmet programmatic needs; and the Central Florida HIDTA for unmet programmatic needs. Additionally, the conferees are aware of interest in the designation of new HIDTAs in the New England states, East Texas, Ohio, and Hawaii.

While the conferees are obviously supportive of the HIDTA program, it is critical to the continued support and the health of all HIDTAs and the program in general that decisions about funding be founded on clear, concrete measures of performance. The conferees also believe that ONDCP must have the flexibility to allocate resources to those HIDTAs that will have the greatest impact on our drug problems. In making these decisions, ONDCP must focus on the performance of HIDTAs, existing or proposed, and their significant impact on drug trafficking, use, and associated crime. This means that ONDCP must assess which HIDTAs are the top performers and document the factors it uses to make this determination. At the same time, ONDCP must determine where the impact will be greatest based on the combined effect of HIDTA performance and the nature and severity of drug problems that exist in the areas where HIDTAs currently operate or are proposed—whether measured by use, associated crime, or volume of trafficking in drugs or money. The conferees therefore direct ONDCP to submit its fiscal year 2000 budget for HIDTAs based on applying both ONDCP's own performance measures of effectiveness and the priorities dictated by changing threats.

SPECIAL FORFEITURE FUND

The conferees agree to provide $214,500,000, instead of $215,000,000 as proposed by the House and $200,000,000 as proposed by the Senate. This includes $185,000,000 for the youth media campaign, $20,000,000 for implementation of the Drug-Free Community Act, $5,000,000 for the chronic users study, and $4,500,000 for a transfer to the Agricultural Research Service for anti-drug research and related matters.

YOUTH MEDIA CAMPAIGN

The conferees recommend a funding level of $185,000,000 for the National Media Campaign. In fiscal year 1998, ONDCP proposed a 5-year media campaign at a total cost to the Federal government of $875,000,000. The initial request was based on a $175,000,000 annual funding level for five years of the program. The conferees continue to be fully supportive of this program and believe that this national media campaign, if properly executed, has the potential to produce concrete results. The conferees look forward to working with ONDCP on this effort to produce demonstrable results as the campaign matures.

The conferees have included new language calling for ONDCP to report on its efforts to

achieve corporate sponsorship beyond the matching requirement for participation in the media campaign; clarifies the pro bono requirement; and limits the possible use of funding for creative development efforts. The conferees agree that 75% of the funds will become available when ONDCP submits to the Committees the results of Phase I of the campaign and the remainder will become available when ONDCP submits the results of Phase II.

The Committees will closely track this national media campaign, and its contribution to achieving a drug-free America. Therefore, the conferees direct ONDCP to submit quarterly reports on the obligation of funds as well as the specific parameters of the pilot campaign. The conferees anticipate that future funding will be based upon results. ONDCP is directed to report to the Committees on Appropriations by January 15, 1999 on the effectiveness of the national media campaign. In addition, ONDCP is to report to the Committees within 6 months of enactment of this Act on State and local prevention and treatment facilities infrastructure and their capacity to handle the increased demands of communities as a result of the national media campaign. ONDCP is to continue to report on the effectiveness and implementation status of the guidelines set out in the fiscal year 1998 appropriations bill.

The conferees direct the General Accounting Office to conduct a financial audit and review of the financial transactions relating to the media campaign. The conferees request that the scope of the review include how monies have been obligated and the effectiveness of the campaign and report to the Committees on Appropriations. As part of this review, GAO shall determine the definition, acquisition, and utilization of matching contributions sought by ONDCP relating to the media campaign. In addition, the conferees direct GAO to review Phase I, the 12 city test pilot, and report its findings to the Committees. This review is to examine the development of the test market plan for Phase I, determine the viability of extrapolating Phase I results to the national level, and determine the success of Phase I in the 12 city pilot.

CHRONIC USERS STUDY

The Administration's budget estimate includes a request of $10,000,000 to expand a preliminary user study conducted in Cook County, IL. The Cook County study developed a methodology for estimating the number of hardcore drug users in the United States. Accurately identifying this population is important since they consume a massive amount of the drugs available in the United States, create a large proportion of the demand for illegal drug markets, and are responsible for a great deal of criminal activity. The accurate identification of this population will provide communities a base for estimating the type and number of drug treatment and prevention programs required.

The conferees congratulate ONDCP on conducting this study and continue to support this effort. The conferees provide $5,000,000 to expand the study to regional areas. Although this is less than the request, the conferees understand that ONDCP may be able to use this level of funding to complete a study that can serve as an accurate basis for a national estimate of the size and location of chronic user populations. The conferees encourage ONDCP to work with the Department of Health and Human Services to identify additional funding sources, if necessary and available, and encourage ONDCP to promote utilization of the Cook County study that contributes to reductions in the population of hardcore drug users.

UNANTICIPATED NEEDS

The conferees agree to provide $1,000,000 as requested by the Administration for unanticipated needs.

INFORMATION TECHNOLOGY SYSTEMS AND RELATED EXPENSES

The conferees have not included language contained in the Senate bill to provide $3,250,000,000 in contingent emergency funding for Year 2000 computer conversion costs. On September 2, 1998, the President transmitted to Congress a request for this level of funding in fiscal year 1998. The conferees expect that this issue will be resolved as part of a supplemental appropriation.

TITLE IV—INDEPENDENT AGENCIES

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

The conferees agree to provide $36,500,000 as proposed by the House and the Senate. This level of funding will support a base appropriation of $32,580,000, an additional $2,800,000 for enhanced enforcement efforts, as proposed by the House and Senate, and an additional $1,120,000 for other initiatives, as proposed by the House. The conferees fence $1,120,000, pending the submission of a plan for the obligation of these funds and provide that not less than $4,402,500 shall be available for internal automated data processing systems. The conferees strongly recommend that the FEC target the additional $1,120,000 in fenced appropriations to the improvement of enforcement procedures and preventing the unnecessary dismissal of appropriate enforcement actions; the conferees specifically recommend that FEC expedite automated data processing improvements as they relate to enforcement. The conferees assume that full time employment will not exceed 347 FTE in fiscal year 1999.

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

The conference agreement provides $5,605,018,000 in new obligational authority for the General Services Administration's Federal Buildings Fund instead of $5,624,128,000 as proposed by the House and $5,648,680,000 as proposed by the Senate. In order to provide the resources necessary to carry out that program, the conferees have recommended an appropriation of $450,018,000 into the Fund instead of $479,300,000 as proposed by the House and $508,752,000 as proposed by the Senate.

The conferees have provided $492,190,000 for the construction and acquisition of new projects instead of $527,100,000 as proposed by the House and $538,652,000 as proposed by the Senate. The conferees have included funding for the following projects:

Arkansas: Little Rock, U.S. Courthouse	$3,436,000
California:	
San Diego, U.S. Courthouse	15,400,000
San Jose, U.S. Courthouse	10,800,000
Colorado: Denver, U.S. Courthouse	83,959,000
District of Columbia: Southeast Federal Center Remediation	10,000,000
Florida:	
Jacksonville, U.S. Courthouse	86,010,000
Orlando, U.S. Courthouse	1,930,000
Massachusetts: Springfield, U.S. Courthouse	5,563,000
Michigan: Sault Sainte Marie, Border Station	572,000
Mississippi: Biloxi—Gulfport, U.S. Courthouse	7,543,000
Missouri: Cape Girardeau, U.S. Courthouse	2,196,000
Montana: Babb, Piegan Border Station	6,165,000
New York:	
Brooklyn, U.S. Courthouse	152,626,000
New York, U.S. Mission to the United Nations	3,163,000
Oregon: Eugene, U.S. Courthouse	7,190,000
Tennessee: Greenville, U.S. Courthouse	28,229,000
Texas: Laredo, U.S. Courthouse	28,105,000
West Virginia: Wheeling, U.S. Courthouse	29,303,000
Nationwide: Non-prospectus construction projects	10,000,000

The conferees have not provided funds for the Savannah, Georgia, U.S. Courthouse Annex project. The conferees are aware that at a recent meeting to consider the authorization of new courthouse construction projects, the Public Buildings and Economic Development Subcommittee of the House Committee on Transportation and Infrastructure deferred action on this project pending further review. The conferees further understand that that action was taken primarily because of the significant increase in estimated project cost that has occurred since the approval of funds for site acquisition and design, even though the size of the building has been reduced. The conferees share those concerns and, have, therefore, elected to defer funding for the project pending resolution of the issues that have been raised by the authorizing committee.

The conferees recognize the efforts of the General Services Administration and the Judiciary to reduce the cost of courthouse construction and encourage the continuation of these efforts. The conferees are pleased that the Administrative Office of the U.S. Courts' recent draft utilization study answers some questions about the utilization rates of existing and proposed courthouses. The conferees are aware of the Judiciary's needs to have court space available to conduct business and understand their position that a courtroom's existence may result in moving a case to settlement. However, the conferees continue to be concerned that the courts are not fully examining information that is key to the development of a utilization planning model. As a result, the conferees request the Administrative Office of the U.S. Courts to revise the utilization study to include the assumptions used to develop the planning model. Additionally, the conferees direct the General Services Administration to provide the utilization rates of existing and proposed courtrooms with any request for new construction, replacement, or expansion of court space.

The conference agreement includes language proposed by the Senate authorizing the General Services Administration to reacquire the parcel of land on Block 111, East Denver, Denver, Colorado, which was sold at public auction by the Federal government to the present owner of the property.

The conference agreement includes language proposed by the Senate which provides that funds provided in fiscal year 1993 for the Hilo, Hawaii, federal building shall be expended for the planning and design of the Mauna Kea Astronomy Educational Center.

The conference agreement deletes language proposed by the Senate regarding funding for the design of the Department of Transportation headquarters building and landing rights at Denver International Airport.

The conference agreement includes language included in the House reported bill

which provides that of the funds provided for non-prospectus construction projects, $2,100,000 shall be available for acquisition, lease, construction, and equipping of flexiplace telecommuting centers.

The conferees have also agreed to include language in the bill permitting the General Services Administration to purchase, at the appropriate price, real estate essential to meet security interests related to the successful completion of the new courthouse in Scranton, Pennsylvania.

The conferees have provided $668,031,000 for repairs and alterations as proposed by the Senate instead of $655,031,000 as proposed by the House. The conference agreement provides that $161,500,000 of the funds shall not be available for obligation until September 30, 1999, instead of $19,000,000 as proposed by the House and $323,800,000 as proposed by the Senate.

The amount provided includes $25,000,000 for the chlorofluorocarbons program and $25,000,000 for the energy program as proposed by the Senate instead of $18,500,000 for each program as proposed by the House.

The conferees have agreed to list in the bill the amounts provided for each of the projects and activities to be undertaken under Repairs and Alterations as proposed by the Senate. Accordingly, there is no need for GSA to submit the plan for program execution called for in the House report.

The conference agreement includes the language contained in the Senate bill regarding the use of funds for security improvements.

The conference agreement includes language proposed by the House which provides that funds provided in Public Law 103–329 for the IRS Service Center in Holtsville, New York, shall remain available until September 30, 1999.

The conference agreement includes language proposed by the Senate which: provides that $100,000 shall be used to address lighting issues at the Byrne-Green Federal Courthouse in Philadelphia, Pennsylvania; provides that $1,600,000 shall be used to complete alterations at the Milwaukee, Wisconsin, Courthouse; and provides that $1,100,000 may be used to provide a new fence for the Suitland Federal Complex in Suitland, Maryland.

The conferees have provided $215,764,000 for installment acquisition payments as proposed by the House and the Senate.

The conferees have provided $2,583,261,000 for rental of space as proposed by the Senate instead of $2,580,461,000 as proposed by the House. The conference agreement provides that $15,000,000 of the funds provided shall not be available for obligation until September 30, 1999, instead of $51,667,000 as proposed by the Senate.

The conferees have provided $1,554,772,000 for building operations as proposed by the House and the Senate. The conference agreement provides that $68,000,000 of the funds provided shall not be available for obligation until September 30, 1999, instead of $223,000,000 as proposed by the House and $31,095,000 as proposed by the Senate.

The conference agreement provides that $475,000 shall be available for the 1999 Women's World Cup soccer event and that $600,000 shall be available for the 1999 World Alpine Ski Championships.

PUBLIC SERVICE RECOGNITION WEEK

The conferees recognize that Public Service Recognition Week, a program of the Public Employees Roundtable, has educated America about the value of the career workforce which carries out the daily operations of government. This program, which has existed for over ten years, plays an important role in educating our nation's youth and providing them with timely information about their government. The conferees urge the General Services Administration to support the mission of the Public Employees Roundtable and provide administrative and logistical assistance equaling $100,000 for carrying out its Public Service Recognition Week activities.

LOS ANGELES, CALIFORNIA, CIVIC CENTER TRUST

The conferees are aware that the U.S. Courthouse in Los Angeles, California, will be serving as the cornerstone for an economic revitalization of the Civic Center neighborhood, where currently more than 50 public and private projects are in various stages of development. The Los Angeles City Civic Center Trust, established by Project Restore, a nonprofit organization, will facilitate and coordinate this revitalization. The conferees urge the General Services Administration to continue its current work and support the mission of the Los Angeles Civic Center Trust by providing planning, administrative, and logistical support for its activities.

RONALD REAGAN COURTHOUSE—SANTA ANA, CALIFORNIA

The conferees understand that none of the artwork acquired for the Ronald Reagan Courthouse in Santa Ana, California, recognizes President Reagan. The conferees urge the General Services Administration to acquire and display artwork that appropriately commemorates President Reagan. Further, the conferees urge the General Services Administration to work with the Ronald Reagan Presidential Library and Museum to determine the feasibility of maintaining a rotating exhibit at the Ronald Reagan Courthouse.

PRESIDENT HARRY S TRUMAN

The conferees note that there is no major recognition of President Harry S Truman in the Nation's Capital. The conferees request that the General Services Administration review such proposals as may exist and report to the Committees on Appropriations no later than June 1, 1999.

POLICY AND OPERATIONS

The conference agreement appropriates $109,594,000 for Policy and Operations instead of $108,494,000 as proposed by the House and $106,494,000 as proposed by the Senate. The conferees direct that $2,000,000 be provided for the pilot project in digital learning technologies as described in the House report and that $1,000,000 be used to initiate a digital education project.

The conferees have also included language in the bill that provides that $100,000 of the funds appropriated shall be provided to the Property Disposal activity of this account. This amount represents the estimated fair market value of the property to be conveyed to the City of Racine, Wisconsin, as described in section 409 of the bill.

The conferees have modified language proposed by the Senate regarding the Old Post Office at 1100 Pennsylvania Avenue in Washington, D.C., to make the language applicable only for fiscal year 1999 and to require that the comprehensive plan for use of the property also be approved by the Senate Committee on Environment and Public Works and the House Committee on Transportation and Infrastructure.

SURPLUS EQUIPMENT TO SCHOOLS AND EDUCATIONAL INSTITUTIONS

The conferees urge the General Services Administration, in line with its responsibilities for the disposal of excess and surplus Federal personal property, to promote and foster the transfer of excess and surplus computer equipment directly to schools and to appropriate nonprofit, community-based educational organizations. The GSA should communicate with other Federal agencies to heighten their ongoing awareness of the existing opportunities at both the national and local levels to meet the needs of the schools for such equipment.

All Federal agencies are required, to the extent permitted by law and after determining that the equipment is excess to their needs, to give highest preference to schools and nonprofit organizations in the transfer of educationally useful Federal computer equipment. Agencies are required to inventory all computer equipment and identify in their inventories their excess and surplus equipment. Federal agencies are also required to report to GSA the transfer of any personal property, including computer equipment, made to nongovernmental entities such as schools.

The conferees commend GSA and the Office of Science and Technology Policy (OSTP) for the progress that has been made simplifying and improving the Federal Surplus Computer Donation Program. One remaining hurdle for schools interested in participating in the program is the lack of operating systems on many donated computers. The conferees urge GSA and OSTP to work together with operating system providers to develop a partnership with those providers similar to the partnership that has already been formed with van lines to assist in transporting donated computers. The goal of this partnership would be to provide operating systems to schools which receive computers through the donation program.

FEDERAL OFFICE BUILDING IN COLORADO SPRINGS, COLORADO

The Federal building located at 1520 Willamette Ave. in Colorado Springs, Colorado, is owned by GSA and is currently leased to the U.S. Air Force Space Command. It is the conferees' understanding that Space Command is moving ahead with options to vacate the facility. In the event that Space Command does not renew its lease and the facility becomes vacant and is deemed surplus, the conferees urge GSA to strongly consider the U.S. Olympic Committee's (USOC) need for additional space and to give priority to the USOC's request to gain title or acquire the property.

GENERAL PROVISIONS—GENERAL SERVICES ADMINISTRATION

Section 401. The conference agreement includes a provision proposed by the Senate which provides that accounts available to GSA shall be credited with certain funds received from government corporations. The provision was also included in the House reported bill.

Section 402. The conference agreement includes a provision proposed by the Senate which provides that funds available to GSA shall be available for the hire of passenger motor vehicles. The provision was also included in the House reported bill.

Section 403. The conference agreement includes a provision proposed by the Senate which authorizes GSA to transfer funds within the Federal Buildings Fund to meet program requirements. A similar provision was included in the House reported bill.

Section 404. The conference agreement includes a provision proposed by the Senate which prohibits the use of funds to submit a fiscal year 2000 budget request for courthouse construction projects that do not meet design guide criteria, do not reflect the priorities of the Judicial Conference of the United States, and are not accompanied by a standardized courtroom utilization study. A similar provision was included in the House reported bill.

Section 405. The conference agreement includes a provision proposed by the Senate

which provides that no funds may be used to increase the amount of occupiable square feet or provide cleaning services, security enhancements, or any other service usually provided, to any agency which does not pay the requested rental rates. The provision was also included in the House reported bill.

Section 406. The conference agreement includes a provision proposed by the Senate which provides that funds provided by the Information Technology Fund for pilot information technology projects may be repaid to the Fund. The provision was also included in the House reported bill.

Section 407. The conference agreement includes a provision proposed by the Senate which permits GSA to pay claims of up to $250,000 arising from construction projects and the acquisition of buildings. The provision was also included in the House reported bill.

Section 408. The conference agreement includes a provision proposed by the Senate providing $5,000,000 for the demolition, clean-up, and conveyance of the property at block 35, and lot 2 of block 36 in Anchorage, Alaska. The House bill contained no similar provision.

Section 409. The conference agreement includes a provision proposed by the Senate authorizing GSA to convey the property which contains the U.S. Army Reserve Center in Racine, Wisconsin, to the City of Racine. The Senate language has been amended by deleting the phrase ''without consideration.'' The House reported bill contained a similar provision.

Section 410. The conference agreement includes language proposed by the Senate directing the General Services Administration to enter into an operating lease to acquire space for the Department of Transportation headquarters. The House bill contained no similar provision.

Section 411. The conference agreement includes a provision proposed by the House regarding the fees charged by GSA for the use of telecommuting centers by Federal agencies. The Senate bill contained no similar provision.

Section 412. The conference agreement includes a provision proposed by the Senate authorizing GSA to transfer property in Dade County, Florida, to the University of Miami. The Senate language has been amended to allow a land exchange. The House reported bill contained a similar provision.

Section 413. The conference agreement includes a provision directing GSA to reincorporate the elements of the original proposed design for the facade of the United States Courthouse project in London, Kentucky, into the revised design of the building. This will ensure that the construction of the new courthouse is compatible with the architectural character of the historic existing U.S. courthouse. The construction of the project should in no way be diminished in order to achieve this goal. This provision was included in the House reported bill.

The conference agreement deletes language contained in section 411 of the Senate bill which appropriates $14,105,000 for costs associated with the security of the Capitol complex. The conferees recognize the importance of Capitol security and have consulted with and deferred to the jurisdiction of the Legislative Branch Appropriations Subcommittee to coordinate those requirements.

ENVIRONMENTAL DISPUTE RESOLUTION FUND

The conference agreement appropriates $4,250,000 for capitalization of the Environmental Dispute Resolution Fund and operation of the United States Institute for Environmental Conflict Resolution as proposed by the House. The Senate did not include funds for this activity.

MERIT SYSTEMS PROTECTION BOARD

The conferees understand that an agreement has been reached between MSPB and its administrative judges regarding the establishment of a special pay classification for the administrative judges. The conferees are encouraged by this progress and urge MSPB to work with the proper House and Senate authorizing committees and the Office of Management and Budget so this agreement can be addressed in the fiscal year 2000 budget submission and through appropriate legislative action.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

The conference agreement appropriates $224,614,000 for operating expenses of the National Archives and Records Administration instead of $216,753,000 as proposed by the House and $221,030,000 as proposed by the Senate. The conferees have included language delaying the availability of $7,861,000 of the funds appropriated until September 30, 1999, instead of $4,277,000 as proposed by the Senate.

The conferees are aware that additional funds in the amount of $5,411,000 are required in fiscal year 1999 for Year 2000 compliance.

NATIONAL PERSONNEL RECORDS CENTER

The conferees are aware that in many instances veterans are experiencing significant delays, often as long as six months, when attempting to gain access to records they need to obtain medical assistance or other benefits from the National Personnel Records Center in St. Louis, Missouri. The conferees believe that this is unacceptable. The conferees are also aware that the National Archives and Records Administration (NARA) has initiated a business process re-engineering project at the center to address concerns about the timeliness of responses to veterans' requests. The implementation of this project will take about five years at a total cost of approximately $6,000,000. The goal of the program is to achieve case cycle time of 10 days or less. For fiscal year 1999, the NARA will be conducting a pilot test of the business process re-engineering program to validate the processes and methods that have been recommended. The conferees have been informed by NARA that this pilot test can be funded from within existing resources. The conferees further understand that the Archives plans to begin implementation of this program in fiscal year 2000. The conferees are very supportive of this extremely important effort and expect NARA to request the funds it needs to begin implementation of the program in the fiscal year 2000 budget.

REPAIRS AND RESTORATION

The conference agreement appropriates $11,325,000 for repairs and restoration of Archives facilities as proposed by the Senate instead of $10,450,000 as proposed by the House. The conferees have not included language proposed by the Senate delaying the availability of $2,000,000 of the funds until September 30, 1999.

The conference agreement includes language proposed by the Senate providing $875,000 for a requirements study and design of a facility in Anchorage, Alaska.

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

GRANTS PROGRAM

The conference agreement appropriates $10,000,000 for the Grants Program of the National Historical Publications and Records Commission instead of $6,000,000 as proposed by the House and $11,000,000 as proposed by the Senate.

The conferees have included language delaying the availability of $4,000,000 of the funds until September 30, 1999, instead of $5,500,000 as proposed by the Senate.

The conferees have agreed to provide $4,000,000 for a grant to the Center for Jewish History instead of $5,000,000 as proposed by the Senate. The conferees note, however, that a single grant of this size is far beyond the scope of activities normally undertaken by the National Historical Publications and Records Commission. For example, the Commission expects to fund, in whole or in part, 103 proposals with the $5,500,000 provided in fiscal year 1998. Therefore, the conferees agree that the funds provided for the Center for Jewish History represent the total to be provided from this account.

UNITED STATES TAX COURT

SALARIES AND EXPENSES

The conference agreement appropriates $32,765,000 for the United States Tax Court as proposed by the Senate instead of $34,490,000 as proposed by the House.

TITLE V—GENERAL PROVISIONS

THIS ACT

Sec. 501. The conferees agree to continue to limit the expenditure of appropriated funds to the current year, unless otherwise designated.

Sec. 502. The conferees agree to continue to limit funding for consulting services.

Sec. 503. The conferees agree to continue to prohibit the use of funds prohibiting the enforcement of Sec. 307 of the 1930 Tariff Act. (Sec. 307 bans imported goods produced by slave/forced labor).

Sec. 504. The conferees agree to continue the prohibition on transfer of control over FLETC.

Sec. 505. The conferees agree to continue to protect civilian employee rights following assignment with the Armed Forces.

Sec. 506. The conferees agree to continue the requirements on ''Buy American Act'' compliance.

Sec. 507. The conferees agree to continue ''Sense of Congress'' language regarding purchase of American made equipment and products.

Sec. 508. The conferees agree to continue to prohibit contract eligibility where fraudulent intent has been proven in affixing ''Made in America'' labels.

Sec. 509. The conferees agree to a provision proposed by the House which prohibits funds to pay for an abortion or any administrative expenses for FEHBP plans that provide benefits or coverage for abortions.

Sec. 510. The conferees agree to a provision proposed by the Senate in Title VI of this bill providing that Sec. 509 shall not apply if the life of the mother is in danger or the pregnancy is the result of an act of rape or incest.

Sec. 511. The conferees agree to a provision proposed by the Senate which authorizes the use of unobligated balances for certain purposes, providing that such requests be made in compliance with reprogramming guidelines.

Sec. 512. The conferees agree to include a provision as proposed by both the House and Senate which prohibits the use of funds for the White House to request official background reports without the written consent of the individual who is the subject of the report.

Sec. 513. The conferees have included language which provides that funds provided in this Act may be used to initiate or continue projects or activities, to the extent necessary, consistent with existing agency plans, to achieve Year 2000 (Y2K) conversion to ensure adequate funding until such time as supplemental appropriations are made

available for that purpose. The language also includes a provision which requires agencies that use funds appropriated in this Act for Y2K conversion activities to restore funds to the program, project, or activity from which the funds were obligated when supplemental appropriations for Y2K conversion activities are made available.

Sec. 515. The conferees agree to include a provision authorizing the payment of attorneys' fees, costs and sanctions by the Federal government in the case *Association of American Physicians and Surgeons, Inc.* v. *Clinton* from the White House Office Salaries and Expenses account, as proposed by the House in the House-reported bill.

Sec. 516. The conferees agree to include a new provision authorizing the use of fifty percent of the fiscal year 1997 unobligated balances available to the White House Salaries and Expenses account for the purposes of partially satisfying the conditions of Section 515.

Sec. 517. The conferees have agreed to include language which makes technical corrections to the Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992.

Sec. 518. The conferees have agreed to include a new provision regarding cost accounting standards to contracts under the FEHBP.

The conferees delete a provision which provides for the appointment and reappointment of Staff Director and General Counsel of the Federal Election Commission

TITLE VI—GENERAL PROVISIONS

DEPARTMENTS, AGENCIES, AND CORPORATIONS

Section 601. The conferees agree to continue a provision authorizing agencies to pay costs of travel to the United States for the immediate families of Federal employees assigned to foreign duty in the event of a death or a life threatening illness of the employee.

Section 602. The conferees agree to continue a provision requiring agencies to administer a policy designed to ensure that all of its workplaces are free from the illegal use of controlled substances.

Section 603. The conferees agree to continue a provision authorizing reimbursement for travel, transportation, and subsistence expenses incurred for training classes, conferences, or other meetings in connection with the provision of child care services to Federal employees.

Section 604. The conferees agree to continue a provision regarding price limitations on vehicles to be purchased by the Federal government.

Section 605. The conferees agree to continue a provision allowing funds made available to agencies for travel to also be used for quarters allowances and cost-of-living allowances.

Section 606. The conferees agree to continue a provision prohibiting the Government, with certain specified exceptions, from employing non-U.S. citizens whose posts of duty would be in the continental U.S.

Section 607. The conferees agree to continue a provision authorizing agencies to use funds to pay GSA bills for renovations and other services.

Section 608. The conferees agree to continue a provision allowing agencies to finance the costs of recycling and waste prevention programs with proceeds from the sale of materials recovered through such programs.

Section 609. The conferees agree to continue a provision providing that funds may be used to pay rent and other service costs in the District of Columbia.

Section 610. The conferees agree to continue a provision prohibiting the use of appropriated funds to pay the salary of any nominee after the Senate voted not to approve the nomination.

Section 611. The conferees agree to continue a provision precluding the financing of groups by more than one Federal agency absent prior and specific statutory approval.

Section 612. The conferees agree to continue a provision authorizing the Postal Service to employ guards and give them the same special police powers as GSA guards.

Section 613. The conferees agree to continue a provision prohibiting the use of funds for enforcing regulations disapproved in accordance with the applicable law of the U.S.

Section 614. The conferees agree to continue a provision limiting the pay increases of certain prevailing rate employees.

Section 615. The conferees agree to continue a provision limiting the amount of funds that can be used for redecoration of offices under certain circumstances.

Section 616. The conferees agree to modify a provision prohibiting the expenditure of funds for the acquisition of additional law enforcement training facilities.

Section 617. The conferees agree to continue a provision to allow for interagency funding of national security and emergency telecommunications initiatives.

Section 618. The conferees agree to continue a provision requiring agencies to certify that a Schedule C appointment was not created solely or primarily to detail the employee to the White House.

Section 619. The conferees agree to continue a provision requiring agencies to administer a policy designed to ensure that all of its workplaces are free from discrimination and sexual harassment.

Section 620. The conferees agree to continue a provision prohibiting the use of funds for travel expenses not directly related to official governmental duties.

Section 621. The conferees agree to a new provision providing that no adjustment shall take effect in fiscal year 1999 in the rates of basic pay for the statutory pay systems under section 5303 of title 5, United States Code.

Section 622. The conferees agree to continue a provision which prohibits the use of appropriated funds in this or any other Act to acquire information technology which does not comply with part 39.106 (Year 2000 compliance) of the Federal acquisition regulations.

Section 623. The conferees agree to continue the provision prohibiting the importation of any goods manufactured by forced or indentured child labor.

Section 624. The conferees agree to modify a provision which prohibits the use of funds for Sunday premium pay to an employee unless the work was actually performed.

Section 625. The conferees agree to continue a provision which prohibits the use of funds to prevent Federal employees from communicating with Congress or to take disciplinary or personnel actions against employees for such communication.

Section 626. The conferees agree to a new provision that provides additional flexibility relating to the FTS 2000 contract.

Section 627. The conferees agree to a new provision to protect Federal law enforcement officers who intervene in certain situations.

Section 628. The conferees agree to a new provision reforming Federal firefighters overtime pay.

Section 629. The conferees agree to a new provision requiring a joint review by the Department of the Treasury, the Department of Justice, and the Office of National Drug Control Policy on the coordination of Southwest border counter drug activities.

Section 630. The conferees agree to a new provision that provides that for fiscal year 1999 and each fiscal year thereafter, each executive agency of the Federal government shall make available at a minimum $50,000 for expenses necessary to carry out a flexiplace work telecommuting program.

Section 631. The conferees agree to a new provision to amend permanent law to make Senior Executive Service Presidential Awards based upon base salary percentages of 20 percent (for ''Meritorious Awards'') and 35 percent (for ''Distinguished Awards'') rather than the current dollar amounts.

Section 632. The conferees agree to a new provision to increase the formula used to calculate the aggregate amount available for performance awards to 10 percent of the Senior Executive Service pool or 20 percent of the average of annual rates of basic pay.

Section 633. The conferees agree to a new provision regarding U.S. Government participation in the Universal Postal Union.

Section 634. The conferees agree to continue a provision requiring the President to certify that no persons responsible for administering the Drug Free Workplace Program are themselves the subject of random drug testing.

Section 635. The conferees agree to modify a provision prohibiting Federal training not directly related to the performance of official duties.

Section 636. The conferees agree to continue a provision prohibiting expenditure of funds for implementation of agreements in nondisclosure policies, without ''Whistleblower'' protection clauses.

Section 637. The conferees agree to continue a provision which prohibits executive branch agencies from the use of appropriated funds for publicity or propaganda purposes to support or defeat legislation pending before Congress.

Section 638. The conferees agree to a new provision requiring the OMB to do an accounting statement and associated report on the cumulative costs and benefits of Federal regulatory programs, as proposed by the Senate and make this provision applicable for one year only.

Section 639. The conferees agree to continue a provision providing that no funds may be expended to provide an employee's home address to a labor organization except when the employee has authorized such a disclosure or such disclosure has been ordered by a court of competent jurisdiction.

Section 640. The conferees agree to continue a provision authorizing the Secretary of the Treasury to establish scientific certification standards for explosives detection canines.

Section 641. The conferees agree to continue a provision prohibiting the use of appropriated funds to provide nonpublic information such as mailing or telephone lists to any person or organization outside of the Government.

Section 642. The conferees agree to continue a provision prohibiting funding for publicity or propaganda purposes not authorized by Congress.

Section 643. The conferees agree to a new provision that directs the U.S. Marshals Service to conduct a quarterly threat assessment on the Director of the Office of National Drug Control Policy upon which the Director's security needs will be based.

Section 644. The conferees agree to a new provision to expand section 636 of the Treasury, Postal Service and General Government Appropriations Act, 1997 (Public Law 104–208) to include the judicial branch.

Section 645. The conferees agree to a new provision directing employees to use ''official time'' in an honest effort to perform official duties. The conferees agree that this section does not affect the rights and responsibilities under Chapter 71 of title 5, United States Code.

Section 646. The conferees agree to a new provision providing monetary relief to importers whose legally purchased goods were denied entry upon arrival because of changes in official policy.

Section 647. The conferees agree to a new provision regarding pay for Federal employees. The conferees anticipate that the President will issue an Executive Order allocating the 3.6 percent pay increase between an increase in rates of basic pay for the statutory pay systems under section 5303 of title 5, United States Code, and increases in comparability-based locality payments for General Schedule employees under section 5304. The conferees have not made the language more specific so that the President may exercise his discretion to distribute any amount allocated for comparability-based locality payments in the most appropriate fashion among the pay localities established by the President's Pay Agent.

Section 648. The conferees agree to a new provision requiring the Postal Rate Commission to submit an annual report to Congress regarding international mail rates.

Section 649. The conferees agree to a new provision to extend the sunset date for Section 2(f)(2) of the Undetectable Firearms Act of 1988 (18 U.S.C. 922 note) from 10 to 15 years.

Section 650. The conferees agree to a new provision to direct the Customs Service, in consultation with the U.S. Trade Representative and the Department of Commerce, to report on the importation of certain grains.

Section 651. The conferees agree to a new provision to designate the Eugene J. McCarthy Post Office Building.

Section 652. The conferees agree to a new provision authorizing the use of credit card rebates to support the Joint Financial Management Improvement Program.

Section 653. The conferees agree to a new provision addressing use of accrued leave as it applies to Senior Executive Service reduction in force actions.

Section 654. The conferees agree to a new provision directing agencies to assess the impact of Federal regulations and policies on families.

Section 655. The conferees include a new provision relating to the application of 18 U.S.C., Section 922(t).

The conferees delete provisions addressing contraceptive coverage in health plans participating in the FEHB program, as proposed by the House and the Senate.

The conferees delete a provision included by the House prohibiting the use of appropriated funds for new nonpostal commercial activities or pack and send services.

The conferees delete a provision included by the Senate prohibiting the acquisition of products produced by forced or indentured child labor.

The conferees delete a provision included by the Senate authorizing agencies to provide child care in federal or leased facilities. This issue is addressed in Title VII of this Act.

The conferees delete a provision included by the Senate expressing a sense of Congress that a postal stamp be created to commemorate Oskar Schindler.

The conferees delete a provision included by the Senate prohibiting the use of any funds in this Act to pay for abortions or administrative expenses of any FEHBP plans which provide abortion benefits. This provision is addressed in Section 509.

The conferees delete a provision included by the Senate authorizing the expenditure of funds for abortions under the FEHBP if the life of the mother is in danger or the pregnancy is the result of an act of rape or incest. This provision is addressed in Section 510.

The conferees delete a provision included by the Senate requiring any Senate or House bill or joint resolution of a public character to include a detailed analysis of the potential impact of such legislation on family well-being and on children.

The conferees delete a provision included by the Senate authorizing $420,000,000 in emergency funding for the Strategic Petroleum Reserve.

The conferees delete a provision included by the Senate expressing the sense of Congress that a postal stamp be created to honor the 150th Anniversary of Irish immigrants to the United States.

The conferees delete a provision included by the Senate authorizing the Community and Postal Participation Act of 1998.

The conferees delete a provision included by the Senate waiving Section 611 of this title to permit interagency funding of the National Bioethics Advisory Commission.

The conferees delete a provision included by the Senate to permit the interagency funding of the National Science and Technology Council.

The conferees delete a provision included by the Senate allowing amounts appropriated in this Act to be transferred to the FLETC ACIRE account. The conferees address this appropriation in Title I of this Act.

The conferees delete a provision dealing with child care in Federal facilities, proposed by the Senate.

TITLE VIII—TECHNICAL AND CLARIFYING AMENDMENTS

The conferees agree to delete a new title authorizing the Office of National Drug Control Policy proposed by the Senate and instead insert a new title regarding administration of the DC Retirement Trust Fund.

The conferees delete language addressing the immigration status of Haitians previously paroled into the United States proposed by the Senate.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1999 recommended by the Committee of Conference, with comparisons to the fiscal year 1998 amount, the 1999 budget estimates, and the House and Senate bills for 1999 follow:

New budget (obligational) authority, fiscal year 1998	$25,325,767,500
Budget estimates of new (obligational) authority, fiscal year 1999	26,839,489,000
House bill, fiscal year 1999	26,614,669,000
Senate bill, fiscal year 1999	29,923,612,000
Conference agreement, fiscal year 1999	26,772,527,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1998	+1,446,759,500
Budget estimates of new (obligational) authority, fiscal year 1999	−66,962,000
House bill, fiscal year 1999	+157,858,000
Senate bill, fiscal year 1999	−3,151,085,000

JIM KOLBE,
FRANK WOLF,
ERNEST ISTOOK, JR.,
ANNE M. NORTHUP,
ROBERT B. ADERHOLT,
BOB LIVINGSTON,
JOSEPH MCDADE
Managers on the Part of the House.

BEN NIGHTHORSE CAMPBELL,
RICHARD SHELBY,
LAUCH FAIRCLOTH,
TED STEVENS,
ROBERT C. BYRD
Managers on the Part of the Senate.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. NEY). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken later in the day.

ANTIMICROBIAL REGULATION TECHNICAL CORRECTIONS ACT OF 1998

Mr. BLILEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4679) to amend the Federal Food, Drug, and Cosmetic Act to clarify the circumstances in which a substance is considered to be a pesticide chemical for purposes of such Act, and for other purposes.

The Clerk read as follows:

H.R. 4679

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 ''Antimicrobial Regulation Technical Corrections Act of 1998''.

SEC. 2. DEFINITION OF PESTICIDE CHEMICAL UNDER FEDERAL FOOD, DRUG, AND COSMETIC ACT.

(a) IN GENERAL.—Section 201(q) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(q)) is amended by striking ''(q)(1)'' and all that follows through the end of subparagraph (1) and inserting the following:

''(q)(1)(A) Except as provided in clause (B), the term 'pesticide chemical' means any substance that is a pesticide within the meaning of the Federal Insecticide, Fungicide, and Rodenticide Act, including all active and inert ingredients of such pesticide. Notwithstanding any other provision of law, the term 'pesticide' within such meaning includes ethylene oxide and propylene oxide when such substances are applied on food.

''(B) In the case of the use, with respect to food, of a substance described in clause (A) to prevent, destroy, repel, or mitigate microorganisms (including bacteria, viruses, fungi, protozoa, algae, and slime), the following applies for purposes of clause (A):

''(i) The definition in such clause for the term 'pesticide chemical' does not include the substance if the substance is applied for such use on food, or the substance is included for such use in water that comes into contact with the food, in the preparing, packing, or holding of the food for commercial purposes. The substance is not excluded under this subclause from such definition if the substance is ethylene oxide or propylene oxide, and is applied for such use on food. The substance is not so excluded if the substance is applied for such use on a raw agricultural commodity, or the substance is included for such use in water that comes into contact with the commodity, as follows:

''(I) The substance is applied in the field.

''(II) The substance is applied at a treatment facility where raw agricultural commodities are the only food treated, and the treatment is in a manner that does not change the status of the food as a raw agricultural commodity (including treatment through washing, waxing, fumigating, and packing such commodities in such manner).

''(III) The substance is applied during the transportation of such commodity between the field and such a treatment facility.

''(ii) The definition in such clause for the term 'pesticide chemical' does not include the substance if the substance is a food contact substance as defined in section 409(h)(6), and any of the following circumstances exist: The substance is included for such use in an object that has a food contact surface but is not intended to have an ongoing effect on any portion of the object; the substance is included for such use in an object that has a food contact surface and is intended to have an ongoing effect on a portion of the object but not on the food contact surface; or the substance is included for such use in or is applied for such use on food packaging (without regard to whether the substance is intended to have an ongoing effect on any portion of the packaging). The food contact substance is not excluded under this subclause from such definition if any of the following circumstances exist: The substance is applied for such use on a semipermanent or permanent food contact surface (other than being applied on food packaging); or the substance is included for such use in an object that has a semipermanent or permanent food contact surface (other than being included in food packaging) and the substance is intended to have an ongoing effect on the food contact surface.

With respect to the definition of the term 'pesticide' that is applicable to the Federal Insecticide, Fungicide, and Rodenticide Act, this clause does not exclude any substance from such definition.''.

(b) REGULATIONS.—Section 408(j) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 346a(j)) is amended by adding at the end the following paragraph:

''(4) CERTAIN SUBSTANCES.—With respect to a substance that is not included in the definition of the term 'pesticide chemical' under section 201(q)(1) but was so included on the day before the date of the enactment of the Antimicrobial Regulation Technical Corrections Act of 1998, the following applies as of such date of enactment:

''(A) Notwithstanding paragraph (2), any regulation applying to the use of the substance that was in effect on the day before such date, and was on such day deemed in such paragraph to have been issued under this section, shall be considered to have been issued under section 409.

''(B) Notwithstanding paragraph (3), any regulation applying to the use of the substance that was in effect on such day and was issued under this section (including any such regulation issued before the date of the enactment of the Food Quality Protection Act of 1996) is deemed to have been issued under section 409.''.

(c) TECHNICAL AMENDMENT.—Section 201(q)(3) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(q)(3)) is amended in the matter preceding clause (A) by striking ''paragraphs (1) and (2)'' and inserting ''subparagraphs (1) and (2)''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Virginia (Mr. BLILEY) and the gentleman from California (Mr. BROWN) each will control 20 minutes.

The Chair recognizes the gentleman from Virginia (Mr. BLILEY).

GENERAL LEAVE

Mr. BLILEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to insert extraneous material on the bill under consideration.

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

There was no objection.

Mr. BLILEY. Mr. Speaker, I yield myself 5 minutes.

This bill, the Antimicrobial Regulation Technical Corrections Act of 1998, corrects an unintended problem created by the Food Quality Protection Act of 1996.

When we passed that legislation, we expanded the definition of ''pesticide chemical.'' Unfortunately, that had the effect of transferring to the EPA jurisdiction over a small class of substances known as antimicrobials.

Used in food contact applications, these products play an important role in the safety of our food supply. For example, food and drinks like milk are often packaged in paper containers. To make sure that this paper is free of contamination, we use antimicrobials.

Before 1996, such substances were regulated by the FDA as food additives. That was right then, and it should be today. As a result, the bill before us today will return them once again to the FDA.

This is strictly a technical corrections measure; it does not represent a change in FQPA policy, and it does not weaken any environmental safeguards. Indeed, one of the products blocked from the market by this problem actually won the President's Green Chemistry Award for its environmental benefits.

Mr. Speaker, when we passed FDA reform last year, the conference report acknowledged this problem and urged the FDA and EPA to work with Congress to develop a bill that would correct it. This is that bill. It was developed jointly with EPA and FDA, the affected industries, and the environmental community. I think they all should be commended for their cooperation and effort.

In closing, I would just like to inform my colleagues that the Senate is set to approve this measure tonight or tomorrow. It is being sponsored by Senators DURBIN, KENNEDY, WARNER, MIKULSKI, and HUTCHINSON, among others.

Mr. Speaker, H.R. 4679 will enable companies to bring beneficial antimicrobial products to market without further delay. I urge its immediate passage.

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

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

Mr. Speaker, it is my pleasure to support H.R. 4679 to amend the Food Quality Protection Act of 1996. The changes made to the Food Quality Protection Act mistakenly defined ''pesticide chemical'' in the Federal Food, Drug and Cosmetic Act. This definition unintentionally transferred regulatory authority of antimicrobials, which have traditionally been under the FDA to the EPA.

This legislation would not change the Federal Insecticide, Fungicide and Rodenticide Act or remove any use of a substance from regulation as a pesticide under that act. FIFRA would continue to review these substances for registration and maintain the traditional FDA review for food additives.

Antimicrobial food additive petitions have been delayed at the FDA since the enactment of FQPA. This legislation will shift regulatory jurisdiction from review and approval of petitions for specialty chemicals in food contact applications back to the FDA. This amendment would grant the FDA authority to regulate antimicrobial substances that may be used in food, come in contact with food, or be used in food packaging. This will facilitate consideration of petitions for new products.

The Environmental Working Group, the Natural Resources Defense Council, and many other public interest groups have agreed not to oppose the legislation. At their request, language has been included to recognize that FQPA protective provisions have not been eliminated.

These environmental groups and other organizations are right in their concern about food safety. This Congress has failed in the wake of NAFTA and other trade agreements to modernize our food safety laws and protect the public. Food imports, especially fruits and vegetables, have increased dramatically in the last 10 years in this country, especially since the passage of NAFTA, yet our inspection facilities are underfunded and unprepared, which unfortunately seems to be of little concern to this Congress.

Nonetheless, Mr. Speaker, I support this bill and I urge my colleagues to do the same.

Mr. BROWN of Ohio. Mr. Speaker, I yield 1 minute to the gentlewoman from North Carolina (Mrs. CLAYTON).

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

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

I am pleased to rise in support of H.R. 4679, and I am appreciative of the leadership who has brought this to the House. I want my colleagues to know this corrects a problem that will impact many workers in our areas. I know it was a mistake, but nevertheless, it would make a correction that does not lessen the quality of inspections of food, gives the same amount of regulation, and allows for this more worthy project to go forward.

Mr. BROWN of Ohio. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BLILEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia (Mr. BLILEY) that the House suspend the rules and pass the bill, H.R. 4679.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

BORDOR SMOG REDUCTION ACT OF 1998

Mr. BLILEY. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 8) 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.

The Clerk read as follows:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Border Smog Reduction Act of 1998''.

SEC. 2. AMENDMENT OF CLEAN AIR ACT.

Section 183 of the Clean Air Act (42 U.S.C. 7511b) is amended by adding at the end the following:

''(h) VEHICLES ENTERING OZONE NONATTAINMENT AREAS.—

''(1) AUTHORITY REGARDING OZONE INSPECTION AND MAINTENANCE TESTING.—

''(A) IN GENERAL.—No noncommercial motor vehicle registered in a foreign country and operated by a United States citizen or by an alien who is a permanent resident of the United States, or who holds a visa for the purposes of employment or educational study in the United States, may enter a covered ozone nonattainment area from a foreign country bordering the United States and contiguous to the nonattainment area more than twice in a single calendar-month period, if State law has requirements for the inspection and maintenance of such vehicles under the applicable implementation plan in the nonattainment area.

''(B) APPLICABILITY.—Subparagraph (A) shall not apply if the operator presents documentation at the United States border entry point establishing that the vehicle has complied with such inspection and maintenance requirements as are in effect and are applicable to motor vehicles of the same type and model year.

''(2) SANCTIONS FOR VIOLATIONS.—The President may impose and collect from the operator of any motor vehicle who violates, or attempts to violate, paragraph (1) a civil penalty of not more than $200 for the second violation or attempted violation and $400 for the third and each subsequent violation or attempted violation.

''(3) STATE ELECTION.—The prohibition set forth in paragraph (1) shall not apply in any State that elects to be exempt from the prohibition. Such an election shall take effect upon the President's receipt of written notice from the Governor of the State notifying the President of such election.

''(4) ALTERNATIVE APPROACH.—The prohibition set forth in paragraph (1) shall not apply in a State, and the President may implement an alternative approach, if—

''(A) the Governor of the State submits to the President a written description of an alternative approach to facilitate the compliance, by some or all foreign-registered motor vehicles, with the motor vehicle inspection and maintenance requirements that are—

''(i) related to emissions of air pollutants;

''(ii) in effect under the applicable implementation plan in the covered ozone nonattainment area; and

''(iii) applicable to motor vehicles of the same types and model years as the foreign-registered motor vehicles; and

''(B) the President approves the alternative approach as facilitating compliance with the motor vehicle inspection and maintenance requirements referred to in subparagraph (A).

''(5) DEFINITION OF COVERED OZONE NONATTAINMENT AREA.—In this section, the term 'covered ozone nonattainment area' means a Serious Area, as classified under section 181 as of the date of enactment of this subsection.''.

SEC. 3. GENERAL PROVISIONS.

(a) IN GENERAL.—The amendment made by section 2 takes effect 180 days after the date of enactment of this Act. Nothing in that amendment shall require action that is inconsistent with the obligations of the United States under any international agreement.

(b) INFORMATION.—As soon as practicable after the date of enactment of this Act, the appropriate agency of the United States shall distribute information to publicize the prohibition set forth in the amendment made by section 2.

SEC. 4. STUDY BY GENERAL ACCOUNTING OFFICE.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study of the impact of the amendment made by section 2.

(b) CONTENTS OF STUDY.—The study under subsection (a) shall compare—

(1) the potential impact of the amendment made by section 2 on air quality in ozone nonattainment areas affected by the amendment; with

(2) the impact on air quality in those areas caused by the increase in the number of vehicles engaged in commerce operating in the United States and registered in, or operated from, Mexico, as a result of the implementation of the North American Free Trade Agreement.

(c) REPORT.—Not later than July 1, 1999, the Comptroller General of the United States shall submit to the Committee on Commerce of the House of Representatives and the Committee on Environment and Public Works of the Senate a report describing the findings of the study under subsection (a).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Virginia (Mr. BLILEY) and the gentleman from Ohio (Mr. BROWN) each will control 20 minutes.

The Chair recognizes the gentleman from Virginia (Mr. BLILEY).

GENERAL LEAVE

Mr. BLILEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to insert extraneous material on the bill now under consideration.

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

There was no objection.

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

Mr. Speaker, I rise in support of H.R. 8, the Border Smog Reduction Act of 1998, and I want to thank the chairman of the Subcommittee on Health and the Environment, the gentleman from Florida (Mr. BILIRAKIS) for his effort in guiding H.R. 8 through the legislative process.

Throughout the entire consideration of this bill, the gentleman from Florida (Mr. BILIRAKIS) worked with his colleagues on both sides of the aisle to ensure that any concerns were resolved in a bipartisan fashion.

I also want to thank and commend the gentleman from California (Mr. BILBRAY), the author of this legislation. Over 2 years ago the gentleman from California identified a very real environmental problem on the border between the United States and Mexico, and attempted to frame an effective solution. He introduced legislation, requested hearings in the Committee on Commerce, and was the driving force behind bringing H.R. 8 to markup.

Indeed, even after the Committee on Commerce and full House approved H.R. 8, the gentleman from California (Mr. BILBRAY) did not let up. He crossed Capitol Hill and personally lobbied members of the other body to ensure that this legislation would see action during the present session.

The gentleman understood very well that it takes a great deal of effort for Congress to consider and improve any bill, and in every stage of the process he was there on the legislative grid iron moving the ball forward. We are now at the one yard line thanks to the gentleman. With approval of H.R. 8 today, the bill will be sent to the President for his signature.

Certain changes have been made in H.R. 8 by the other body. All changes are agreeable to the Committee on Commerce and were the result of bipartisan discussions between the majority and minority on our committee. I know of no opposition to the final version of this legislation.

In brief, by agreeing to H.R. 8, as amended by the Senate, we will establish a program to deny entry into the United States of certain noncommercial foreign registered vehicles at the southern California border crossing. While these vehicles will be allowed to cross into the United States twice each month, they will be denied further entry unless they comply with existing State laws designed to ensure that the vehicles meet applicable emissions standards.

There is also flexibility in the legislation to continue either the sanctions provided in the bill, or to design an alternative system addressing some or all foreign registered vehicles. Any alternative system, however, must be approved by the President.

Again, I want to thank the gentleman from California (Mr. BILBRAY) for all of his hard work. H.R. 8 is a testament to the dedication and determination of the gentleman to make life better for citizens on both sides of the border.

The Border Smog Reduction Act of 1998 will result in both cleaner air and more equitable treatment between domestic and foreign-registered vehicles.

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

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to express support for H.R. 8, the Border Smog Reduction Act.

In July of this year, the House passed H.R. 8. At the end of September the Senate Committee on Environment and Public Works passed the bill without amendment on a voice vote. Just days after the committee's action in the Senate, however, majority and minority members of the House Committee on Commerce and Senate Committee on Environment and Public Works agreed to revise the bill in order to address concerns about how the bill might apply to States other than California.

□ 1600

This week the Senate passed an amendment and improved H.R. 8, which we consider today. I would like to thank the gentleman from California (Mr. BILBRAY), the gentleman from California (Mr. WAXMAN), the gentleman from Virginia (Mr. BLILEY), and the gentleman from Florida (Mr. BILIRAKIS) for making several important improvements to this legislation.

Unlike the version of H.R. 8 passed by the House in July, the Senate-passed bill applies to the California-Mexico border only. The Senate-passed bill retains important language which I offered in committee to study the effects of the North American Free Trade Agreement on air quality in communities along the U.S.-Mexico border.

The provision requires the General Accounting Office to conduct a study comparing the potential effect of this legislation on air quality in ozone nonattainment areas with air quality in these same areas caused by vehicles registered in or operating from Mexico as a result of implementation of NAFTA.

It is difficult to imagine that the increased commercial truck traffic, much of it brought about by NAFTA, is not adding significantly to the nonattainment problems in Southern California.

The environmental devastation brought on by NAFTA is a serious problem on both sides of the border, created by both sides of the border. I hope that this study will provide critical information on the effect this increased traffic under NAFTA is having on air quality in our border areas.

Again, I would like to thank my colleague and chairman, the gentleman from Virginia (Mr. BLILEY), the gentleman from California (Mr. BILBRAY), and the gentleman from Florida (Mr. BILIRAKIS), the gentleman from California (Mr. WAXMAN) and the gentleman from Michigan (Mr. STUPAK) for working together to resolve the concerns many of us have this with legislation. H.R. 8 has been significantly improved from the version originally introduced.

Mr. Speaker, I urge my colleagues to support the bill, and I reserve the balance of my time.

Mr. BLILEY. Mr. Speaker, I yield 3 minutes to the gentleman from Florida (Mr. BILIRAKIS), the chairman of the Subcommittee on Health and Environment.

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

Mr. BILIRAKIS. Mr. Speaker, I am pleased that the House is considering H.R. 8, the Border Smog Reduction Act, as amended by the Senate. I also want to express my gratitude to the gentleman from Virginia (Chairman BLILEY), to the ranking member, the gentleman from Michigan (Mr. DINGELL), the ranking member, the gentleman from Ohio (Mr. SHERROD BROWN), and our staff and all the members of the subcommittee particularly for their work on this issue.

As I am sure our friend and colleague, the gentleman from California (Mr. BILBRAY) will attest, today's legislative action did not happen overnight. Instead, today represents a culmination of many hours of work by the gentleman from California (Mr. BILBRAY) and the Subcommittee on Health and Environment to review this legislation to solicit the opinion of Members of Congress, both on and off the committee, and to work with the administration to address any concerns.

The gentleman from California (Mr. BILBRAY) and the city of San Diego hosted a hearing in November of last year attended by 5 members of the subcommittee, wherein we were able to speak with environmental people, with the general public, and we also visited a location on the border and saw firsthand the problems that we are trying to improve and to correct.

We also worked closely with our colleagues in the other body to ensure that the final adjustments to the legislative language of H.R. 8 were acceptable to the House.

Indeed, at every stage of the process of considering this legislation, the majority and minority closely reviewed and agreed upon all changes. The final legislation attempts to address air quality conditions in an evenhanded fashion.

Certain foreign-registered commuter vehicles not meeting State inspections and maintenance requirements will be denied entry into the United States in the California-Mexico border area after being given two opportunities each month to obtain proper State certification. However, public notice of the new prohibitions is required prior to the implementation of the act.

There is also flexibility provided to design an alternative system if the State so desires and the President approves that alternative system.

Taken as a whole, Mr. Speaker, the legislation seeks to obtain the same emission reductions from foreign-registered vehicles as are obtained from vehicles owned and operated solely in the United States.

The United States Environmental Protection Agency considers vehicle inspection and maintenance programs to be one of the most cost-effective measures we can take to clear the air. Thus, H.R. 8 allows us to fill an apparent hole in our Clean Air Act enforcement network.

The bill will help ensure that air quality on both sides of the border can make the progress necessary to obtain compliance with the national ambient air quality standards.

Again, I want to commend the gentleman from California (Mr. BILBRAY) for his hard work and dedication to this issue, and I know that his interest in this legislation stems from a strong desire to improve air quality in border regions, and to achieve an equitable burden-sharing between domestic and foreign mobile sources.

I think that establishing such equity is an important element in maintaining respect for the implementation of our environmental laws. I want to thank the gentleman and the ranking minority member of my subcommittee, again, the gentleman from Ohio (Mr. BROWN), for helping to ensure that this bill becomes law in the present session.

Mr. BLILEY. Mr. Speaker, it is a great pleasure to yield 3 minutes to the gentleman from California (Mr. BILBRAY), the author of this legislation.

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

Mr. BILBRAY. Mr. Speaker, I rise today in strong support of H.R. 8, the Border Smog Reduction Act. H.R. 8 is a bipartisan commonsense approach to an environmental problem that has been identified along our Mexican border for all too long. It is common sense in the manner that it completely connects the concept that those who wish to gain economic opportunities must also bear environmental responsibilities. At the heart of this bill is the basic concept that fairness is essential in the enforcement of our environmental regulations within this country and among nations.

I would ask Members to remember that with H.R. 8, we are asking our Federal agencies to now be included in assisting the enforcement of environmental regulations that the Federal Government has mandated on the local communities along our borders.

Mr. Speaker, at this time I would like to make sure that I have identified and thanked my colleagues for the immense amount of help that has been given to this Member in moving along the Smog Reduction Act—by the subcommittee chairman, the gentleman from Florida (Mr. MICHAEL BILIRAKIS), by the full chairman, the gentleman from Virginia (Mr. TOM BLILEY), and specifically staff member, Bob Meyers, who worked hard in making sure that H.R. 8 did become law.

The oversight chairman, the gentleman from Texas (Mr. Joe BARTON) actually was one of the original coauthors of this bill in the 104th Congress, and the experience of Texas in this process was actually enhanced by the support of the gentleman from El

Paso, Texas (Mr. SYLVESTRE REYES), with his extensive background in border issues.

At the same time, in the other body, Senator CHAFEE and Senator INHOFE have been very, very supportive in getting this bill through the Senate.

I would also at this time like to strongly praise my colleague and ranking member, the gentleman from Ohio (Mr. SHERROD BROWN) for his aid in making this bill possible, and my colleague, the gentleman from California (Mr. HENRY WAXMAN).

Mr. Speaker, this bill is a model, not only for those of us in the House to be able to work in a bipartisan way to address environmental problems, but also a model of the fact that we are no longer going to ignore the environmental challenges along our frontiers. In fact, it is refective of the strategy that we are going to use the economic opportunities of international trade as a vehicle to focus on environmental problems that have been ignored for all too long.

Mr. Speaker, I would like to state quite clearly my appreciation to the entire governmental structure in Washington, for once addressing these problems, faced by those of us who live along the border. I look forward to working together with my colleagues on both sides of the aisle, and working with the Republic of Mexico, and Canada, in making sure that current and future problems, faced such as smog problems along the border are addressed, along with many others. I think this can be a vehicle that we can use as a blueprint here in the House of Representatives and in the Senate and hopefully in our continuing relationships with our neighbors to the north and south.

I ask Members' support for H.R. 8. It is a common-sense approach to addressing an important public health issue, and at the same time assessing what more can be done to make sure that we properly address those remaining issues that have not been addressed comprehensively. Mr. Speaker, I ask for the passage of H.R. 8.

Mr. BROWN of Ohio. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BLILEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. NEY). The question is on the motion offered by the gentleman from Virginia (Mr. BLILEY) that the House suspend the rules and concur in the Senate amendments to H.R. 8.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendments were concurred in.

A motion to reconsider was laid on the table.

CHILD ONLINE PROTECTION ACT

Mr. TAUZIN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3783) to amend section 223 of the Communications Act of 1934 to require persons who are engaged in the business of selling or transferring, by means of the World Wide Web, material that is harmful to minors to restrict access to such material by minors, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3783

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 ''Child Online Protection Act''.

TITLE I—PROTECTION FROM MATERIAL THAT IS HARMFUL TO MINORS

SEC. 101. CONGRESSIONAL FINDINGS.

The Congress finds that—

(1) while custody, care, and nurture of the child resides first with the parent, the widespread availability of the Internet presents opportunities for minors to access materials through the World Wide Web in a manner that can frustrate parental supervision or control;

(2) the protection of the physical and psychological well-being of minors by shielding them from materials that are harmful to them is a compelling governmental interest;

(3) to date, while the industry has developed innovative ways to help parents and educators restrict material that is harmful to minors through parental control protections and self-regulation, such efforts have not provided a national solution to the problem of minors accessing harmful material on the World Wide Web;

(4) a prohibition on the distribution of material harmful to minors, combined with legitimate defenses, is currently the most effective and least restrictive means by which to satisfy the compelling government interest; and

(5) notwithstanding the existence of protections that limit the distribution over the World Wide Web of material that is harmful to minors, parents, educators, and industry must continue efforts to find ways to protect children from being exposed to harmful material found on the Internet.

SEC. 102. REQUIREMENT TO RESTRICT ACCESS BY MINORS TO MATERIALS COMMERCIALLY DISTRIBUTED BY MEANS OF THE WORLD WIDE WEB THAT ARE HARMFUL TO MINORS.

Part I of title II of the Communications Act of 1934 (47 U.S.C. 201 et seq.) is amended by adding at the end the following new section:

''SEC. 231. RESTRICTION OF ACCESS BY MINORS TO MATERIALS COMMERCIALLY DISTRIBUTED BY MEANS OF WORLD WIDE WEB THAT ARE HARMFUL TO MINORS.

''(a) REQUIREMENT TO RESTRICT ACCESS.—

''(1) PROHIBITED CONDUCT.—Whoever knowingly and with knowledge of the character of the material, in interstate or foreign commerce by means of the World Wide Web, makes any communication for commercial purposes that is available to any minor and that includes any material that is harmful to minors shall be fined not more than $50,000, imprisoned not more than 6 months, or both.

''(2) INTENTIONAL VIOLATIONS.—In addition to the penalties under paragraph (1), whoever intentionally violates such paragraph shall be subject to a fine of not more than $50,000 for each violation. For purposes of this paragraph, each day of violation shall constitute a separate violation.

''(3) CIVIL PENALTY.—In addition to the penalties under paragraphs (1) and (2), whoever violates paragraph (1) shall be subject to a civil penalty of not more than $50,000 for each violation. For purposes of this paragraph, each day of violation shall constitute a separate violation.

''(b) INAPPLICABILITY OF CARRIERS AND OTHER SERVICE PROVIDERS.—For purposes of subsection (a), a person shall not be considered to make any communication for commercial purposes to the extent that such person is—

''(1) a telecommunications carrier engaged in the provision of a telecommunications service;

''(2) a person engaged in the business of providing an Internet access service;

''(3) a person engaged in the business of providing an Internet information location tool; or

''(4) similarly engaged in the transmission, storage, retrieval, hosting, formatting, or translation (or any combination thereof) of a communication made by another person, without selection or alteration of the content of the communication, except that such person's deletion of a particular communication or material made by another person in a manner consistent with subsection (c) or section 230 shall not constitute such selection or alteration of the content of the communication.

''(c) AFFIRMATIVE DEFENSE.—

''(1) DEFENSE.—It is an affirmative defense to prosecution under this section that the defendant, in good faith, has restricted access by minors to material that is harmful to minors—

''(A) by requiring use of a credit card, debit account, adult access code, or adult personal identification number;

''(B) by accepting a digital certificate that verifies age; or

''(C) by any other reasonable measures that are feasible under available technology.

''(2) PROTECTION FOR USE OF DEFENSES.—No cause of action may be brought in any court or administrative agency against any person on account of any activity that is not in violation of any law punishable by criminal or civil penalty, and that the person has taken in good faith to implement a defense authorized under this subsection or otherwise to restrict or prevent the transmission of, or access to, a communication specified in this section.

''(d) PRIVACY PROTECTION REQUIREMENTS.—

''(1) DISCLOSURE OF INFORMATION LIMITED.—A person making a communication described in subsection (a)—

''(A) shall not disclose any information collected for the purposes of restricting access to such communications to individuals 17 years of age or older without the prior written or electronic consent of—

''(i) the individual concerned, if the individual is an adult; or

''(ii) the individual's parent or guardian, if the individual is under 17 years of age; and

''(B) shall take such actions as are necessary to prevent unauthorized access to such information by a person other than the person making such communication and the recipient of such communication.

''(2) EXCEPTIONS.—A person making a communication described in subsection (a) may disclose such information if the disclosure is—

''(A) necessary to make the communication or conduct a legitimate business activity related to making the communication; or

''(B) made pursuant to a court order authorizing such disclosure.

''(e) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

''(1) BY MEANS OF THE WORLD WIDE WEB.—The term 'by means of the World Wide Web' means by placement of material in a computer server-based file archive so that it is

publicly accessible, over the Internet, using hypertext transfer protocol or any successor protocol.

''(2) COMMERCIAL PURPOSES; ENGAGED IN THE BUSINESS.—

''(A) COMMERCIAL PURPOSES.—A person shall be considered to make a communication for commercial purposes only if such person is engaged in the business of making such communications.

''(B) ENGAGED IN THE BUSINESS.—The term 'engaged in the business' means that the person who makes a communication, or offers to make a communication, by means of the World Wide Web, that includes any material that is harmful to minors, devotes time, attention, or labor to such activities, as a regular course of such person's trade or business, with the objective of earning a profit as a result of such activities (although it is not necessary that the person make a profit or that the making or offering to make such communications be the person's sole or principal business or source of income). A person may be considered to be engaged in the business of making, by means of the World Wide Web, communications for commercial purposes that include material that is harmful to minors, only if the person knowingly causes the material that is harmful to minors to be posted on the World Wide Web or knowingly solicits such material to be posted on the World Wide Web.

''(3) 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 successor protocol to transmit information.

''(4) INTERNET ACCESS SERVICE.—The term 'Internet access service' 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.

''(5) INTERNET INFORMATION LOCATION TOOL.—The term 'Internet information location tool' means a service that refers or links users to an online location on the World Wide Web. Such term includes directories, indices, references, pointers, and hypertext links.

''(6) MATERIAL THAT IS HARMFUL TO MINORS.—The term 'material that is harmful to minors' means any communication, picture, image, graphic image file, article, recording, writing, or other matter of any kind that is obscene or that—

''(A) the average person, applying contemporary community standards, would find, taking the material as a whole and with respect to minors, is designed to appeal to, or is designed to pander to, the prurient interest;

''(B) depicts, describes, or represents, in a manner patently offensive with respect to minors, an actual or simulated sexual act or sexual contact, an actual or simulated normal or perverted sexual act, or a lewd exhibition of the genitals or post-pubescent female breast; and

''(C) taken as a whole, lacks serious literary, artistic, political, or scientific value for minors.

''(7) MINOR.—The term 'minor' means any person under 17 years of age.''.

SEC. 103. NOTICE REQUIREMENT.

(a) NOTICE.—Section 230 of the Communications Act of 1934 (47 U.S.C. 230) is amended—

(1) in subsection (d)(1), by inserting ''or 231'' after ''section 223'';

(2) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively; and

(3) by inserting after subsection (c) the following new subsection:

''(d) OBLIGATIONS OF INTERACTIVE COMPUTER SERVICE.—A provider of interactive computer service shall, at the time of entering an agreement with a customer for the provision of interactive computer service and in a manner deemed appropriate by the provider, notify such customer that parental control protections (such as computer hardware, software, or filtering services) are commercially available that may assist the customer in limiting access to material that is harmful to minors. Such notice shall identify, or provide the customer with access to information identifying, current providers of such protections.''.

(b) CONFORMING AMENDMENT.—Section 223(h)(2) of the Communications Act of 1934 (47 U.S.C. 223(h)(2)) is amended by striking ''230(e)(2)'' and inserting ''230(f)(2)''.

SEC. 104. STUDY BY COMMISSION ON ONLINE CHILD PROTECTION.

(a) ESTABLISHMENT.—There is hereby established a temporary Commission to be known as the Commission on Online Child Protection (in this section referred to as the ''Commission'') for the purpose of conducting a study under this section regarding methods to help reduce access by minors to material that is harmful to minors on the Internet.

(b) MEMBERSHIP.—The Commission shall be composed of 19 members, as follows:

(1) INDUSTRY MEMBERS.—The Commission shall include—

(A) 2 members who are engaged in the business of providing Internet filtering or blocking services or software;

(B) 2 members who are engaged in the business of providing Internet access services;

(C) 2 members who are engaged in the business of providing labeling or ratings services;

(D) 2 members who are engaged in the business of providing Internet portal or search services;

(E) 2 members who are engaged in the business of providing domain name registration services;

(F) 2 members who are academic experts in the field of technology; and

(G) 4 members who are engaged in the business of making content available over the Internet.

Of the members of the Commission by reason of each subparagraph of this paragraph, an equal number shall be appointed by the Speaker of the House of Representatives and by the Majority Leader of the Senate.

(2) EX OFFICIO MEMBERS.—The Commission shall include the following officials:

(A) The Assistant Secretary (or the Assistant Secretary's designee).

(B) The Attorney General (or the Attorney General's designee).

(C) The Chairman of the Federal Trade Commission (or the Chairman's designee).

(c) STUDY.—

(1) IN GENERAL.—The Commission shall conduct a study to identify technological or other methods that—

(A) will help reduce access by minors to material that is harmful to minors on the Internet; and

(B) may meet the requirements for use as affirmative defenses for purposes of section 231(c) of the Communications Act of 1934 (as added by this Act).

Any methods so identified shall be used as the basis for making legislative recommendations to the Congress under subsection (d)(3).

(2) SPECIFIC METHODS.—In carrying out the study, the Commission shall identify and analyze various technological tools and methods for protecting minors from material that is harmful to minors, which shall include (without limitation)—

(A) a common resource for parents to use to help protect minors (such as a ''one-click-away'' resource);

(B) filtering or blocking software or services;

(C) labeling or rating systems;

(D) age verification systems;

(E) the establishment of a domain name for posting of any material that is harmful to minors; and

(F) any other existing or proposed technologies or methods for reducing access by minors to such material.

(3) ANALYSIS.—In analyzing technologies and other methods identified pursuant to paragraph (2), the Commission shall examine—

(A) the cost of such technologies and methods;

(B) the effects of such technologies and methods on law enforcement entities;

(C) the effects of such technologies and methods on privacy;

(D) the extent to which material that is harmful to minors is globally distributed and the effect of such technologies and methods on such distribution;

(E) the accessibility of such technologies and methods to parents; and

(F) such other factors and issues as the Commission considers relevant and appropriate.

(d) REPORT.—Not later than 1 year after the enactment of this Act, the Commission shall submit a report to the Congress containing the results of the study under this section, which shall include—

(1) a description of the technologies and methods identified by the study and the results of the analysis of each such technology and method;

(2) the conclusions and recommendations of the Commission regarding each such technology or method;

(3) recommendations for legislative or administrative actions to implement the conclusions of the committee; and

(4) a description of the technologies or methods identified by the study that may meet the requirements for use as affirmative defenses for purposes of section 231(c) of the Communications Act of 1934 (as added by this Act).

(e) STAFF AND RESOURCES.—The Assistant Secretary for Communication and Information of the Department of Commerce shall provide to the Commission such staff and resources as the Assistant Secretary determines necessary for the Commission to perform its duty efficiently and in accordance with this section.

(f) TERMINATION.—The Commission shall terminate 30 days after the submission of the report under subsection (d).

(g) INAPPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Commission.

SEC. 105. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect 30 days after the date of enactment of this Act.

TITLE II—CHILDREN'S ONLINE PRIVACY PROTECTION

SEC. 201. DEFINITIONS.

In this title:

(1) CHILD.—The term ''child'' means an individual under the age of 13.

(2) OPERATOR.—The term ''operator'' means any person operating a website on the World Wide Web or any online service for commercial purposes, including any person offering products or services for sale through that website or online service, involving commerce—

(A) among the several States or with 1 or more foreign nations;

(B) 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

(C) between the District of Columbia and any State, territory, or foreign nation.

For purposes of this title, the term ''operator'' 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 contacting 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. 202. 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 whose child has provided personal information to that website or online service—

(i) a description of the specific types of personal information collected from the child by that operator;

(ii) notwithstanding any other provision of law, 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 on that child; and

(iii) 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;

(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; and

(E) permit the operator of such a website or online service to collect, use, and disseminate such information as is necessary—

(i) to protect the security or integrity of its website;

(ii) to take precautions against liability;

(iii) to respond to judicial process; and

(iv) to provide information to law enforcement agencies or for an investigation on a matter related to public safety.

(2) WHEN CONSENT NOT REQUIRED.—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; or

(D) the name of the child and online contact information (to the extent necessary to protect the safety of a child participant in 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.

(c) ENFORCEMENT.—Subject to sections 203 and 205, 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. 203. SAFE HARBORS.

(a) GUIDELINES.—An operator may satisfy the requirements of regulations issued under section 202(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 202, 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 202 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 202.

(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. 204. 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 202(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 202, 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. 205. 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 202 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 this title shall be construed to limit the authority of the Commission under any other provisions of law.

SEC. 206. REVIEW.

Not later than 5 years after the effective date of the regulations initially issued under section 202, 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. 207. EFFECTIVE DATE.

Sections 202(a), 204, and 205 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 203 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.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Louisiana (Mr. TAUZIN) and the gentleman from Massachusetts (Mr. MARKEY) each will control 20 minutes.

The Chair recognizes the gentleman from Louisiana (Mr. TAUZIN).

GENERAL LEAVE

Mr. TAUZIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on this legislation.

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

There was no objection.

Mr. TAUZIN. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I rise in support of H.R. 3783, the Child Online Protection Act. Last month the Committee on Commerce overwhelmingly approved this bill. The bill as adopted would simply make it illegal to sell pornography to minors on the World Wide Web unless and until an adult verification system is in place.

Let me make it clear, the bill does not try to control the sale of that material to adults. Neither does it say one cannot sell it to a minor for whom an adult says it is okay. It simply says that insofar as the sale of material to a minor, that the producer of that product cannot do so without the consent of the parents in an adult verification system that actually works.

It directs the FTC to promulgate regulations within a year of the date of the act prohibiting commercial websites and online operators from collecting personally identifying information from children 12 and under, unless certain requirements are met. This is an FTC agreement that has been reached and supported and already adopted on the other side that we have added by amendment to this bill.

Further, the public posting of children's identifying information in chat rooms and other online forums may pose safety concerns, and the bill simply protects against those things happening.

The bill requires four simple things. It requires ample notice to make sure that operators provide clear, prominent, understandable notice on their sites of what information they are collecting from children, how they will use it, and disclosure practice for that information.

Second, it states that operators must obtain parental consent; and third, that operators must prohibit inducements to provide personal information from the children by games and contests; and that operators must disclose the specific types of information collected to a parent, and offer the parent the opportunity to opt out of future use of that information.

For those who are still denying that the legislation is not needed, I ask them to go back to their offices and surf the net for a few minutes. If Members take a few minutes, Members will see that H.R. 3783 really attempts to solve a real, not a perceived, problem.

If Members go to an Internet search engine such as Yahoo, type in ''porn'' or ''sex'', under porn I am told we will receive more than 105,000 matches, and under sex, receive 670,000 matches. Within seconds Members can retrieve information from any one of these hits, and they will display, in many cases, pornographic material.

Some sites will have warnings, 18 or older. Other sites ask for credit cards or information prior to entering, but virtually all the sites contain teasers that display sexual behavior, in an attempt to lure us into that site, us or our children. Imagine, now, a Member's 8-year-old son or daughter is accessing that same information.

The bill that we are considering today makes an honest attempt, without interference with the first amendment, to provide that our sons or daughters will not easily access this information without our consent. It is effective because it focuses on the commercial seller of pornography, and it uses a constitutionally already verified protection phrase, ''harm to children,'' rather than the obscenity phrase that was attempted in the 1996 act and was rejected by the Supreme Court.

In short, H.R. 3783 attempts to address all the issues raised by the Supreme Court. It has a narrow prohibition, tighter definition, and a realization that the applicability of the law may change as technology is involved.

I want to particularly commend the gentleman from Ohio (Mr. OXLEY), the vice chairman of the Subcommittee on Telecommunications, Trade, and Consumer Protection, who is the principal author and who has worked so diligently with all members of the committee to make sure it came out with unanimous consent, and with conditions and language that we think is supportable in any court challenge.

I want to thank the gentleman from Virginia (Chairman BLILEY) for his leadership on this issue. He knows, as we all know, that this is a real problem, and this bill attempts to solve it in a real simple but meaningful way.

Mr. Speaker, I encourage Members to support H.R. 3783, and I reserve the balance of my time.

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

Mr. Speaker, today we bring to the floor the Child Online Protection Act, the bill that has been introduced by my good friend, the gentleman from Ohio (Mr. OXLEY), the gentleman from Pennsylvania (Mr. GREENWOOD), the gentleman from New York (Mr. MANTON), under the leadership of the gentleman from Louisiana (Mr. TAUZIN) and the chairman of the full committee, the gentleman from Virginia (Mr. BLILEY).

The legislation that we are bringing to the floor also includes the child privacy protection provisions similar to those of my bill, H.R. 4667, the Electronic Privacy Bill of Rights Act of 1998.

□ 1615

As many know, Senator BRYAN has similar child privacy legislation moving through the Senate, and hopefully we can enact children's privacy legislation before Congress adjourns this year.

I want to thank the gentleman from Virginia (Chairman BLILEY) and the gentleman from Louisiana (Chairman TAUZIN) and the gentleman from Ohio (Mr. OXLEY) and others for agreeing to add this provision here at the end of this session.

The first part of the legislation we consider this afternoon is designed to protect children from Internet fare that is inappropriate for them. Mr. Speaker, there is no question that there is content out on the Internet that is harmful to children and that they ought not to have access to such on-line fare from their computers.

In the previous session of Congress, the Communications Decency Act provision of the Telecommunications Act established a national indecency standard that the Court struck down because it was overly vague and broad, and I agreed with that decision. I opposed the Communications Decency Act out here on the floor.

The standard in the bill before us today is ''harmful to minors,'' much narrower than the Communications Decency Act. Yet like the CDA, the bill would propose a national standard rather than a community-based standard of what harmful to minors means.

The legislation before us raises a number of difficult policy questions such as whether a policy of community-by-community-based standards of harmful to minors is at all possible in a global medium, whether the Internet requires national treatment for what is harmful to minors across the country.

The legislation also tacitly determines that filtering or blocking software cannot do the job of protecting minors, and, therefore, the government needs to step in and regulate access to certain Internet content.

I have long believed that technology can offer a solution to some of the problems that technology itself creates. Software filtering technology and other blocking technology can help to provide parents some tools for shielding children from inappropriate on-line fare.

In addition, I believe that other solutions may also help to mitigate against minors gaining access to Websites that parents want to shield from young children. I commend the gentleman from Ohio (Mr. OXLEY) for going to great lengths to listen to the concerns that many of us have and thank him for the adjustments that he has made in the legislation to meet some of those concerns.

While many of us still have concerns over the scope and the timing of some of these provisions, I hope that as we proceed and further discuss these provisions with our friends in the Senate, we can address how we define the scope of those entities that are providing inappropriate content and properly distinguish them from those entities that

are solely conduits for accessing that information; further talk about alternatives such as filtering; and perhaps address the timing of when certain provisions become effective; and adjust the commission in the bill to make its membership more bipartisan and reflective of the bipartisan manner in which this body deals with telecommunications issues generally.

Mr. Speaker, the second part of the bill, as the chairman of the subcommittee has pointed out, addresses the issue of child privacy on the Internet. The issue of privacy in the Information Age, and in particular children's privacy protection, is quite timely as the Nation becomes ever more linked by communications networks such as the Internet.

It is important as we tackle these issues now, before we travel down the information superhighway too far and realize perhaps that we made a wrong turn, that we had a chance to build in protection for kids before this technology took too much control over the lives of kids across our country.

In general, I believe that Congress ought to embrace a three-part comprehensive policy of privacy for children in our country:

Number one, that every parent should have knowledge about information which is being gathered about children in our country. As we know, many of these Websites attach cookies, attach this technology which allows them to gather the information about children without the knowledge of those children or parents. I believe that every family should know when information is being gathered about their children.

Secondly, notice that those companies, that those individuals plan on reusing that information for purposes other than that which was originally intended by the family, by the children.

And thirdly, that the family, that the consumer, that the children, have a right to say no, that they do not want this information to be reused other than that purpose for which the family had, the children using the Internet at that time.

These provisions in this bill are very consistent with those larger principles. The Senate has included language that is nearly identical; not quite, but very close in their bill. It gives us a chance to deal with this children's issue, this privacy issue, and I would hope that the full House today would adopt the bill in its entirety.

I thank the gentleman from Louisiana (Mr. TAUZIN), chairman of the subcommittee, again for his graciousness in helping us to add that provision.

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

Mr. MARKEY. I yield to the gentleman from Louisiana.

Mr. TAUZIN. Mr. Speaker, just to make everyone clear on the fact that the gentleman from Massachusetts (Mr. MARKEY) is the principal author of these on-line privacy provisions, and they come, as he has pointed out, with full recommendation of the FTC and many consumer and family and children's support groups around America. I have a long list.

I also wanted to add that the provisions do include a safe harbor provision which says to the industry that if they can come up with a better provision, they can submit it to the FTC, and that would be the one that would be used. That is a very good type of provision that we like to include in this type of Internet legislation.

Mr. MARKEY. Mr. Speaker, reclaiming my time, I just think it is good electronic ethics for Website operators to know that they have a responsibility to children in our country. They should obtain parental consent. And I thank all who have helped to work on that issue, the gentleman from Louisiana (Mr. TAUZIN) the gentleman from Virginia (Mr. BLILEY) the gentleman from Ohio (Mr. OXLEY). On our side, the gentleman from Michigan (Mr. DINGELL) and his staff have worked with us very closely to craft this in a way which we believe does really meet this very great concern that is rising across the country.

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

Mr. TAUZIN. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. OXLEY) the principal author of the main part of this legislation which protects against pornography and children on the Net.

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

Mr. OXLEY. Mr. Speaker, I rise today in support of the Child On-line Protection Act and as an advocate for a child's right to explore the World Wide Web without exposure to graphic pornography.

Currently more than 60,000 Websites featuring sexually explicit and obscene material are available to unsuspecting children. While the Internet can be a positive tool for the education and entertainment of our children, it can also be a window to the dark world of pornography. Minors can readily access obscene material intentionally or unintentionally and be lured into dangerous situations. Children cannot safely learn in a virtual red light district.

Common sense and 40 years of research in the field of child development clearly demonstrate that exposure to sexually explicit material is detrimental to the healthy psychological development of children.

Current law does not prevent adult Websites from providing sexually explicit images to children. Commercial distributors of pornography offer free teaser pages to lure potential customers into viewing more. A child may innocently search for key words like ''dollhouse,'' ''toys'' or ''pet,'' and be led into numerous sexually explicit sites.

That is why COPA enjoys broad bipartisan support today, and I specifically would like to express my appreciation to my original cosponsor, the gentleman from Pennsylvania (Mr. GREENWOOD), as well as the gentleman from Virginia (Chairman BLILEY), the gentleman from Louisiana (Chairman TAUZIN) for bringing this bill to the floor today, the ranking member of my subcommittee, the gentleman from New York (Mr. MANTON), the gentleman from Massachusetts (Mr. MARKEY), who has added the protections also in the privacy side that we applaud, and the gentleman from California (Mr. COX). Their input allowed us to clarify the intent of H.R. 3783 and eliminate any vagueness.

The gentleman from Washington (Mr. WHITE) particularly deserves particular recognition for helping to refine the bill to protect Internet service providers for liability for content which they do not produce.

I also want to express my support for Chairman Bliley's addition of child privacy protection language to the bill and express my sincere thanks to the gentleman from Massachusetts (Mr. MARKEY) for his good work in this area.

Mr. Chairman, COPA employs the constitutionally tested ''harmful to minors'' standard recognized and upheld in Federal courts for more than 30 years. It only applied to material which is not protected speech for minors under the First Amendment.

COPA requires commercial on-line pornographers to take steps to restrict children's access to adult material on the Web by requiring adult verification, such as an adult access code, PIN number, credit card numbers, or new technologies such as digital signatures when they become available.

COPA does not, and I want make this very clear, does not restrict an adult's ability to access pornographic Websites and does not apply to content with redeeming value or regulate content. The bill merely proposes that Web porn be treated in the same manner as the print media.

Unfortunately, the Web is awash in degrading smut. There are literally thousands of sites dedicated to every manner of perversion and brutality. This is nothing less than an attempt to protect childhood. I urge all Members to join us in supporting this legislation.

Mr. MARKEY. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. MANTON) coauthor of the bill.

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

Mr. Speaker, I rise today in strong support of this legislation, as amended. I am proud to be a cosponsor of this bill and to urge all of my colleagues to support its passage.

The Internet is one of our society's most valuable educational tools and an exciting entertainment medium for children. It allows them to access information and learn about the world in

a way no past generation has experienced. Unfortunately, it can also be a dangerous place for children who either knowingly or unwittingly stumble across pornographic material.

We can all agree that children should not have access to pornography via the Internet, but how to achieve this end while upholding the First Amendment rights of adults is a delicate task. I believe the Child On-line Protection Act will go a long way toward protecting children, but do so in the least restrictive manner, ensuring the rights of adults are not compromised.

Mr. Speaker, this bill addresses a very serious problem. With estimates that close to 28,000 pornography Websites exist today, it is clear that we must act to keep such material from our children.

I would like to thank both the gentleman from Ohio (Mr. OXLEY) and the gentleman from Pennsylvania (Mr. GREENWOOD) for all of their hard work in bringing this legislation before us today.

Again, I urge my colleagues to support the Child On-line Protection Act.

Mr. TAUZIN. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. GREENWOOD).

Mr. GREENWOOD. Mr. Speaker, I thank the gentleman from Louisiana (Mr. TAUZIN) for yielding me this time.

Mr. Speaker, and I also rise to support the Child On-line Protection Act. In the Greenwood house, we have a small room. It is the playroom. And as my two little daughters, Laura and Katy, have grown up, it has been kind of fun to watch the transition of the toys in their playroom.

When we got our computer, we put it in the playroom, figuring that as time goes by and they grow, they will shift from the toys and spend more time with their studies and computers. At any given time, I can walk in the playroom and see one of my daughters on the computer and another playing with her dollhouse or maybe some of her toys inspired by Disney movies.

As the gentleman from Ohio (Mr. OXLEY) said, the terrible problem is that if my daughter sits at the computer and types in a word like ''dollhouse'' or ''toys'' or ''Disney'' even, she could find herself at the direct access to pornographic sites.

The Communications Decency Act was our first effort to try to stop this problem, a problem that every parent in America wants us to address. Of course that was struck down first by a circuit court in my area, Philadelphia, and then by the Supreme Court. So, we looked for a new standard, and we found the standard that meets the Court's guidelines in H.R. 3783.

The principle is very simple. The First Amendment certainly protects the right of people to have any kind of literature in their adult bookstores, but it certainly does not mean that proprietors can open an adult bookstore in a mall and display their merchandise on the windows of their store visible to shoppers, including children, in the store. It is common sense. That is what this legislation does on the Web.

There are adult movie theaters, so-called adult movie theaters, where there are pornographic films, but the purveyors of those films cannot display their videos on the marquee visible to people on the sidewalk.

This legislation, by simply requiring adult access to these sites, is consistent with the First Amendment rights outlined by the Supreme Court and certainly consistent with the will and the wishes of every parent, including this parent, that our children be protected from that material and that it be accessible only by adults with the correct code or Visa card.

Mr. Speaker, I urge support of the legislation.

Mr. MARKEY. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Speaker, I congratulate my colleague from Massachusetts on the privacy protections here. They are very, very important.

□ 1630

I wish they were coming up as a separate bill, because they are attached to a bill which I believe will be found unconstitutional and which ought not to be passed.

Obviously, it is important to try to protect minors from being exploited and abused and exposed to inappropriate material on the internet. But it is important to do that in a way that does not interfere with the constitutional right of adults to communicate with each other. The operative part of this bill, on page 4, says it is a crime to make any communication for commercial purposes available to any minor. That does not mean that the communication was aimed at the minor: to make it available to a minor. That means an entity is held responsible for anybody who has access to the internet.

Now, here is the problem we have. We have in this country a great deal of free speech. If we are writing or speaking or communicating ideas in a nonelectronic context, we have more freedom in America than in any other country. But we began in the 1930s, because of the limited radio spectrum, a second doctrine on freedom of expression. Freedom of expression does not fully apply, we said, if it is electronically communicated. Well, the courts are no longer maintaining that strict definition, because the basis, the limited spectrum, the notion of the public interest, does not quite control.

We are in danger now of having two separate standards because, clearly, this standard where we would be committing a crime if we made any communication for commercial purposes available to a minor, that was harmful to a minor, that would not obviously even be offered for a newspaper, for a magazine or for a book. And the notion that we should give a lesser standard of constitutional protection for freedom of expression because it is electronically communicated is not only mistaken, but given that we will increasingly communicate with each other electronically, it will erode our freedom.

In the definition of harmful to a minor it says obscenity or another category. This bill specifically says it regulates nonobscene material if the material appeals on the whole to prurient interests. And, again, it does not only deal with material aimed at minors. If we put something on the web that is not obscene, and it has an appeal to prurient interests and is then judged harmful to minors, we can be guilty of a crime. This will further erode the notion of freedom of speech.

So I welcome the privacy protections here, and I understand the importance of trying to protect children, but doing it in a way that says, and let me be very clear that this is what this says, nonobscene material that is constitutionally protected, because the bill explicitly says it is banning obscene material and nonobscene material if it is harmful to minors. If we put that on the web and a minor sees it, we can be criminally liable even if we were not even making any efforts to try to aim it at the minor.

This is far too broad. I believe it will be held unconstitutional. That is why the Justice Department asked us to hold off. I think it would be a grave error to do this today.

Mr. TAUZIN. Mr. Speaker, I yield myself such time as I may consume just to respond.

First of all, I want to point out that the harmful to minor standard was upheld in 1969 by the Supreme Court itself and that 48 States have such standards in their State laws. Five circuit courts have already examined those and approved those as constitutional, and that is the standard used in this bill.

Secondly, I would point out that the owners and producers of these sites are liable only if they are commercial operators who do not put in filtering devices where parents can say yes or no. If in fact the filtering device is in place, and the parents say it is okay for our children to see this stuff, so be it. It simply requires, if someone is going to go into the commercial business of putting material that is harmful to minors under that Supreme Court standard on the internet, that that material must contain a filtering device so that parents have the ability to say yes or no.

That is the sum and substance of the bill. And, again, I would urge its adoption.

Mr. Speaker, I yield 1 minute to the gentleman from Washington State (Mr. WHITE).

Mr. WHITE. Mr. Speaker, I have four children, they are 14, 12, 9 and 7. They use the internet all the time. And I can

tell my colleagues we do have a real problem in terms of their access to pornography that might exist on the internet.

I would also say, however, that a law is not always the best way to solve these problems. And I think we know our laws do not apply in Amsterdam. They sometimes breed a false sense of security. And, even worse, they sometimes lock us into the wrong technology, technology that is obsolete and will not do as good a job as technology that might come along in the future.

So I think it is no secret to my friends on the committee that I would have preferred to wait a year to let the technology community really give us their input on this bill. The committee felt otherwise, and I know many of my colleagues feel otherwise. And, frankly, working together, we have produced a very good bill.

The main improvement that I see in this bill, and one that we should focus on, is we call for a commission made up of 16 members from the technology community and 3 members of government who will report to us in 1 year as to whether this is the best way to solve this problem, or whether there are other technologies out there that we are not aware of that might do a better job of helping us solve this problem.

So with that improvement, I think this bill is a good bill, deserves our support, and I urge my colleagues to vote for it.

Mr. TAUZIN. Mr. Speaker, may I inquire of the time remaining?

The SPEAKER pro tempore (Mr. NEY). The gentleman from Louisiana (Mr. TAUZIN) has 9 minutes remaining; and the gentleman from Massachusetts (Mr. MARKEY) has 8 minutes remaining.

Mr. MARKEY. Mr. Speaker, I yield 3½ minutes to the gentlewoman from Texas (Ms. SHEILA JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman for yielding me this time and I rise vigorously to support this legislation. And, Mr. Speaker, I want to thank the gentleman from Pennsylvania (Mr. GREENWOOD), the gentleman from Ohio (Mr. OXLEY), the gentleman from New York (Mr. MANTON), the gentleman from Massachusetts (Mr. MARKEY), the gentleman from Louisiana (Mr. TAUZIN), the gentleman from Virginia (Mr. BLILEY), and as well the gentleman from Michigan (Mr. DINGELL).

This legislation did not come through the House Committee on the Judiciary, but I think that we can always consider ways to ensure its constitutionality. My real concern is the children of America. As a chair of the Congressional Children's Caucus, and one who has interacted frequently in my local community as a former city council member, recognizing the vital role that computers play and the internet plays in schools, in churches, in homes, and in libraries, and our children are in all those places, it is for that very reason I do not believe this legislation sets the bar too high to protect our children.

Frankly, it is tragic that we have to even do this, because this is good technology. The internet and the online services are good technology. I know that we were together 1 or 2 years ago in the telecommunications conference where we tried the v-chip, and we know what happened with that, but we are back here trying to do it the right way on the internet, and the internet does have a free flow in reaching our children.

I am particularly gratified for the leadership of the gentleman from Massachusetts on some very vital points as to parents. Parents, listen to this, for information is always gathered about our children. But with the children's privacy provision it is important to realize that parents must have knowledge about the gathering of this material, even if it is a toy company trying to find out what our children like to play with. Then, the notice must be given of the company's or the user's or the gatherer's use of that material. And then, as well, if it is not comporting with what the parents originally thought it was going to be used for, the gathering of that material, the parent, the child, can say no. I think that we are at a point in this country where that is a responsible way to go.

As a member of the Subcommittee on Crime of the Committee on the Judiciary, I can assure my colleagues that solicitation of children over the internet is a growing problem, pornography on the internet is a growing problem, and children's access to the internet is a growing problem in contrast to what they are receiving. So I do not think we can finish this session of Congress without getting a bill out of the House that emphasizes the importance of keeping children away from pornographic issues or pornographic material, obscene materials, on the internet and, likewise, protecting them.

So I would simply extend my thanks for providing us with a framework within which we can work. Let the parents of America recognize that we are giving them a tool reasonably grounded in the constitutional right to privacy and the first amendment, and I know we can work on it additionally.

I see my good friend from Louisiana standing, and there were some points made on this issue dealing with the Constitution. I know we are working very hard, because the computer industry or the internet providers are a powerful group, and I hope that they respect what the FCC has done in working with the gentleman. We are going to be reasonable about the amendment.

Mr. TAUZIN. Mr. Speaker, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from Louisiana.

Mr. TAUZIN. Mr. Speaker, first, let me commend the gentlewoman for an excellent statement and, indeed, to confirm her statement. We have been very careful about using the language that the courts have already approved on the standard, the one approved by the Supreme Court. We have crafted the bill so that it applies only to commercial sites and not to ordinary speakers.

Ms. JACKSON-LEE of Texas. Mr. Speaker, reclaiming my time, I thank the gentleman for the time and for an excellent piece of legislation.

Mr. Speaker, thank you for the opportunity to speak on this bill this morning. The Child Online Protection Act will require operators of commercial adult World Wide Web sites to protect our children from exposure to pornographic materials.

The Internet was designed by innovators, visionaries in the scientific and academic community to expand our horizons, to help us learn about each other and to have simple access to new information, ideas and data. The net has now moved far beyond an educational tool and has become a global phenomenon of communication and commerce. Although the Web can be a fantastic vehicle for enriching our lives, we must also keep unwanted sexual imagery and pornography from invading our children's lives.

I support this bill in that it requires the operators of commercial adult sites to act responsibly in taking steps to restrict children's access to pornographic sites. This bill does not restrict an adults' right to access adult material on the net, it simply requires that users have a verified credit card number or adult personal identification number to access adult materials.

Protecting our children from pornography is a challenge, but as a parent and as Chair of the Congressional Children's Caucus, we must make every effort to do so.

Mr. TAUZIN. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. PITTS).

Mr. PITTS. Mr. Speaker, I rise in strong support of the Child Online Protection Act. It is our duty to protect America's children from online pornographers.

Kids in America know computers. They are being raised in an age where information is at their fingertips; at the flip of a switch or at the click of a mouse. While internet access is an incredible enhancer of learning, our kids are also put in danger of exposure to pornographic materials.

The Child Online Protection Act would require operators of commercial adult worldwide web sites to take steps to restrict children's access to pornographic materials. Opponents of this bill will claim that we are attempting to federally sensor the internet. This is simply not true. In fact, the legislation specifically states that it must not be construed to authorize the FCC to regulate in any manner the content of any information provided on the worldwide web. The bill simply requires commercial providers to place materials that are harmful to minors on the other side of adult verification technology.

Let us protect our children, let us make the internet more family friendly by passing the Child Online Protection Act today.

Mr. MARKEY. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Speaker, as I read this, I do not believe filtering equipment would be a complete affirmative defense, as I read the line about affirmative defenses. But I then had a question. It says material that is harmful to minors, and I gather in a picture or text that would be describing sex and would appeal to prurient interests.

A question would be if a commercial entity took the Starr report, which was not copyrighted, and put it out on the web as part of their business-making enterprise, would a commercial business that put the Starr report out on the web and did not restrict it with filtering information, would that commercial enterprise be subject to a penalty under this bill?

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

Mr. FRANK of Massachusetts. I yield to the gentleman from Ohio.

Mr. OXLEY. Mr. Speaker, I thank the gentleman. The answer is no. Because the harmful to minors, as has been interpreted by the courts, it defines harmful to minors as not covering content which, taken as a whole, has serious literary, artistic, political or scientific value. And I think it is pretty clear this has political content.

Mr. FRANK of Massachusetts. Reclaiming my time, Mr. Speaker, if the gentleman is talking about the Starr report, I guess maybe he is right. It certainly does not have any literary value or scientific value or artistic value. But from the standpoint of his party, it has political value, so maybe it would get off.

Mr. OXLEY. The gentleman can interpret it however he wants.

Mr. MARKEY. Mr. Speaker, I yield back the balance of my time.

Mr. TAUZIN. Mr. Speaker, I yield 1 minute to the gentlewoman from New Mexico (Mrs. WILSON).

Mrs. WILSON. Mr. Speaker, I rise in support of this bill, and I appreciate this bill for a number of reasons. In my view it is really the brown paper wrapper approach to the internet, where technology has really exceeded our ability as parents to protect our children from things that we would like to protect them from.

By making commercial sale against the law in the internet without age verification, we are really doing no more than is required by most Circle K's or convenience stores, and I think that that is the right way to approach it.

I also appreciate that this bill includes studies on filtering and other methods, like zoning, that may be able to help parents and help schools without prescribing an answer before we know what the technology is capable of.

□ 1645

I think that that is also a rational approach to solving this problem. I appreciate the amendment that protects personal information of children online. As a parent, I understand the strengths and benefits of the Internet. But it also has the potential to exceed our ability as parents to control the access of our children to things that they may not even know they are accessing.

Let us give ourselves another tool. Let us give ourselves that electronic brown paper wrapper.

Mr. TAUZIN. Mr. Speaker, I yield myself such time as I may consume. I want to point out that the gentleman from Washington (Mr. WHITE) and I have authored a bill that codifies in law the concept of forbearance of regulating the Internet. The FCC has voluntarily forborne any regulations of the Internet and we think that is proper. The bill we have offered indicates that the FCC should continue in that forbearance but that where and if areas of concern arise, such as this area of harmfulness to minors, that the Congress itself should make the decisions about how and where the Internet should be affected by any such restrictions or regulations. It is for that reason that we think this bill is very much in line with the concept of the White bill that we have earlier offered and which we will try to pursue passage in a future Congress.

The concept again is that the Internet should be as free and open as possible. Otherwise, it cannot be the place where free expression under the first amendment is fully utilized as we all want it to be. But where areas exist, such as in this area of harmfulness to minors or areas where minors' information is being taken from them without parental consent, this is the area where Congress itself should express those areas of concern and come up with solutions. This bill is an honest attempt to do that.

Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. STEARNS).

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

Mr. STEARNS. Mr. Speaker, I rise today in support of H.R. 3783. I believe it is fundamentally important that as the representatives of our Nation, we do everything we can to protect our children from the detrimental effects of pornography reaching their eyes.

This bill as it is is tailored to withstand the legal requirements established by the Supreme Court when it struck down the Communications Decency Act. The bill uses the constitutionally defensible ''harmful to minors'' standard rather than the constitutionally questionable ''decency'' standard. The bill prohibits businesses from selling or transferring through the Internet material that is harmful to minors. Businesses would be in compliance of the law and not liable to prosecution if they adhere to some ''affirmative defenses'' in the conduct of their businesses. An example of an affirmative defense for a company would be requiring the use of a credit card, debit account or some type of ''adult access code.''

This is an integral bill that will be good for the Nation. I urge my colleagues' support.

Mr. BLILEY. Mr. Speaker, as the Commerce Committee has learned during the course of the 105th Congress, the Internet, and consequently, electronic commerce, will only continue to develop if it is safe, secure, and private. H.R. 3783 addresses the ''safety'' of the Internet and provides an effective means to help protect children online.

Pronography is widely available on the Internet. According to Wired Magazine, there are approximately 28,000 adult Web sites promoting pornography and these sites generate close to $925 million in revenues. While adults have a right to view this material, parents, educators, and civic groups agree that exposure to pornography is not appropriate for minors. Forty-eight States agree with this assessment and have adopted ''harmful to minor'' statutes.

Whether these States require porn to be sold behind the counter at a drug store, on blinder racks at a convenient store, or in a shrink wrap at a news stand, each of them recognizes the proper role government can play to help restrict a child's access to inappropriate material. The purpose of H.R. 3783 is to extend those protections in cyberspace by restricting the sale of material harmful to minors over the World Wide Web.

Most opponents of legislation continue to argue that adult verification systems are not fool proof and that industry needs more time to come up with effective solutions. On the one hand, I agree that no solution is perfect, not even requiring the sale of pornography behind the counter at a drug store. On the other hand, delaying for another year does nothing to help the parents and educators today.

We can continue to debate the effectiveness of filtering software, rating systems, and adult domain name zoning, but none of these solutions apply the necessary burden on the appropriate industry, that is, the adult entertainment industry. I applaud the efforts of the software industry to develop filtering software and other technological solutions, but the law should impose duties on the source of the problem, not the victims.

H.R. 3783 does not ''burn the house to roast the pig.'' Adults may still view any materials on the Internet they wish, with minimal inconvenience, and engage in adult conversations in chat rooms, e-mails, and bulletin board services. Thus, H.R. 3783 strikes the appropriate balance between the First Amendment rights of adults and the government's compelling interest to protect children.

The amendment we are considering today also contains privacy protections for kids. These provisions generally prohibit businesses from collecting personal information from a child online without the parent's consent.

Legislation will not solve all the problems. Parents, educators, and industry must continue to play a role to ensure that kids are protected online.

I thank Mr. OXLEY and Mr. GREENWOOD for their leadership and Mr. TAUZIN for helping to move the bill along.

Mr. DINGELL. Mr. Speaker, we are attempting to accomplish a laudable goal in this legislation. Parents are clamoring for ways to protect their kids from the onslaught of pornographic material on the Internet, and Congress has a responsibility to assist them in whatever

ways it can. However, we have been down this road before, and our most recent attempt was met with a resounding rebuke from the Supreme Court. The Communications Decency Act was declared unconstitutional by a unanimous vote, and I harbor serious concerns that this bill will meet the same fate.

While the notion of regulating materials which are deemed ''harmful to minors'' sounds appealing, it raises many practical concerns. Who decides what materials are ''harmful to minors?'' Should the standard be community-based, or national? If local judgments about the suitability of materials differ around the country, how can a global medium such as the Internet respond to these different views? For example, will the Internet sale of mainstream movies and sound recordings be subject to the most conservative community's view of what is harmful to minors, exposing itself to civil and criminal penalties in the process? If a chill is placed on the sale of these materials, what will be the practical effect on the growth of electronic commerce?

These questions and many more should be addressed before we rush to adopt an easy fix to a complex problem. The Supreme Court is likely to force Congress's hand on these matters, and reiterate its demand for a more thorough evaluation if and when this legislation is enacted.

Mr. PITTS. Mr. Speaker, I rise in strong support of the Child Online Protection Act.

It is our duty to protect America's children from online pornographers.

Kids in America know computers. They are being raised in an age where information is at their fingertips at the flip of a switch and a click of the mouse.

While Internet access is an incredible enhancer of learning, our kids are also put in danger of exposure to pornographic materials.

The Child Online Protection Act would require operators of commercial adult World Wide Web sites to take steps to restrict children's access to pornographic materials.

Opponents of this bill will claim that we are attempting to federally censor the Internet. This is simply not true. The bill simply requires commercial providers to place materials that are ''harmful to minors'' on the other side of adult verification technology.

Let's protect our children and make the Internet more family friendly by passing the Child Online Protection Act today.

Mr. TAUZIN. Mr. Speaker, I again want to thank the gentleman from Ohio (Mr. OXLEY) the principal author of the bill and the gentleman from Massachusetts (Mr. MARKEY) who has indeed improved it so much with the privacy provisions.

Mr. Speaker, I have no additional requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. NEY). The question is on the motion offered by the gentleman from Louisiana (Mr. TAUZIN) that the House suspend the rules and pass the bill, H.R. 3783, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: ''A Bill to amend the Communications Act of 1934 to require persons who are engaged in the business of distributing, by means of the World Wide Web, material that is harmful to minors to restrict access to such material by minors, and for other purposes.''.

A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

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

S. 505. An act to amend the provisions of title 17, United States Code, with respect to the duration of copyright, and for other purposes.

S. 2561. An act to amend the Fair Credit Reporting Act with respect to furnishing and using consumer reports for employment purposes.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 4104, TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1999

Mr. MCINNIS, from the Committee on Rules, submitted a privileged report (Rept. No. 105–790) on the resolution (H. Res. 579) waiving points of order against the conference report to accompany the bill (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, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 131, WAIVING ENROLLMENT REQUIREMENTS FOR REMAINDER OF 105TH CONGRESS WITH RESPECT TO ANY BILL OR JOINT RESOLUTION MAKING GENERAL OR CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1999

Mr. MCINNIS, from the Committee on Rules, submitted a privileged report (Rept. No. 105–791) on the resolution (H. Res. 580) providing for consideration of the joint resolution (H.J.Res. 131) waiving certain enrollment requirements for the remainder of the One Hundred Fifth Congress with respect to any bill or joint resolution making general or continuing appropriations for fiscal year 1999, which was referred to the House Calendar and ordered to be printed.

ANNOUNCEMENT REGARDING LEGISLATION TO BE CONSIDERED UNDER SUSPENSION OF THE RULES TODAY

Mr. MCINNIS. Mr. Speaker, pursuant to House Resolution 575, I announce the following suspension to be considered today:

S. 505.

WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 4104, TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1999

Mr. MCINNIS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 579 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 579

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (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, 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. The gentleman from Colorado (Mr. MCINNIS) is recognized for 1 hour.

Mr. MCINNIS. Mr. Speaker, for 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 yielded is for the purpose of debate only.

Mr. Speaker, the proposed rule for the conference report to accompany H.R. 4104, the Treasury, Postal Service, and General Government Appropriations bill for fiscal year 1999 waives all points of order against the conference report and against its consideration. The rule provides that the conference report will be considered as read.

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

Mr. MOAKLEY. Mr. Speaker, I thank my very dear friend and my colleague from Colorado (Mr. MCINNIS) for yielding me the customary half-hour, and I yield myself such time as I may consume.

Mr. Speaker, I urge my colleagues to oppose this rule and oppose the conference report. I realize we are nearing the end of our session and I understand that tempers are growing very short, but I am also very disappointed to hear that my Republican colleagues on the Treasury-Postal conference committee have deleted some Democrat-supported provisions, and it appears that they did so without any Democratic participation.

As late as yesterday afternoon, discussions between Democrat and Republican conferees were ongoing and all indications were that the conference report would pass with a bipartisan majority. But this morning without so much as a notice of meeting, my Democratic colleagues learned that these Democratic provisions had been taken

out of the bill. Although these provisions were included in the first conference report this morning, they were removed and as a result not one Democrat has signed their name to this conference report.

Mr. Speaker, this conference report gives new meaning to the term ''martial law.'' Some of the provisions that have been removed include the provision of the gentlewoman from Florida (Mrs. MEEK) that Haitian immigrants be given the same protections as the Cuban and Nicaraguan immigrants; the provision of the gentlewoman from New York (Mrs. LOWEY); and the provision requiring standards for Federal child care facilities.

We may also hear that the provision firing the FEC general counsel has been removed. But the assumption is that it may not be dead but may be resurrected not in this bill but in the continuing resolution. In case my colleagues do not remember, this is the reason firing someone for investigating the Christian Coalition and GOPAC, along with a lot of Democratic organizations and candidates.

Mr. Speaker, regardless of which organization supports which party, if the FEC is not free to investigate who it will, when it will, our entire electoral system will suffer.

I urge my colleagues to oppose this rule and oppose this conference report.

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

Mr. MCINNIS. Mr. Speaker, I yield myself such time as I may consume. First of all I need to correct the statement made by my good friend the gentleman from Massachusetts (Mr. MOAKLEY). The statement if I recall correctly from the record here a couple of minutes ago was that there had not been a Democrat who had signed the conference report. In fact Senator BYRD has signed the conference report. I know that this has just come up. I just wanted to bring that to the gentleman's attention. Obviously we are not going to have the perfect bill. We went through this on some other legislation the other night. We had extensive debate on this bill. We have gone out, we have talked with our colleagues, we have worked with our colleagues on both sides of the aisle and determined what needs to happen with this bill so that this Congress can conclude its business for the American people and move on. We came up with several elements. Those are going to be described in some detail by the gentleman from Arizona whom I intend to yield to here in just a couple of minutes. But the point here is this was a compromise. There were Democrats involved in this. Obviously the rule I think today will pass with bipartisan support. I hope it passes with bipartisan support because this bill deserves bipartisan support because it is built on a bipartisan structure.

The other day there were strong objections made by the other side. Frankly we looked at some of those objections and we have refined this bill so that we address in a fair manner those objections. Another point that I think we need to make. We have had some sacrifice on this side of the aisle. My colleague the gentleman from Florida (Mr. DIAZ-BALART) is very, very disappointed. He is very upset about this. I just spent the last 15 minutes trying to calm him down on the Haitian issue. I do not know anybody who has been more ardent in their support or have voiced their expressions on a more regular basis on this House floor in support of these Haitians. But that Haitian provision had to be dropped. That is the only way we could pick up those votes. He is very upset. He keeps standing up for the Haitians. I admire that position. But the fact is we have got to get these votes. We have got to move this bill. Ninety-nine percent of the content of this bill I think satisfies a lot of people. But we are never going to have the perfect bill.

Mr. Speaker, I yield such time as he may consume to the gentleman from Arizona (Mr. KOLBE).

Mr. KOLBE. Mr. Speaker, I thank the gentleman for yielding time. I rise in strong support of this rule. The gentleman from Colorado and I were here the other night. The outcome was not a very good one. I hope today that we will have a better outcome to the rule for this conference report.

Let me say a little bit about why I do support this conference report. I guess maybe it sounds a little bit like a Government 101 lecture, and I apologize if it seems that way. I think we have to face some of the realities. The reality is that to get a conference report adopted and to the President for signature, you have to do two things: You have to get it out of the conference, and that means getting a majority of Democrats and Republicans on the conference to sign a conference report. The second thing you have to do is to get it passed in both houses. The only way we can do that is with the bill that we have here this afternoon.

Now, there are provisions in here that are very controversial and some that I strongly supported. Let me just deal with the four issues that are different from where we were the other night when we got only 106 votes for the rule, with only 17 votes from the minority side of the aisle to support a rule that had in it things that they said they strongly, strongly supported. One of those was expanding contraceptive coverage for Federal employees covered by Federal health programs. That expansion of coverage is something that passed here in the House, it passed in the Senate, but they were very, very different provisions and they were very, very controversial. Members will remember the controversy we had when that occurred on the floor of the House. It caused a tremendous weight to be added to this bill. It was very difficult for us to deal with those who oppose this kind of expansion of contraceptive coverage for Federal employees. I happen to believe we should have it. But I also have a responsibility to the 165,000 Federal employees that are covered by this who would be out of work this weekend if we do not have the conference report signed.

The second is the Haiti Refugee Assistance Act. Now, this is also very controversial. There is bipartisan support for this from Republicans and Democrats in Florida and opposition to it from people on both sides of the aisle. It is a provision which clearly does not belong on this bill. It is not even vaguely related to the Treasury-Postal bill. If this is very important, it is an issue which can be addressed again in the ongoing discussions about the omnibus spending bill which will cover those bills that we cannot get passed on the floor, those conference reports that we cannot get adopted. This provision can be addressed in that bill.

□ 1700

The third thing is the day care provision, a whole title that was added by the Senate. Some people are very strongly supportive on this side of the aisle, but there are some jurisdictional problems about this provision. There are issues about day care that those chairmen of those subcommittees of jurisdiction had real questions about, and it was controversial.

And finally there was the FEC provision, the appointment authority for the General Counsel of the FEC, a highly controversial provision that had been added because some people on this side of the aisle believed that the general counsel of the FEC has been patently unfair in the kinds of rulings that he has given, and because there is no provision right now for getting rid of that individual. He is there literally until retirement because they cannot get votes to get rid of this person. So there was a provision to provide for an appointment authority for the general counsel.

Now those four provisions, Mr. Speaker, are the provisions that are being dropped out of this bill. We could not get this bill to the floor without taking those out.

Now I begged, I pleaded, with my colleagues on the other side of the aisle the other night to support that rule. Three of those provisions: those dealing with day care, with the Haiti refugee assistance and with the contraceptive coverage, were strongly supported by most or many and most of the Members on the other side of the aisle. The other issue, on dealing with the FEC, was not, but they made it clear that three out of four was not good enough. It had to be four out of four.

Mr. Speaker, I cannot get the bill to the floor, and we cannot pass this bill with that. As my colleague, my ranking member from the other side, has said time and again, this is a good bill. It provides for good money for law enforcement, to increase the amount of money we have for drug interdiction

for our Customs agents, it increases the flying hours for the black hawks. This is good law enforcement provisions in this bill. This is a good bill that covers the IRS reforms that we passed by wide margins in this Congress just a few months ago, to implement those reforms and get us moving forward with an IRS that is more user friendly.

This is legislation that we need, and, Mr. Speaker, we need to pass this bill tonight. So we have dealt with this in a fair way. We have said we will take out all of the provisions that are controversial, and all four of the provisions that are in this bill that were controversial have been taken out.

So what we have now is a bill that does, as it should do, an appropriation bill that deals with appropriations, that funds the agencies it says it is going to fund, that funds the agencies it should fund. And that is what this bill does, and it deserves the strong support, this rule deserves the support of this body, this conference report deserves the support, and I urge my colleagues to vote for it.

Mr. MOAKLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin (Mr. OBEY) the ranking minority member on the Committee on Appropriations.

Mr. OBEY. Mr. Speaker, I hope that we are not about to spend another couple of fruitless hours. Excuse me, but I have laryngitis, so probably everybody will be happy about that. But the gentleman from Colorado (Mr. MCINNIS) is nodding yes.

Mr. Speaker, I want to put this bill in the context of what is happening to the budget in this end-of-the-session snarl that we always appear to get in.

Last Friday Senator BYRD was told by Senator STEVENS that the process which the majority party would like to follow is as follows: He was told that by Friday the Republican majority would have laid out for all of the bills that were still unsigned, they would lay out what the approximate wishes of the majority party would be on those bills, what the bills would look like if the majority party could write them. They then wanted us to take that paper and come back to them with our honest response about what our differences were that would have to be resolved in order for us to get signed bills, and they were hoping that we would have no more than 10 objections to each bill. We have gotten some information since that time, but we still frankly feel that the basic Johnnie Higgins work has not been done, the basic nitty-gritty work has not been done, in a number of these bills so that we know exactly what it is the majority wants to do. And I think one of the reasons for that is because there is a huge chasm between what the majority wants to do in the Senate and what the majority wants to do in the House. And so we still, even at the staff level, do not have a complete understanding of what it is that the Republican party would like to see on each of the bills in dispute.

What we desperately need, if we are going to finish our work, is a complete understanding of where the majority party wants to go on these bills so that we can then sit down, have a clear understanding of what the differences are and work our way towards resolution of those differences.

So it has been a very frustrating 2 days.

In the midst of that this bill which fell in a heap a week ago because of unilateral judgments on the part of the majority, this bill is now back once again being brought here by unilateral judgments on the part of the majority, and what they have essentially done is to get rid of a number of provisions which had bipartisan support in the House, and now they are going to try to pass the bill with only Republican votes. Well, they can do that if they want, and they may even be able to pass it with only Republican votes, but the fact is that the other remaining issues still remain and this bill will not be finally disposed of until those issues are addressed. The gentleman from Maryland (Mr. HOYER) will in more detail get into the matter of what these amendments are.

But it simply seems to me that yesterday we offered the majority this proposition. We said, ''If you drop one of the items that is causing so much controversy and has no bipartisan support, if you drop the item that we feel would gag the ability of the FEC to enforce the law on elections, we would provide the lion's share of our votes in the caucus, and we could easily pass the bill.'' Instead of continuing to pursue a bipartisan approach, the majority party has decided that they are going to take unilateral action to once again try to ram this bill through.

All this action does is further delay our ability to resolve the differences between us. It is not the kind of negotiating posture that I would expect from a majority party that tells the press every hour on the hour that they want to get out of here by Saturday. If you want to get out of here by Saturday, they ought to start negotiating like they want to get out of here by Saturday rather than negotiating like they think they have got the next 2 or 3 months to be around here, or we will be around here for the next 2 or 3 months.

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

Obviously I take issue with some of the comments made by the previous speaker about the majority going out there and speaking to the press. Frankly, we have not had much time to speak to the media. We have been up there in the conference room trying to work out a compromise.

Now last week that very gentleman stood up here and talked about a provision that was offensive to some Democrats over there. They could deliver those votes if that offensive, as they put it, provision was dropped, and it was. Now today it is a different trail, it is a different direction, it is a different path. As my colleagues know, I do not know which way they are going to travel.

And the comments at the end just are taking a cheap shot at the Republicans. As my colleagues know, it is time to put that partisan stuff aside. We are in the final days, and the only way we are going to resolve this is to quit playing that partisan stuff and come together in a compromise.

In addition to my comments, I yield 1 minute to the gentleman from Arizona (Mr. KOLBE) because I would like him to address these comments that are totally out of line in my opinion.

Mr. KOLBE. Mr. Speaker, I appreciate the gentleman yielding this time to me, and it will not take me more than 1 minute.

As I listened to the gentleman from Wisconsin and his comments, it is correct that yesterday there was a suggestion of an offer of a deal that might be made, and it was to drop out the one provision that we do not like in there, and keep the other three that we do like.

So, Mr. Speaker, the offer was:

What's mine is mine, what's is yours is also mine.

That is basically it. It is four out of four. We have got four provisions in there, three we really like, one we do not like. We have to be given the fourth one. That is their idea of a compromise. It is like moving the goalposts all the time.

Now we have got a provision here, a bill on the floor, where we have dropped out that one that was so controversial last week and that caused most of the Democrats to vote against it. But that is not enough, there has to be something else. So they always keep moving the markers, and we have to pass a bill, we do have to get out here, and we have to get our job done, and we are going to pass this bill.

Mr. Speaker, it is a good bill. As my colleague from Maryland has said, it is a good bill which provides for good money for law enforcement, and we should pass this bill.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentlewoman from Florida (Mrs. MEEK), my dear friend.

Mrs. MEEK of Florida. Mr. Speaker, I thank the gentleman from Massachusetts for yielding this time to me, and I rise today in strong opposition to the rule, and it is a very strong and hurtful opposition to the rule because I am a member of the Subcommittee on Treasury, Postal Service, and General Government, and under the leadership of our chairman we had a very good year. We worked very hard together, and also the Chairman and the gentleman from Maryland (Mr. HOYER) worked very well together. But at the very end it appears that things have come up that caused this bill to be objectionable to me.

The revised conference report shows that once again the House leadership is

abandoning the Haitians. The revised conference report continues a policy of discriminating against Haitians. Many of my constituents are worried about the treatment that the Haitians have gotten. It has been unfair, it has shown that some Central Americans and some others like the Nicaraguans have been given one treatment and the Haitians the other. It is not a fair yardstick.

Do we want to deport 40,000 Haitians back to Haiti after this country has allowed them to come in and to have a chance to get green cards and work in this country? In my district Haitians live in the same neighborhood as the Cubans and the Nicaraguans, which this Congress saw fit to give them a chance to get their green cards. Can my colleagues imagine that neighbors living next door to each other, one can receive a green card and another one cannot? We should not have abandoned that in this rule.

Let me give my colleagues just a short bit of history on this matter:

Last fall the Senate added to the Fiscal Year 1998 District of Columbia appropriations a bill giving permanent green cards to all Nicaraguans and Cuban immigrants who were in this country at the end of 1995. This provision helped more than 150,000 people. That provision was added on the Senate floor without any Senate hearings. The House accepted the Senate provision on Cubans and Nicaraguans, but they would not accept any provision on the Haitians. The Senate then realized it had failed to help Haitian immigrants who had fled a terror similar to the terror of the Civil War in Nicaragua, so last November Senator GRAMM and Senator MACK introduced a bill to correct this unintentional omission. This bill moved quickly through the Senate. It is only the House where there seems to be some real strong reason why there has to be this unfairness to Haitians. The Senate Judiciary Committee held a hearing, and then they approved the bill with minor changes. Then it came back to the House, and again the House stood in the schoolhouse door, as George Wallace used to do years ago, and now we need to show in terms of this conference report Haitian children are being devastated by this, they are here in this country.

And I want to say, Mr. Speaker, this rule should go down. There are many other elements, but the Haitian issue is one that I ask my colleagues' consideration to kill this.

Mr. MCINNIS. Mr. Speaker, I yield myself such time as I might consume.

I listened to the gentlewoman from Florida and tell my colleagues that our colleague, the gentleman from Florida (Mr. DIAZ-BALART), is extremely disappointed as well on the Haitian issue, and that is understandable. But we cannot get the votes in here and give everybody what they want. I mean when we give one group what they want, then another group is mad. We are trying to come up with a compromise so that we can get on with the Nation's business.

□ 1715

The compromise will satisfy the most pressing needs which this bill does. The compromise will satisfy enough votes to secure the votes necessary to pass this bill, which this bill does, and so all of us are going to have to come to the table.

So I appreciate the comments, and I appreciate the comments of my colleague, the gentleman from Florida, (Mr. DIAZ-BALART), who stood up relentlessly for the Haitian issue. But the fact is we have to come to a compromise.

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

Mr. MOAKLEY. Mr. Speaker, I yield 4 minutes to the gentlewoman from New York (Mrs. LOWEY).

Mrs. LOWEY. Mr. Speaker, I rise in strong opposition to this undemocratic rule and this conference report. I appreciate the openness and honesty of the gentleman from Arizona (Chairman KOLBE), and I appreciate the work that the gentleman from Arizona (Chairman KOLBE) and my colleague the gentleman from Maryland (Mr. HOYER) has put into this bill.

It is really a shame that this bill, which in many ways is a good bill, had to end in this way. Frankly, to me, it is amazing, and I hope the American people are watching this, contraceptives may be controversial in this body in the Republican Congress, but not for the majority of women in this country who want to end and prevent unintended pregnancies, who want to reduce abortions in this country. Contraceptives is not controversial for the majority of American women.

I truly am outraged, my colleagues, at the Republican conference for stripping from this conference report my amendment to provide contraceptive coverage to Federal employees. A majority of this House supported this provision twice, not once, but twice. It passed unanimously in the Senate by voice vote. But at every turn, the House leadership has tried it kill it.

If we pass this conference report, the leadership of this Congress is telling American women once again that their basic health care does not matter to this Congress, that it does not matter to the Republican leadership. Killing this basic women's health provision was a back-door way to overturn the will of the majority in Congress.

This truly is an insult to all 224 Members of the House Republicans and Democrats, pro-choice, pro-life who voted for my amendment. It is an insult to every Senator.

The Republican leadership truly should be ashamed of themselves. They have stomped all over democracy today. The women of America, my colleagues, are going to see right through this sham, and those responsible for stripping through this provision I think will regret it.

I only hope that the Members of the Republican conference who are such champions of this issue when it passed the House in July will see through the political games of the leadership and vote with us to bring down this rule and bring down this bill.

I cannot stress enough, my colleagues, how critical this basic women's health provision is to the women of America. It will take us a huge step forward in our efforts to improve women's health, prevent unintended pregnancies, and reduce the number of abortions.

With more than 2 million employees, the Federal Government is the Nation's largest employer. Approximately 1.2 million women of child-bearing age are beneficiaries in the Federal Employees Health Benefits program. Currently over 80 percent of Federal health plans do not cover the full range of FDA approved contraceptives used by women, and 10 percent of FEHB plans offer no coverage of contraceptives at all.

Women pay 68 percent more in out-of-pocket health care costs than men. This provision will have reduced that gender gap in insurance coverage. With this vote, my colleagues, we will see who in this House will stand up with the women of America, who will stand up with right wing extremists that want to regulate every aspect of women's health, and we will see who in this House has respect for the democratic process and the will of the majority.

I urge my colleagues to vote against this rule, vote against this bill, and vote for basic women's health care that was supported by the majority of this House. That is the democratic way, small ''d.''

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

Mr. Speaker, I am a little surprised by the previous comments. Obviously I guess the definition of a border is a line drawn in the sand to see how close you can get to it without going to the other side.

I think that civility, when you talk about the leadership should be ashamed of themselves, that is not necessary. The leadership here on both sides of the aisle have been working very hard, and they are going to have some pretty intense hours here in the next few days to come to some kind of compromise. I do not think we ought to take cheap shots about saying leadership should be ashamed with themselves.

Furthermore, I have been involved in working in the Committee on Rules and so on, and I have not seen any so-called right wing extremists, which again questions on civility, jumping out and making demands.

The fact is, to my colleague, she did not deliver the votes. She voted yes the other day on the rule. I carried the rule. We lost that rule by a majority.

The issue here is not whether there are right wing extremists. I have not discovered them in this body. The issue

is not whether or not the leadership ought to be ashamed of themselves.

The fact is, for the majority of this bill, can we satisfy most concerns on the floor? The answer is yes. We cannot satisfy the gentlewoman's. The gentleman from Florida (Mr. DIAZ-BALART) has got a problem for the Haitians. But can we deliver the votes on the compromise on a bill that is mostly good? The answer is yes.

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

Ms. LOWEY. Mr. Speaker, will the gentleman yield?

Mr. MCINNIS. Mr. Speaker, the gentlewoman has more time on her side than I do on mine. I think the gentleman from Massachusetts (Mr. MOAKLEY) will yield to her. If not, I would be happy at some point towards the end to yield to the gentlewoman when I know I have time.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentlewoman from the District of Columbia (Ms. NORTON).

Ms. NORTON. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I feel like asking this body to wake me up when this is all over. Wake me up when you finish choosing what kind of contraception female Federal employees ought to use. The good faith of this body, indeed the sacred vote of this body and of the Senate is at stake.

I have just come to the floor to say women are not going to take tampering with their contraceptive health. Look, we agree choice is controversial in this body. But I can tell my colleagues what is not controversial in this body or among the American people, and that is choice of contraceptives.

There is a reason; that is because we have got to have a choice of contraception because some of that does not work on some of us. Some of it will make us sick. Some has long-term effects. Some has short term effects.

So when Members of this body go into conference and try to make the diaphragm the only contraception that is available to women, they are insulting the women, not only of the Federal Government, but of the United states of America at their core.

We are fooling around with women's health when we decide as a body to choose or to limit their choice of contraception. One does not have to be a women to know that one size does not fit all when it comes to contraception.

If we want to preserve women's health, if we want to stop abortion, then the one issue that ought to unite us, pro-life and pro-choice, together is contraception.

I ask this body not to let history record that we decided in this year to instruct women on what contraception they ought to use.

Mr. MCINNIS. Mr. Speaker, may I get a time check?

The SPEAKER pro tempore (Mr. SHIMKUS). The gentleman from Colorado (Mr. MCINNIS) has 16½ minutes remaining. The gentleman from Massachusetts (Mr. MOAKLEY) has 13½ minutes remaining.

Mr. MCINNIS. Mr. Speaker, I yield myself as much as time I might consume.

Mr. Speaker, I understand the previous gentlewoman's comments, but I think the issue here is not at all about women's health. Obviously people on both sides of the aisle in this fine institution care about women's health. There are women on both sides of the aisle. There are men on both sides of the aisle that care.

This is a very important issue. It is a critical issue in any home in this country. So to suggest that perhaps some people do not care about the women's health I think is a little off base. I am trying to focus and bring us back to the direction that we are going.

First of all, we have got a fair rule. Second of all, this rule follows the same structure as other conference committee reports. Third of all, let me talk about compromise.

I spent this afternoon, I visited with my colleague, the gentlewoman from Florida (Ms. ROS-LEHTINEN), and she was adamant, she was adamant about this Haitian issue. But as I said to her and I say to my colleagues, look, we are trying to put together a good bill. We cannot make everybody happy. That is the struggle we are facing.

My colleague over there, the gentleman from Maryland, said we had a good bill, but there were areas he had difficulty with. That was understandable. That was why it did not pass. It was a message to us. We have got to restructure it. We have got to rebuild this car.

This car is not going to sell. Now we have got a car that can. And for people who want to put a modification on the car, they want to add a stereo or they want to put something else on it, that is fine if you can deliver the purchase price for it.

That is our difficulty here. We are not attacking or assailing these issues. We are just saying we are trying to round up the votes.

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

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentlewoman from Texas (Ms. 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, we all come to this House with the good intentions of our conscience and what is right for the Nation. I wish I could be convinced by my Republican friends on the other side of the aisle, the gentleman from Colorado and the gentleman from Arizona that seem to be arguing reason and goodwill, and we attempted to do all that we could.

But why do I not share the real facts. This rule now is a punitive rule. This is a ''gotcha'' rule. They fully well know that the reason that there were many of us who voted against this legislation, this rule early on, was the punitive poignant attack on the FEC, general counsel, and others not allowing them to do their jobs.

So what do they do? Yes, they do come back now and remove that provision. But the hard work of the gentlewoman from Florida (Mrs. MEEK), the gentleman from Michigan (Mr. Conyers), and others, impacting 40,000 Haitian refugees who simply want a green card after being here, equalizing their position in this Nation with many other Central Americans, they knew there was a contingent of people who worked and bled to get this done; they took it out.

Then the gentlewoman from New York (Mrs. LOWEY), who worked so very hard in a real compromise to provide contraceptive prescriptive drugs for those individuals in the Federal Government, they took it out.

Then my good colleague, the gentlewoman from New York (Mrs. MALONEY), who said working Federal employees and others need day care, and we can provide it in a fair budget-wise manner, they took it out because they wanted to get in our eye. This is not a compromise. This is a ''gotcha'' legislation or rule.

This is to say we do not care that this rule goes forward. We are going to satisfy those on that side of the aisle. We are not going to be responsive to people who have toiled in this land, 40,000 Haitian refugees are made a pawn. Children who need child care made a pawn, women who need prescriptive drugs are made a pawn. Do not fool me with this calm talk about we tried to compromise. This is a ''gotcha'' game of politics. I will not tolerate it. The American people will not tolerate it either.

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

Mr. Speaker, some excitement here. If I just heard the words do not fool with this hobnob, or I am not exactly sure of the quote, but that is pretty close to what the gentlewoman from Texas just said.

But the gentlewoman, when she had the Haitian provision in the last rule voted ''no'' on that. She voted ''no'' on that. Now she is saying vote no again. In other words, give me this way, give them this way.

She has got to make some choices. She needs to be consistent in her voting record if she is going to get up and say hobnobbing fools. That is not what is happening here. What is happening here is the Congress is doing the business of the people. This Congress has to wrap this up in the next few days. The way to do it is we get the more level heads here on both sides of the aisle, as it should be, to come up with a compromise.

□ 1730

That is exactly what has occurred here.

Mr. Speaker, as I said, my colleagues, the gentleman from Florida (Mr. DIAZ-

BALART) and the gentlewoman from Florida (Ms. ROS-LEHTINEN), brought up this issue, but their record is consistent. And I listened to the gentlewoman from New York (Mrs. LOWEY), and she as well is consistent in her statements. And I think that is important. We have the consistency here, and we have some level heads that are trying to come up with a compromise. We do not have the perfect bill.

If somebody over there who is objecting to this rule can come up with a perfect bill and deliver the 218 votes and the votes in the Senate and the President's signature, come up with it. So far, we have not discovered it. We would like to do it.

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

Mr. MOAKLEY. Mr. Speaker, I yield 2½ minutes to the gentleman from New York (Mr. NADLER).

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

Mr. NADLER. Mr. Speaker, this is a blatantly unfair rule. It is not a compromise, it is not inadequate. It is obnoxious.

We had a debate on this floor, and the House voted that Federal employees covered by this bill should have available to them contraceptive services for birth control. The Senate voted to make available contraceptive services for birth control to female Federal employees. An attempt was made on this floor to say that some forms of birth control are really abortions; that the pill should be outlawed because it is an abortifacient; that the IUD is not good, that is an abortifacient. This House intelligently voted that down by 2-to-1.

The conference report, the conference committee, faced with a House vote that said, we want contraceptive services covered, faced with a Senate bill that said, we want contraceptive services covered, put contraceptive services in the conference report. Then the Committee on Rules saw it and they said, oh, no, we do not care what the House said, we do not care what the Senate said, go back and rewrite the conference report, and they did. And since they could not pick and choose among the contraceptive services because they did not have the votes in the House, people laughed at it.

This conference report before us today says, American women who work for the Federal Government shall not have available to them any contraceptive services paid for by their health plans.

Mr. Speaker, that is obnoxious. It is not a compromise, it is obnoxious.

The antichoice extremist agenda is very clear. Not only do they want to ban abortions by any means necessary, the Supreme Court decision to the country notwithstanding, they want to ban contraception as well. They are not content with denying reproductive health services for women in prison or Federal employees or women in the Armed Forces or women on public assistance. They will not stop there. They want to eliminate contraceptive services as well.

Although this debate is supposed to be about Federal health plans, we can all see the dangerous precedent they are attempting to set. They are actually calling every woman who takes a birth control pill an abortionist. This is absurd, it is offensive, it is obnoxious. We must restore sanity to this discussion of women's health, and we ought to be clear that the American people will not accept efforts to make contraception or, for that matter, abortion illegal.

Mr. Speaker, I urge my colleagues to reject this rule, send it back to the drafters, reject the rule as we did the last one. Let them come back again and do the will of this House and the will of the American people, and not say to American women, you cannot have contraceptive services.

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

I see that the gentleman is very aggressive in his comments. I would just remind the gentleman that he had that provision right in his lands last week, and he voted against it, so today all of a sudden he shows up, and all of a sudden we are going to get another ''no'' vote when the provision is gone. I mean, which way, which direction?

I think it is time we level this thing off, calm it down, and let us hear from the other side of the issue.

Mr. Speaker, I yield 4 minutes to the gentlewoman from Kentucky (Mrs. NORTHUP).

Mrs. NORTHUP. Mr. Speaker, I think it is important that we inject a little honesty into this conversation.

The fact is, 84 percent of all Federal employees' plans cover oral contraceptives, and nearly 40 percent cover all 5 forms of contraceptives.

But rather than just make that statement, I brought to the floor 50 copies and will provide as many more as needed of a list of all of the plans that serve Federal employees so that my colleagues can see the chart of just how many plans there are, about 600, and how many cover so many, an array, of different forms of contraceptives.

The fact is that Federal employees have the envy of what the whole private sector needs and wants in health insurance. Every single Federal employee has the ability to choose whatever policy they want.

What do we get? A booklet of policies. We get a booklet of high-cost HMOs, low-cost HMOs, fee-for-service, point of service. We have every option of every kind of health plan we want.

What we ought to do is work to give what we have to the private sector, because the truth is that we have many different choices, many different plans, and most of them, most of them provide an array of contraceptive services.

Mr. Speaker, what happens if we mandate that every plan cover every form of contraceptive? We take away the one choice that Federal employees have today that they will not have in the future, and that is affordable health insurance, because when one starts adding mandates, one starts doing what every State legislature has found for years, and that is, one starts adding to the cost of health insurance. And as it goes up, one starts on that slippery slope. Every woman who is 31 years old and is paying for every form of contraceptives for everybody in the workplace who cannot get pregnant says, why should I pay for their contraceptives and they not have to pay for my fertilization? And every 60-year-old woman says, why should I have to pay for all the young women's contraceptives and they not have to pay for my estrogen?

The fact is we can do what State legislators have done. We can add every mandate that everybody wants, every service, every provider, every need, and we will drive the cost of health insurance right through the ceiling.

What we need to do is make sure that every employee in Federal office keep what they have now, the choice of whatever services they believe are important to their health, and then we need to make sure that it is also affordable. That is the best choice and the best gift that Federal employees have. What we need to do is take what we have and not ruin it, but make sure that the private sector have it, too.

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

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Speaker, this week's issue of Time Magazine features what it calls a numbers column, and it quotes various expenditures and notable numbers like this one: Next year the Pentagon plans to spend $50 million for Viagra for troops and retirees.

I think it is important to note that we are apparently willing to spend money for the potency of our armed services, but not willing to help prevent unwanted pregnancies by providing the full range of contraceptive services.

But on the other hand, we were willing to help prevent unwanted pregnancies. This language already passed the House and the Senate. But there is a small minority on the conference committee that changed it.

I believe that this language discriminates against women. When we defeated the rule for this conference report last week, it was clear that it could easily pass if only the language on the FEC were removed.

Mr. Speaker, I am glad that we at least accomplished that, but I cannot support this bill, because it does not provide the full range of contraceptive services, thereby discriminating against women.

I urge a ''no'' vote on the rule.

Mr. MCINNIS. Mr. Speaker, could I inquire as to the time remaining?

The SPEAKER pro tempore. The gentleman from Colorado (Mr. MCINNIS) has 10 minutes remaining; the gentleman from Massachusetts (Mr. MOAKLEY) has 8 minutes remaining.

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

I have asked the gentlewoman to return because I think that the comments that she brought up are very pertinent to the subject, and since we seem to have gotten off the rule and onto the subject of contraception, I think we need to close this out, and then we can get back to the rule and the fairness of the rule. So I am asking that the gentlewoman from Kentucky come back.

Mr. Speaker, I yield 3 minutes to the gentlewoman from Kentucky (Mrs. NORTHUP).

Mrs. NORTHUP. Mr. Speaker, I want to start with where this idea I believe originated. There are women today that are in the private work force. They have a choice of one policy. Their employer says, you can have this policy; you have to contribute the monthly payment towards it, and some of those policies, in fact, pay for prescriptions, but do not pay for oral contraceptives.

We need to address that issue. I hope that the gentlewoman from New York (Mrs. LOWEY) will bring it to us. I asked a long time ago why we did not ask for a GAO study that would study both the private and the public workplace to see what sorts of discriminations exist for women in terms of access to health insurance policies that give them what they need.

Before we start fumbling around with the best choice that exists in the United States of America, and that is for Federal employees, before we start driving the price up, what we ought to do is be deliberative and see, first of all, do we have a problem? Do we have a problem in the public workplace; do we have a problem in the private workplace?

But because this came so quick and unstudied, I did ask OMB a second question besides asking for a chart, and that was, is there any Federal employee anywhere in the United States that does not have access to policies that cover oral contraceptives; and the answer is, no, there is not one.

So I think that before we push the price up at a cost, by the way, to many of the employees, because right now, what they may have chosen is the only affordable plan or the most affordable plan that meets their needs. If this plan either decides to drop out of the Federal employees health insurance plan because it cannot tailor something just to our mandate, and then they have to go to a more expensive plan, or if they have to pay more for the plan they currently have, we ought to ask them if that is what they want.

I think the whole problem in health care is that somehow we in the Congress think that we can play God, that we can somehow hand out free health care. Nobody can hand out free health care. It feels good here, but somebody pays the bill. The taxpayers pay the bill, and the Federal employees who have to pay a higher copayment pay the bill.

Please, do for Federal employees what the entire work force is asking us for, affordable health insurance, and do not take away that right that they have today.

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

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. DOGGETT).

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

Mr. Speaker, the wrong that is proposed here tonight has nothing to do with the price of care in an economic sense. It is not going to raise the cost of health care to anyone. In fact, the Republican Congressional Budget Office has already pointed out that any cost change is negligible. The price is not economics; it is the political price that the Republican conferees were unwilling to pay to say no to the extremists who demand interference in reproductive health care, and yes to this House and to the United States Senate which said, by an overwhelming majority, that it is wrong to discriminate against women across this country and say to them that they can get some prescriptions, but not others.

Mr. Speaker, 80 percent of the health plans available to Federal workers do not provide all forms of contraception, and some women are unable to use certain forms of contraception. While our women Members like the gentlewoman from New York (Mrs. LOWEY) have provided dynamic leadership on this issue, I am here to say that this is an important issue not just to women, but to men, to families all across this country; that the Federal Government ought to be a model employer, ought to set the example, and it ought not to be discriminating against women in saying they cannot get access to something that is so very important to their health care.

I would say that this very debate, the first night the gentlewoman from New York (Mrs. LOWEY) successfully put this amendment on to assure access to health care for women across this country was truly a defining moment.

When Republican men stood on this floor and began to interfere and say, well, an IUD, I think that is abortifacient, the pill, well, maybe it is, they did not seem to have confidence that women understood what they were doing with their own bodies when health care was involved. They needed some Congressman to come in and tell them what kinds of contraception were appropriate and what kinds were not.

□ 1745

This is a radical decision this conference committee has made. It is wrong. We need to reject it, and say that the women of America are intelligent enough to make their own decision on this matter, and do not need any Republican help from the gentleman from Georgia (Mr. NEWT GINGRICH) or anyone else.

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

Mr. Speaker, obviously the gentleman from Texas paints as pretty a picture as he can get on it. He likes to put roses and flowers into it.

Let us talk about some economic reality here. First of all, I am astounded that in one-half of the gentleman's sentence he says there is no cost to the Federal Government, and in the next half of the sentence he says the cost is only negligible. That sounds like Democratic talk. That is what got us into a deficit: ''Well, it is just negligible, throw a few more bucks in.''

The second point is, remember, it is wrong for Members to stand up here and act like we can offer to the American people and the Federal employees of this government Mayo Clinic coverage. We cannot do it. If we want to do it, we can do like they did in Kentucky. They kept expanding and expanding what they ought to put in their medical plan and their choices.

If we want to talk about choice to the gentleman from Texas, their choices went from 47 plans to two plans. So what the gentleman is proposing up here is, let us go ahead and offer them the moon, which means that first of all and most importantly, most of these companies are not going to be competitive, which gives us the Kentucky example, 47 choices to two choices.

It is very important here that we understand that nothing is free. We do not get something for free. It just does not happen. Every time we give something to somebody free, we are taking it out of somebody else's pocket. It is debit-credit. It happens automatically.

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

Mr. MOAKLEY. Mr. Speaker, I yield the balance of my time to the gentleman from Maryland (Mr. HOYER), the ranking member of the Subcommittee on Treasury, Postal Service, and General Government.

Mr. HOYER. I thank the distinguished gentleman from Massachusetts (Mr. MOAKLEY), the ranking member of the Committee on Rules, for yielding time to me, Mr. Speaker.

Mr. Speaker, I rise, unfortunately, in opposition to this rule. I have been quoted numerous times on this floor as saying that this is a good bill. Let me repeat that statement. This is a good bill.

Let me also repeat, for all my colleagues, that the gentleman from Arizona (Chairman KOLBE) has done a good job in shepherding this bill to this point. The gentleman from Arizona (Mr. KOLBE) in my opinion is one of the fairest, brightest, hardest-working Members of this House. He is a gentleman for whom I have unrestrained

respect and affection and with whom I enjoy working.

It is unfortunate that a provision that he supports is dropped from his bill and is causing us so much consternation on this side. There is an irony, I suppose, in that, as well.

Let me now speak to where this bill is. I have said it is a good bill. The good news is, for America and for this House, that 99.999 percent of this bill is agreed upon. We have four provisions, just four, that ultimately the conference could not agree on or could not be agreed upon in this House, because obviously the provisions that were included in the bill that came to the conference committee were agreed upon.

There was one provision, as I pointed out in the last debate on the rule, that was unanimously opposed on our side of the aisle. We perceived it as a partisan issue. That is to say that it was not supported by Members of both parties. That was, of course, the provision that dealt with the FEC, which would have had the effect of immediately firing, as of January 1 or fairly immediately, January 1, 1999, the incumbent counsel. We perceived that to be a payback, an action which would have been taken for the purposes of disciplining somebody who took an adverse action against GOPAC and the Christian Coalition.

I know my colleagues on the other side of the aisle do not believe that was the motivation, and I accept their premise as being honest. But that was our perception of what that item was about, so it was very controversial. That item has now been dropped. We think that is appropriate.

This issue will be discussed. I think the chairman of our committee has a legitimate concern about bringing in new blood to oversee this agency. I will be glad to work with him and talk to him about those issues. The right thing was done with respect to the FEC. We went into conference again to discuss this.

I made it very clear to the gentleman from Arizona (Chairman KOLBE), on behalf of the Democratic side that if the FEC was dropped, I say to my friend, the gentleman from Colorado (Mr. MCINNIS), that at least 180 members of my side of the aisle would vote for the rule and this bill if the FEC were dropped. We could not pledge all 207 because there was some controversy on other substance, but I believe we could have gotten 180, which means that if the gentleman had 40 on his side or 100 or 140, this bill would have passed overwhelmingly.

Unfortunately, however, that was not to be. The chairman, as we left the conference, said the deal is off, we are not going to do a conference, we are going to put this in the omnibus bill. I have talked to the administration about that. I will tell my friends that the administration is going to be very, very hard and adamant on the inclusion of the contraceptive position of either this bill or the omnibus bill and the provision dealing with the Haitians.

The child care provision most of us I think are for on both sides of the aisle. We have a procedural problem that is causing a very substantial problem. I do not think the chairman is against it, and certainly I am for it. The gentleman from Virginia (Mr. WOLF) is for it, and other Members are for it.

With respect to the contraception, this, we believe, is the most egregious action that has been taken as this is reported back. First of all, let me tell my friend, the gentleman from Colorado, forget about what the Democrats say about cost. The Congressional Budget Office, I say to my friend, headed up by the selection of the gentleman from Ohio (Mr. KASICH) and Mr. DOMENICI, two Republicans who head the Committees on the Budget in the Senate and in the House, said that there is no cost; not Democrats, not the gentlewoman from New York (Mrs. LOWEY), but CBO says that, no cost. We were not scored for any cost whatsoever on this provision.

So that I think that is dispositive. CBO has talked to OPM, OPM says there is not going to be any cost, and CBO says there is to be no cost. So that was not the issue. In fact, it should not be the issue, this being a bipartisan-supported bill. In fact, 51 Republicans joined approximately 178 Democrats in voting to sustain this provision, 51 Republicans. What a significant number on the gentleman's side of the aisle, a very bipartisan support for this provision, which we perceive to be in the best interests of the health of America's women, in the best interests of the health of Federal employees, and in the best interests of pursuing a diminishing of abortions in this country. Will it be significant? We do not know. Will it affect that? We think it will.

We hope that Members vote against this rule so that we can go back to conference, as we did before, include back those provisions that we think have bipartisan support, pass this rule, and pass this very good bill that the gentleman from Arizona (Mr. KOLBE) has worked so hard on.

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

Mr. Speaker, I do want to make one point to the fine gentleman from the State of Maryland in regard to the CBO statement or the estimate that there is no cost.

First of all, my point to the gentleman from Texas was that in one statement he said there was no cost, and in the next statement he said it was negligible, so I am not sure what it is. Frankly, I think the gentleman probably observed it a little more closely. The point is, there is a shift in cost. While it is true that the government does not pick up additional costs, the individual will pick up additional costs. I think we just need to clarify that. What the gentleman has said is accurate, but to complete the picture, we need to show that the individual will pick up additional costs.

Mr. Speaker, I, of course, think it is important to get to this good bill. To get to this good bill we have to pass this rule.

Mr. Speaker, I yield the balance of my time to the gentleman from Arizona (Mr. KOLBE).

Mr. MORAN of Virginia. Mr. Speaker, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman from Virginia.

(Mr. MORAN of Virginia asked and was given permission to revise and extend his remarks.)

Mr. MORAN of Virginia. Mr. Speaker, I rise in opposition to the rule.

Mr. Speaker, in the last four years I can't count the number of times I have been here on the House floor voting on bills, amendments, appropriations riders, and every possible vehicle for so-called anti-abortion legislation. The reality is, every member of Congress is anti-abortion. Every member of Congress wants to make abortion less necessary and eventually unnecessary. By improving access to affordable contraception, the Lowey amendment is an excellent way to achieve this goal.

As a founding co-chair of the Congressional Prevention Caucus, I am a strong proponent of using preventive methods to improve the length and quality of human life and also to reduce the skyrocketing costs of health care. On average, women spend 68% more on health care costs than men. Much of these additional costs can be attributed to reproductive health care costs. The use of contraception can help to reduce these costs for women by preventing unplanned pregnancy, an expensive and potentially life threatening condition.

Opponents of this amendment argue that 81% of FEHB plans already cover at least one form of contraception and that women federal employees already have a choice of plans. The one form is generally oral hormonal contraception known as ''the pill.'' Oral contraceptives are one of the five most common forms of contraceptive but it is not always recommended to some women who experience negative side effects or may be at higher risk of breast cancer or stroke. Alternatives should be accessible to women who decide in consultation with their doctor that it is a safer option. Ten percent of plans cover no forms of contraception at all.

Regardless of the percentage of plans that cover this option and don't cover that option, contraception should be considered basic health care for women of reproductive age. As employers, we have a responsibility to choose what kind of health care we want to provide for our employees. We should be providing this basic preventive care and not forcing our employees to choose a plan that may not be the best plan for them because none of the other plans provide contraceptive coverage.

Furthermore, if we are denying federal employees coverage of abortion services in their health plans, as we have since 1995, it would be hypocritical not to make methods to prevent the necessity of abortion as accessible as possible to federal employees. Contraception is a proven method in reducing the number of abortions. A recent study of the use of contraception in the former Soviet republics shows that preventing pregnancy with contraception reduces the number of abortions. In Kazakastan for example, abortion rates have fallen by more than 40% since the change in contraception policy by the government and widespread access to contraception was implemented.

As adversaries of the "abortion issue" continue to disagree over pro-choice, pro-life semantics, we should be working together on policies that we can agree reduce the necessity of abortion. I urge my colleagues to work together where we can on this terribly divisive issue by supporting the Lowey amendment to provide comprehensive contraceptive health care coverage for federal employees.

Mr. KOLBE. Mr. Speaker, I once again thank the gentleman from Colorado (Mr. MCINNIS) for his assistance here with the rule, and all of the members of the Committee on Rules. I want to thank the gentlewoman from New York (Mrs. LOWEY) for the very nice words she said, and the gentleman from Maryland (Mr. HOYER) for the nice words he said about the work that I have done, and the subcommittee Members and the staff.

I reciprocate completely the respect and the strong feelings that I have for both the gentlewoman from New York (Mrs. LOWEY) and the gentleman from Maryland (Mr. HOYER). I am very grateful for their assistance on this bill; assistance to a point, I guess, is where we are at. It does not extend all the way, as the gentleman from Maryland (Mr. HOYER) made clear the other night and again this afternoon.

The fact of the matter is, and let me just review again what we are talking about, the fact of the matter is, we have a conference report, yes. As everybody in this body knows, the process is you pass a bill, the Senate passes a bill, you have to go to conference, and you have a conference report. Each of those is a different bill. Each of those is different than the form it was in in the other body or the form it was when it first passed this House.

So the conference report has to be seen separately. It is not accurate to simply say that this was a controversy, this position was in or some form of it was in the House and some form was in the Senate bill, so therefore, ergo, it has to be included in this bill. That is not the case here.

Mr. Speaker, the fact of the matter is that the gentlewoman from New York (Mrs. LOWEY) well knows, and she spoke passionately, and I do agree with her position that we should extend contraceptive coverage to Federal employees beyond where it is today, but we are not, as some of the speakers talked about here this afternoon, not cutting off contraceptive coverage. We are not denying it.

As the gentlewoman from Kentucky (Mrs. NORTHUP) has pointed out, 84 percent of the plans provide it in some form or another, and 40 percent provide all the forms of contraceptive coverage. We are keeping the current law where it is today. There is no change in the current law, so we are neither expanding it nor moving backwards, we are keeping the law where it is today.

If this was so important, if this provision was so important, is so important to those who have spoken so passionately about it here this afternoon, where were they last Thursday night?

Yes, the gentlewoman from New York (Mrs. LOWEY) was there and she spoke to it, and the gentlewoman from Florida (Mrs. MEEK), because of the Haiti position, and voted for the rule. But where were all these other people that this afternoon have said this is such an important provision? Why were they not there, speaking for the rule at that time?

In fact, one of the people, the gentlewoman from New York (Mrs. MALONEY) who was up here earlier, spoke against the rule last Thursday night. She said we should defeat it. Today she says it is very important to have that contraceptive coverage in there, that expansion of contraceptive coverage. It is important today, but it was not important last Thursday, or it was not as important. It is a moving marker. The field keeps moving. It is whatever there is today that we do not like in here is why we are going to be against this.

I understand that the National Abortion Rights Action League has decided they will score this vote, but last Thursday night, when we had an opportunity to get to the floor with that in it and with the Haiti assistance, they did not score it. They did not think it was that important last Thursday night.

I want to just say, in conclusion, that the gentleman from Maryland (Mr. HOYER) was correct in the way he described the sequence of events that occurred on this bill. When we finished the conference meeting yesterday morning, I did say that it looks to me as though we do not have any deal. I cannot see any way out of this.

Yet today, the dynamics of this conference report have changed. There is now a way to get this through the Senate and the House that I believe is possible, and this is the only way. I know the gentleman from Maryland (Mr. HOYER) believes very strongly that we should not have a government shutdown, that these 163,000 Federal employees that are supported by this bill should go on collecting IRS taxes, should go along with drug enforcement.

□ 1800

Mr. Speaker, this conference report is important. I urge my colleagues to support the rule and to support the conference.

Mr. MCINNIS. Mr. Speaker, I move the previous question on the resolution.

The previous resolution was ordered.

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 231, nays 194, not voting 9, as follows:

[Roll No. 490]

YEAS—231

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Costello
Cox
Crane
Crapo
Cubin
Cunningham
Davis (VA)
Deal
DeLay
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
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
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
Kildee
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Mollohan
Moran (KS)
Myrick
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Roukema
Royce
Ryun
Salmon
Sanford
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Turner
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—194

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bilbray
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards

Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kilpatrick
Kind (WI)
Kleczka
Klink
LaFalce
Lantos
Lee
Levin
Lewis (GA)
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
Moran (VA)
Morella
Murtha
Nadler
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Price (NC)
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ros-Lehtinen
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Shays
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Thompson
Thurman
Tierney
Torres
Towns
Traficant
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Wexler
Weygand
Wise
Woolsey
Wynn

NOT VOTING—9

Boucher
Kennelly
McCrery
Poshard
Pryce (OH)
Saxton
Waxman
Weller
Yates

□ 1819

Mrs. CHENOWETH and Mr. RAHALL changed their vote from ''nay'' to ''yea.''

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.

Mr. KOLBE. Mr. Speaker, pursuant to House Resolution 579, I call up the conference report on the bill (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, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. SHIMKUS). Pursuant to House Resolution 579, the conference report is considered as having been read.

(For conference report and statement, see prior proceedings of the House of today.)

The SPEAKER pro tempore. The gentleman from Arizona (Mr. KOLBE) and the gentleman from Maryland (Mr. HOYER) each will control 30 minutes.

The Chair recognizes the gentleman from Arizona (Mr. KOLBE).

GENERAL LEAVE

Mr. KOLBE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill (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, and for other purposes, and that I may include tabular and extraneous material.

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

There was no objection.

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

Mr. Speaker, at the outset, let me begin by saying that we have had an extraordinary ordeal to get to where we are today, but as any Member that has ever worked on an appropriations bill, or any bill for that matter, knows, it requires the work of a lot of very good staff people to get us here.

When we considered the bill on the floor, I paid tribute to all the staff on both the majority and the minority side, but this evening, Mr. Speaker, I want to just pay special tribute to two individuals who are going to be leaving the staff of this House of Representatives.

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

Mr. KOLBE. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, I know the gentleman and I have had the discussion, but it is my understanding, and I do not know whether anybody has announced it, that we intend to roll votes until 8 o'clock. Perhaps we should tell Members, if that is the case.

Mr. KOLBE. Reclaiming my time, Mr. Speaker, I thank the gentleman for his point, and I would like to advise all those on the floor and otherwise in our hearing range that the intention and the understanding of both the majority and the minority side is that when we complete the debate on this conference report there will likely be a motion to recommit. But the vote on both the motion to recommit and on final passage of the conference report will not occur until at least 8 o'clock this evening. So there will be approximately an hour and a half before we have any votes.

Now, Mr. Speaker, if I might proceed. As I said, staff is obviously essential to getting any piece of legislation passed, but I want to pay special tribute to two staff people who will be leaving this body after having given it exceptional service.

One is our congressional fellow, Francis Larken, who has worked for the subcommittee for the past year. He will be beginning his job as Assistant to the Special Agent in Charge for the U.S. Secret Service in New York.

Frank has been a tremendous asset to this subcommittee, bringing not only the experience and knowledge that he has coming from the Secret Service and from Treasury law enforcement, but also from local law enforcement. He has been an absolutely essential part of our subcommittee staff, and I am very grateful for the work that he has done.

Mr. Speaker, the other one I want to pay tribute to is an individual who has worked for me now for nearly 8 years on my personal staff, but for the last 2 years has absolutely been essential to this legislation, and that is my good friend and staff person Jason Isaak.

Jason has been with us since he came directly out of college at Baylor University. He began as an intern and has progressively worked up through the office to a legislative assistant, legislative director; He has directed many important pieces of legislation, but none so ably as the work that I have had to do from my office on this subcommittee. He will be leaving this month in order to take a position in Phoenix, Arizona, returns to the State from where he came, and he will be marrying Miss Beth Barr, a former Olympic medalist in swimming.

Mr. Speaker, I have a statement I will put in the RECORD at this point regarding both of these individuals and the exemplary service they have given this Congress and our country.

Mr. Speaker, this week the Treasury Appropriations Subcommittee bids farewell to our Congressional Fellow, Francis J. Larkin, as he begins his assignment as Assistant to the Special Agent in Charge for the U.S. Secret Service in New York. Frank has proven himself to be tremendous asset to the work of this Subcommittee, bringing with him the experience he has gained with the Secret Service, from local law enforcement, as an emergency medical technician, and as a U.S. Navy SEAL. Frank began his fellowship in 1997 with the Senate counterpart of this Subcommittee, and so came to us with a strong background in the technical issues and folkways of the appropriations process.

Working as a member of my subcommittee staff, Frank has brought a unique perspective to bear on many of the turbulent and sometimes arcane issues that we confront in the course of crafting appropriations bills, and in overseeing the agencies and programs in our jurisdiction. In particular, Frank's advice and contribution has been invaluable on matters affecting law enforcement, national security, and the Year 2000 computer issue. Throughout his service here, Franks's consummate professionalism, good nature and level head have helped this Subcommittee and the Congress achieve progress on both short- and long-term policy and budgetary issues.

Specal Agent Larkin has served me, this subcommittee, and the House well: we will miss him as a colleague and as a friend. All of us on the Treasury Appropriations Subcommittee wish Frank and his family all the best as they begin their new lives in the New jersey/New York area.

Mr. Speaker, I would like to take a few moments to recognize someone very special to me who soon will be leaving Capitol Hill to pursue new personal challenges.

Jason Isaak, my legislative director, has been with me for the past seven years. Upon

graduating from Baylor University, Jason started as an intern in my office and has progressively worked his way up the ranks to his current position. He has managed many important issues for my office and has been my point person for Defense, Commerce, Justice, State and the Treasury Postal Service and General Government Appropriations.

Jason is leaving Washington to take a position with a consulting firm in Phoenix and on October 24, 1998, will marry Miss Beth Barr, a former Olympic medalist in swimming.

Mr. Speaker, Jason Isaak has made enormous contributions to our legislative process and will be truly missed for his professionalism, insight, and tireless dedication. As I mentioned, for seven years, he has been one of my key lieutenants, and I personally will feel a great loss when he leaves. Jason Isaak is truly a model for those who seek to constructively offer their intellectual skills and motivation to better this governmental process, and to do so with unflagging grace and good humor.

Mr. Speaker, I ask you to join me in wishing Jason Isaak the very best for a brilliant career, one in which I foresee him potentially returning to Congress as a member of this great body.

□ 1830

Mr. Speaker, I am pleased to rise today to talk about the conference report on H.R. 4104. This is a bill and a conference that has had more lives than a cat. It has had the perils of Pauline. It has had every other travail along the way, but here we are and I hope that, finally, tonight we are going to be able to pass this legislation. I want to thank all the members of the subcommittee, those on both sides of the aisle, those who have supported us in various provisions. I know that at times when we get to this legislation, there are times when they cannot be with us on the vote that we need them on final passage. But we would not be here this evening if it were not for the work of the distinguished gentleman from Maryland (Mr. HOYER) and the other members of the minority side and all the members of this side of the aisle as well, I might say, who have helped us get to where we are tonight. The work has paid off. The conference report that is before us I believe is one that can make us all very proud because it is about law enforcement, it is about the operations of the Federal Government, it is about what this appropriations bill should be about.

Six days ago when we brought this rule for this conference report, it failed, because it was saddled with four controversial legislative riders. Well, this evening we bring this back with all four of those provisions stripped. Gone is the provision so vehemently objected to by the minority regarding the appointment of the Federal Election Commission's General Counsel. Gone is the provision expanding contraceptive coverage for Federal employees. Gone is the provision providing for assistance and easier admission for Haitian refugees to the United States. Gone is the provision in the bill dealing with child care in the Federal Government. Everyone with an interest in these provisions is treated the same. In that sense, I believe it is a fair compromise. These provisions are stripped. They are stripped because we simply could not get a conference report to the floor and we could not get it passed if we had these provisions there.

I for one believe that some of these provisions have real merit. Particularly I have been a strong supporter of the gentlewoman from New York (Mrs. LOWEY) and the provisions that she had dealing with contraceptive coverage in the FEHBP. I also happen to believe that the time has come for us to change the way the General Counsel of the Federal Election Commission is appointed and that we should require a term for that person and we should require an affirmative majority vote for that person to be appointed or reappointed. But because politics has taken priority over the practical demands of governing, these items are not going to see the light of day—at least not in this appropriations measure. Quite honestly, it is not just that I am disappointed in this outcome. More than anything, I am fed up frankly with trying to negotiate these controversial legislative riders in an appropriations bill. As we have learned from this last week or from the last month, it is a no-win situation. This bill, which ought to be a relatively easy bill, has been through the wringer. I do not think there is any bill that has been brought to the floor this year that has been a more difficult bill to get to the floor and get passed.

In case my colleagues have forgotten, let me replay a year in the life of the Treasury-Postal subcommittee. Our first rule providing for the consideration of the bill as reported went down in flames on June 24 of this year on a vote of 125–291. The second rule squeaked by, by a vote of 218–201. During House debate on July 16, we had 48 points of order raised against legislative provisions in the bill. Final passage of the bill barely eked out with a vote of 218–203. Believe me, you could actually hear bones practically breaking in this Chamber to get to 218 votes. Last week the rule, the first time we considered the rule for considering the conference report, bombed on a vote of 106–294. Those votes were not because we failed to do our jobs as appropriators, and I say that of every member of this subcommittee, both on the minority and majority side. Far from it. Let me be clear about this. The Department of Treasury likes this bill very, very much and they are anxious to have it signed into law. It is the best bill they have seen in years. The debate on this bill is never about money. It is about legislative riders and only about legislative riders. This bill and the conference report deserves better treatment than to be battered about over legislative matters. It is an outstanding appropriations measure.

I know all the Members are familiar with the legislative riders that have been causing us so much trouble, but let me just tell you about a few other items, items that these Members have been voting against each time they voted against the rule or each time they voted against this bill or the conference report:

We provide $1.95 billion for drug-related activities, including $185 million for the second year of the national media campaign. $20 million for the Drug Free Communities Act, so strongly supported by so many people on both sides of this aisle. $1.8 billion for the Customs Service, including $54 million for new narcotics detections technologies for both sea and land ports of entry. $15.2 million to address the badly needed maintenance needs of the air and marine interdiction programs. I am pleased to say that these funds will be reused to return three Black Hawk helicopters to operational status and to increase the flight hours for the entire Customs Black Hawk fleet from 18 hours per month to 30 hours per month. We have $3.2 million to fight crimes against children through the National Center for Missing and Exploited Children. We have $3.4 million to further combat child pornography and related Internet cyber smuggling. We have $7.9 billion for the Internal Revenue Service, including $211 million for ongoing efforts to revamp the IRS computer systems, $25 million for restructuring the way the IRS does business, $103 million for improved customer relations. And then there is $462 million for 14 new courthouse construction projects in order to accommodate the increasing demands we are placing on our judicial system.

I can count on one hand the number of times that Members have offered appropriations-related amendments to this bill. Of the 14 amendments that were offered to this bill during House consideration, only three of them had anything to do with an appropriations matter. All the rest involved controversial legislative riders that have little or nothing to do with the work of this committee or this subcommittee.

Well, I have an announcement. Not that it should come as any great surprise, but guess what? We are not going to be able to effectively govern if we continue to blur the lines between appropriations and authorization. We cannot run the Customs Service, the IRS, the Secret Service, the Office of National Drug Policy if we continue to hold this bill hostage to extraneous legislative matters.

The conference report before us right now is one of which I am very proud and I believe every Member on both sides of the aisle can be very proud. It is not about controversial legislative riders. It is now about appropriations. It is now about funding these Federal agencies. It is about fiscal responsibility with respect to how we fund the agencies that come under the jurisdiction of this bill. It is about accountability to Congress and to the American people.

Mr. Speaker, it is time for Members to set aside their disagreement over specific legislative matters that deserve more deliberate review and action than being stuck into this appropriations bill. It is time to put aside the politics and do the right thing. Vote for an appropriations bill that is free of these controversial riders and deals with appropriations matters as it should deal. Mr. Speaker, I encourage all of my colleagues to support this conference report.

Mr. Speaker, I include the following extraneous matter for the RECORD:

H.R. 4104 - TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS BILL, 1999

	FY 1998 Enacted	FY 1999 Estimate	House	Senate	Conference	Conference compared with enacted
TITLE I - DEPARTMENT OF THE TREASURY						
Departmental Offices	114,771,000	123,846,000	122,889,000	120,671,000	123,151,000	+8,380,000
Automation Enhancement	61,389,000	33,952,000	31,190,000	28,990,000	28,690,000	-32,699,000
(Delay in obligation)				(-8,000,000)		
Transfer to Customs Service		(-8,000,000)				
Transfer to ATF		(-3,700,000)				
Office of Inspector General	29,719,000	30,678,000	30,678,000	30,678,000	30,678,000	+959,000
Office of Professional Responsibility	1,250,000	1,654,000	1,250,000			-1,250,000
Treasury Buildings and Annex Repair and Restoration	10,484,000	27,000,000	27,000,000	27,000,000	27,000,000	+16,516,000
(Delay in obligation)			(-27,000,000)	(-27,000,000)	(-27,000,000)	(-27,000,000)
Financial Crimes Enforcement Network	22,835,000	24,000,000	24,000,000	23,670,000	24,000,000	+1,165,000
Violent Crime Reduction Programs:						
Bureau of Alcohol, Tobacco and Firearms	19,421,000		3,000,000	1,800,000	3,000,000	-16,421,000
Financial Crimes Enforcement Network	1,000,000	1,000,000		1,400,000	1,400,000	+400,000
Interagency crime and drug enforcement		45,000,000	24,000,000	45,000,000	24,000,000	+24,000,000
United States Secret Service	15,731,000	11,700,000	14,528,000	15,403,000	22,628,000	+6,897,000
(Delay in obligation)			(-828,000)			
ONDCP	23,200,000		14,000,000		2,500,000	-20,700,000
Gang Resistance Education and Training: Grants	10,000,000	10,000,000	10,000,000	13,239,000	13,000,000	+3,000,000
Federal Law Enforcement Training Center	1,000,000			1,158,000		-1,000,000
United States Customs Service	60,648,000	64,472,000	66,472,000	54,000,000	65,472,000	+4,824,000
Total, Violent Crime Reduction Programs	131,000,000	132,172,000	132,000,000	132,000,000	132,000,000	+1,000,000
Federal Law Enforcement Training Center:						
Salaries and Expenses	64,663,000	71,923,000	71,923,000	66,251,000	71,923,000	+7,260,000
Acquisition, Construction, Improvements, and Related Expenses	32,548,000	28,360,000	28,360,000	15,360,000	34,760,000	+2,212,000
Total, Federal Law Enforcement Training Center	97,211,000	100,283,000	100,283,000	81,611,000	106,683,000	+9,472,000
Interagency Law Enforcement:						
Interagency crime and drug enforcement	73,794,000	30,900,000	51,900,000		51,900,000	-21,894,000
Financial Management Service	207,790,000	202,510,000	198,510,000	196,490,000	196,490,000	-11,300,000
(Delay in obligation)				(-4,500,000)		
Debt collection improvement account		3,000,000		3,000,000		
Federal Financing Bank (debt liquidation)		(2,854,000,000)		(3,317,690,000)	(3,317,960,000)	(+3,317,960,000)
Bureau of Alcohol, Tobacco and Firearms:						
Salaries and Expenses	478,934,000	544,324,000	530,624,000	529,489,000	541,574,000	+62,640,000
Transfer from Automation Enhancement		(3,700,000)				
(Delay in obligation)			(-2,206,000)		(-2,206,000)	(-2,206,000)
Laboratory facilities and headquarters	55,022,000	32,000,000				-55,022,000
Total, Bureau of Alcohol, Tobacco and Firearms	533,956,000	576,324,000	530,624,000	529,489,000	541,574,000	+7,618,000
United States Customs Service:						
Salaries and Expenses	1,522,165,000	1,638,065,000	1,638,065,000	1,630,273,000	1,642,565,000	+120,400,000
(Delay in obligation)			(-7,000,000)	(-28,480,000)	(-9,500,000)	(-9,500,000)
Transfer from Automation Enhancement		(8,000,000)				
Rescission	-6,000,000					+6,000,000
Subtotal	1,516,165,000	1,638,065,000	1,638,065,000	1,630,273,000	1,642,565,000	+126,400,000
Operation, Maintenance and Procurement, Air and Marine Interdiction Programs	92,758,000	98,488,000	100,688,000	113,488,000	113,688,000	+20,930,000
(Delay in obligation)				(-20,100,000)		
Rescission	-4,470,000					+4,470,000
Subtotal	88,288,000	98,488,000	100,688,000	113,488,000	113,688,000	+25,400,000
Customs Services at Small Airports (to be derived from fees collected)	2,406,000	2,000,000	2,000,000	2,000,000	2,000,000	-406,000
Harbor Maintenance Fee Collection	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	
Total, United States Customs Service	1,609,859,000	1,741,553,000	1,743,753,000	1,748,761,000	1,761,253,000	+151,394,000
Bureau of the Public Debt	169,426,000	173,100,000	172,100,000	172,100,000	172,100,000	+2,674,000
Internal Revenue Service:						
Processing, Assistance, and Management	2,925,874,000	3,162,430,000	3,025,013,000	3,077,353,000	3,086,208,000	+160,334,000
(Delay in obligation)				(-105,000,000)	(-130,000,000)	(-130,000,000)
Tax Law Enforcement	3,142,822,000	3,169,539,000	3,164,189,000	3,164,399,000	3,164,189,000	+21,367,000
(Delay in obligation)				(-175,000,000)		
Rescission	-32,000,000					+32,000,000
Subtotal	3,110,822,000	3,169,539,000	3,164,189,000	3,164,399,000	3,164,189,000	+53,367,000
Earned Income Tax Credit Compliance Initiative	138,000,000	143,000,000	143,000,000	143,000,000	143,000,000	+5,000,000
Information Systems	1,272,487,000	1,540,884,000	1,224,032,000	1,329,486,000	1,265,456,000	-7,031,000
(Delay in obligation)				(-68,700,000)		

H.R. 4104 - TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS BILL, 1999 — continued

	FY 1998 Enacted	FY 1999 Estimate	House	Senate	Conference	Conference compared with enacted
Information technology investments	325,000,000	323,000,000	210,000,000	137,569,000	211,000,000	-114,000,000
(Delay in obligation)				(-137,569,000)	(-211,000,000)	(-211,000,000)
Rescission	-30,330,000					+30,330,000
Subtotal	294,670,000	323,000,000	210,000,000	137,569,000	211,000,000	-83,670,000
Net total, Internal Revenue Service	7,741,853,000	8,338,853,000	7,766,234,000	7,851,807,000	7,869,853,000	+128,000,000
United States Secret Service:						
Salaries and Expenses	564,348,000	594,657,000	594,657,000	584,902,000	600,302,000	+35,954,000
(Delay in obligation)				(-13,860,000)	(-5,000,000)	(-5,000,000)
Acquisition, Construction, Improvement, & Related Expenses	8,799,000	6,445,000	6,445,000	8,068,000	8,068,000	-731,000
Total, United States Secret Service	573,147,000	601,102,000	601,102,000	592,970,000	608,370,000	+35,223,000
Payment for the joint financial management improvement program		3,000,000				
Net total, title I, Department of the Treasury	11,378,484,000	12,143,927,000	11,533,513,000	11,539,237,000	11,673,742,000	+295,258,000
(Debt liquidation)		(2,854,000,000)		(3,317,690,000)	(3,317,960,000)	(+3,317,960,000)
TITLE II - POSTAL SERVICE						
Payments to the Postal Service						
Payments to the Postal Service Fund	86,274,000	100,195,000	71,195,000	71,195,000	71,195,000	-15,079,000
(Delay in obligation)				(-71,195,000)	(-71,195,000)	(-71,195,000)
TITLE III - EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT						
Compensation of the President and the White House Office:						
Compensation of the President	250,000	250,000	250,000	250,000	250,000	
Salaries and Expenses	51,199,000	52,344,000	52,344,000	52,344,000	52,344,000	+1,145,000
Executive Residence at the White House:						
Operating Expenses	8,045,000	8,691,000	8,061,000	8,691,000	8,691,000	+646,000
White House Repair and Restoration	200,000					-200,000
Special Assistance to the President and the Official Residence of the Vice President:						
Salaries and Expenses	3,378,000	3,512,000	3,512,000	3,512,000	3,512,000	+134,000
Operating expenses	334,000	334,000	334,000	334,000	334,000	
Council of Economic Advisers	3,542,000	3,666,000	3,666,000	3,666,000	3,666,000	+124,000
Office of Policy Development	3,983,000	4,032,000	4,032,000	4,032,000	4,032,000	+49,000
National Security Council	6,648,000	6,806,000	6,806,000	6,806,000	6,806,000	+158,000
Office of Administration	28,883,000	40,550,000	28,350,000	29,140,000	28,350,000	-533,000
Office of Management and Budget	57,440,000	60,617,000	59,017,000	60,617,000	60,617,000	+3,177,000
Office of National Drug Control Policy	35,016,000	36,442,000	36,442,000	48,042,000	48,042,000	+13,026,000
Unanticipated Needs		1,000,000			1,000,000	+1,000,000
Federal Drug Control Programs: High Intensity Drug Trafficking Areas Program	159,007,000	162,007,000	162,007,000	183,977,000	182,477,000	+23,470,000
Special forfeiture fund	211,000,000	251,000,000	215,000,000	200,000,000	214,500,000	+3,500,000
Information technology systems and related expenses (contingent emergency)				3,250,000,000		
Total, title III, Executive Office of the President and Funds Appropriated to the President	568,925,000	631,251,000	579,821,000	601,411,000	614,621,000	+45,696,000
Emergency funding				3,250,000,000		
TITLE IV - INDEPENDENT AGENCIES						
Committee for Purchase from People Who Are Blind or Severely Disabled	1,940,000	2,464,000	2,464,000	2,464,000	2,464,000	+524,000
Federal Election Commission	31,650,000	36,504,000	36,500,000	36,500,000	36,500,000	+4,850,000
Federal Labor Relations Authority	22,039,000	22,586,000	22,586,000	22,586,000	22,586,000	+547,000
General Services Administration:						
Federal Buildings Fund:						
Appropriation			479,300,000	508,752,000	450,018,000	+450,018,000
Limitations on availability of revenue:						
Construction and acquisition of facilities		(44,005,000)	(527,100,000)	(538,652,000)	(492,190,000)	(+492,190,000)
Repairs and alterations	(300,000,000)	(668,031,000)	(655,031,000)	(668,031,000)	(668,031,000)	(+368,031,000)
(Delay in obligation)			(-19,000,000)	(-323,800,000)	(-161,500,000)	(-161,500,000)
Installment acquisition payments	(142,542,000)	(215,764,000)	(215,764,000)	(215,764,000)	(215,764,000)	(+73,222,000)
Rental of space	(2,275,340,000)	(2,583,261,000)	(2,580,461,000)	(2,583,261,000)	(2,583,261,000)	(+307,921,000)
(Delay in obligation)				(-51,667,000)	(-15,000,000)	(-15,000,000)
Building Operations	(1,331,789,000)	(1,554,772,000)	(1,554,772,000)	(1,554,772,000)	(1,554,772,000)	(+222,983,000)
(Delay in obligation)			(-223,000,000)	(-31,095,000)	(-68,000,000)	(-68,000,000)
Repayment of Debt	(105,720,000)	(91,000,000)	(91,000,000)	(91,000,000)	(91,000,000)	(-14,720,000)
Previously appropriated activities	(680,543,000)					(-680,543,000)
Unspecified reduction to limitations				(-2,800,000)		
Total, Federal Buildings Fund			479,300,000	508,752,000	450,018,000	+450,018,000
(Limitations)	(4,835,934,000)	(5,156,833,000)	(5,624,128,000)	(5,648,680,000)	(5,605,018,000)	(+769,084,000)

H.R. 4104 - TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS BILL, 1999 — continued

	FY 1998 Enacted	FY 1999 Estimate	House	Senate	Conference	Conference compared with enacted
Policy and Operations	107,487,000	106,494,000	108,494,000	106,494,000	109,594,000	+2,107,000
Office of Inspector General	33,870,000	32,000,000	32,000,000	32,000,000	32,000,000	-1,870,000
Allowances and Office Staff for Former Presidents	2,208,000	2,241,000	2,241,000	2,241,000	2,241,000	+33,000
Total, General Services Administration	143,565,000	140,735,000	622,035,000	649,487,000	593,853,000	+450,288,000
John F. Kennedy Assassination Record Review Board	1,600,000					-1,600,000
Merit Systems Protection Board:						
Salaries and Expenses	25,290,000	25,805,000	25,805,000	25,805,000	25,805,000	+515,000
(Limitation on administrative expenses)	(2,430,000)	(2,430,000)	(2,430,000)	(2,430,000)	(2,430,000)	
Morris K. Udall scholarship and excellence in national environmental policy foundation	1,750,000	2,000,000				-1,750,000
Environmental Dispute Resolution Fund		4,250,000	4,250,000		4,250,000	+4,250,000
National Archives and Records Administration:						
Operating expenses	205,166,500	230,025,000	216,753,000	221,030,000	224,614,000	+19,447,500
(Delay in obligation)				(-4,277,000)	(-7,861,000)	(-7,861,000)
Reduction of debt	-4,012,000	-4,012,000	-4,012,000	-4,012,000	-4,012,000	
Repairs and Restoration	14,650,000	10,450,000	10,450,000	11,325,000	11,325,000	-3,325,000
(Delay in obligation)				(-2,000,000)		
National Historical Publications and Records Commission:						
Grants program	5,500,000	6,000,000	6,000,000	11,000,000	10,000,000	+4,500,000
(Delay in obligation)				(-5,500,000)	(-4,000,000)	(-4,000,000)
Total, National Archives and Records Administration	221,304,500	242,463,000	229,191,000	239,343,000	241,927,000	+20,622,500
Office of Government Ethics	8,265,000	8,492,000	8,492,000	8,492,000	8,492,000	+227,000
Office of Personnel Management:						
Salaries and Expenses	85,350,000	85,350,000	85,350,000	85,350,000	85,350,000	
(Limitation on administrative expenses)	(91,236,000)	(91,236,000)	(91,236,000)	(91,236,000)	(91,236,000)	
Office of Inspector General	960,000	960,000	960,000	960,000	960,000	
(Limitation on administrative expenses)	(8,645,000)	(9,145,000)	(9,145,000)	(9,145,000)	(9,145,000)	(+500,000)
Government Payment for Annuitants, Employees Health Benefits	4,338,000,000	4,632,000,000	4,632,000,000	4,632,000,000	4,632,000,000	+294,000,000
Government Payment for Annuitants, Employee Life Insurance	32,000,000	35,000,000	35,000,000	35,000,000	35,000,000	+3,000,000
Payment to Civil Service Retirement and Disability Fund	8,336,000,000	8,682,297,000	8,682,297,000	8,682,297,000	8,682,297,000	+346,297,000
Total, Office of Personnel Management	12,792,310,000	13,435,607,000	13,435,607,000	13,435,607,000	13,435,607,000	+643,297,000
Office of Special Counsel	8,450,000	8,720,000	8,720,000	8,720,000	8,720,000	+270,000
United States Tax Court	33,921,000	34,490,000	34,490,000	32,765,000	32,765,000	-1,156,000
Total, title IV, Independent Agencies	13,292,084,500	13,964,116,000	14,430,140,000	14,461,769,000	14,412,969,000	+1,120,884,500
(Limitation on administrative expenses)	(4,938,245,000)	(5,259,644,000)	(5,726,939,000)	(5,751,491,000)	(5,707,829,000)	(+769,584,000)
Net grand total	25,325,767,500	26,839,489,000	26,614,669,000	29,923,612,000	26,772,527,000	+1,446,759,500
Appropriations	(25,398,567,500)	(26,839,489,000)	(26,614,669,000)	(26,673,612,000)	(26,772,527,000)	(+1,373,959,500)
Rescissions	(-72,800,000)					(+72,800,000)
Emergency funding				(3,250,000,000)		
(Debt liquidation)		(2,854,000,000)		(3,317,690,000)	(3,317,960,000)	(+3,317,960,000)
(Limitations)	(4,938,245,000)	(5,259,644,000)	(5,726,939,000)	(5,751,491,000)	(5,707,829,000)	(+769,584,000)
Scorekeeping adjustments:						
Bureau of The Public Debt (Permanent)	144,000,000	138,000,000	138,000,000	138,000,000	138,000,000	-6,000,000
Federal Reserve Bank reimbursement fund		126,000,000	126,000,000	126,000,000	126,000,000	+126,000,000
Federal Savings & Loan Insurance Corp. (sec. 638)	34,000,000					-34,000,000
Trust fund budget authority	102,311,000	102,000,000	102,000,000	102,000,000	102,000,000	-311,000
US Mint revolving fund	30,000,000	15,000,000	15,000,000	15,000,000	15,000,000	-15,000,000
Sallie Mae	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	
Federal buildings fund	-50,000,000	-28,000,000	-40,000,000	-45,000,000	-30,000,000	+20,000,000
Postal service advance appropriation				-71,195,000	-71,195,000	-71,195,000
Retirement open season (sec. 642)	-2,000,000					+2,000,000
General provision (sec. 408)				5,000,000	5,000,000	+5,000,000
Security of the Capitol Complex (sec. 411)				14,105,000		
Strategic petroleum reserve (sec. 655) (emergency)				420,000,000		
Ethics Reform Act adjustment			-2,000,000	-2,000,000	-2,000,000	-2,000,000
Contingent emergencies				-3,670,000,000		
Total, scorekeeping adjustments	259,311,000	354,000,000	340,000,000	-2,967,090,000	283,805,000	+24,494,000
Total mandatory and discretionary	25,585,078,500	27,193,489,000	26,954,669,000	26,956,522,000	27,056,332,000	+1,471,253,500
Mandatory	12,850,250,000	13,613,547,000	13,613,547,000	13,613,547,000	13,613,547,000	+763,297,000
Discretionary:						
Crime trust fund	131,000,000	132,172,000	132,000,000	132,000,000	132,000,000	+1,000,000
General purposes	12,603,828,500	13,447,770,000	13,209,122,000	13,210,975,000	13,310,785,000	+706,956,500
Total, Discretionary	12,734,828,500	13,579,942,000	13,341,122,000	13,342,975,000	13,442,785,000	+707,956,500

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

Mr. HOYER. Mr. Speaker, I yield myself 6 minutes.

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

Mr. HOYER. Mr. Speaker, I want to rise and speak on behalf of this bill and say that I am probably going to vote to recommit it. But I will reiterate one more time, this bill is 99.9 percent pure and good. The gentleman from Arizona (Mr. KOLBE) has done an outstanding job. This bill does in fact provide for the needs of the agencies that are within it, it provides funds sufficient for them to carry out their duties in an appropriate way, and it has not included provisions which would undermine their effectiveness. For that I think we owe the chairman of this committee a great deal of thanks because of his conscientious handling of this bill.

Unfortunately as the chairman indicates and as we indicated in the debate on the rule, this bill has gotten caught up in four, what could be called extraneous issues. I would suggest, however, that one of them is not really extraneous to the extent that its provision in the bill is an appropriation matter in that it says none of the funds in this bill shall be spent to purchase policies which do not have full coverage for contraception. To that extent, that is an appropriation provision. The other three provisions essentially are legislation on an appropriation bill. The gentlewoman from New York (Mrs. LOWEY) was able to offer it because it was in order under the rules. And when she offered it, it passed.

I want to go back to that subject, but I want to thank the chairman for his work on this bill. I want to also join him in thanking the chief clerk of the committee Michelle Mrdeza, also Bob Schmidt, Jeff Ashford, Tammy Hughes, and Frank Larkin. I particularly want to join the chairman in his justifiable pride and appreciation at the work that Jason Isaac has done. I always want to make the observation that the public far too often sees us fighting and confronting one another as if we did not try to work constructively together. I want to say that the chairman, joined by Jason Isaac, has been a very positive interlocutor in trying to come to grips with the important issues confronting this bill. Jason, I want to on behalf of not only myself but all the Democrats on the committee, our Democratic staff, thank you for the extraordinarily able contribution you have made to the consideration of this bill over the past few years. It has been a joy to work with you. We respect your ability and your integrity. We wish you the best of luck.

Mr. Speaker, this bill, and I am not going to make all my comments because I will adopt the chairman's comment and include my statement for the RECORD. But in particular this bill provides appropriate resources for the IRS. Why is that important? When we did IRS reform, I made the point that if you were not for IRS reform at budget time and at tax-writing time, all the reform legislation you passed was going to be meaningless. You need to give the IRS the resources to serve the public in a customer-friendly way. You also need good management. I want to congratulate again Secretary Rubin and Larry Summers, the Deputy Secretary, for bringing in a manager, Charles Rossotti. His predecessors have been outstanding people. For the most part they have been tax lawyers. Obviously that was an important skill to have, but really what IRS needed was management skill. Secretary Rubin brought in a manager with Mr. Rossotti from the private sector, an 8,000 person firm, an expert in the field of information management. He is doing an outstanding job. That is the good news.

The second piece of good news is that the gentleman from Arizona and our committee has provided him the resources to make sure that reform in fact occurs. I want to thank the chairman again for that. The bill does fund as well law enforcement. Forty percent of Federal law enforcement is in this bill, whether on the borders, in our cities, in our schools, training kids how to stay out of gangs. This bill is a critical component of fighting crime in America in every community in America. The gentleman from Arizona is committed to that effort. He and I have the privilege of working together with our law enforcement officials in the Treasury Department to make sure they are as effective as we could possibly make them to keep our schools and communities and States and Nation as free of crime as we possibly can; as well to interdict drugs which are eating at the fabric of our society. This bill funds that effort. I congratulate him for it.

Mr. Speaker, before my time concludes, I will include the rest of my remarks in the RECORD, talking about the programs that this bill does well by. Mr. Speaker, we will be discussing what this bill, however, deleted.

When this bill went to conference, there were a number of provisions, four in number, that became contentious. One, the provision about the FEC which the gentleman from Louisiana (Mr. LIVINGSTON) has been a very strong supporter and proponent of, was obviously very controversial and a confrontation between the two parties where one party was all against it and for the most part the other party was for it. I suggested that that provision be dropped because we could not get agreement on that provision, and I am pleased that it has been dropped. The other three provisions, however, were different, Mr. Speaker, and they were different because they had and still to this time, I believe, enjoy bipartisan support.

□ 1845

Not only do they enjoy bipartisan support in the House, but also in the Senate, and that bipartisan support also reflected itself in the conference. It is unfortunate that they were dropped. I will have more to say about them in a few minutes.

But again, this is a good bill once we resolve these four items. I hope it moves forward.

Almost half of the $13.4 billion in discretionary budget authority in this bill is targeted at law enforcement and anti-drug efforts.

Roughly $450 million in provided to the drug czar for a variety of drug-fighting efforts, including $182 million for the very successful high-intensity drug trafficking areas [HIDTAS], and $185 million for the ONDCP's national media campaign.

We provided IRS commissioner Rossoitti with funding that will enable him to continue with the reform and restructuring efforts. IRS is funded at $7.9 billion, $469 million less than the President's request—most of which is attributable to the IRS' Y2K needs, which should be funded in the supplemental being planned by the leadership.

Secretary Rubin and Deputy Secretary Summers should be given credit for rescuing the failing tax modernization program. They provided the needed oversight to allow IRS to make the dramatic improvement in their computer systems area.

This bill also funds many smaller agencies, including the National Archives, OPM, GSA, the FEC, and the Executive Office of the President, including the White House Office, and executive residence.

I am pleased that the chairman and I were able to reach an agreement to modify the fence on $630,000 for spending on overtime expenses at the executive residence. I wish the fence were not there, however, the language will allow the White House to provide the General Accounting Office with its comments and once the GAO notifies the committees of its receipt of the White House comments, the fence is eliminated. I was informed today that GAD has given its report to the White House, and this well be finished soon.

For GSA, I am very pleased that we are able to include over $500 million for needed courthouse construction projects. Chairman Kolbe and I agreed that the courthouses needing funding were the only ones that would be funded in this bill. The courthouses included in this bill is identical to the list of construction projects recommended by the judicial conference as the top priority needs of the courts.

In addition, I am disappointed that this bill does not include much needed funding for the Y2K problems facing the Federal Government.

When this bill came out of the full committee, and funding for Y2K was stripped, I was assured that the leadership understood the urgency of the problem and understood that funding had to be provided.

However, as of October, days after the beginning of the new fiscal year in the 3 months since the funding was stripped from this bill, we still have not dealt with this issue.

I had very much hoped that the bill would contain the contraceptive equity language that passed the House and Senate.

Since it does not, I am offering a motion to recommit this conference report with an instruction to include the House-passed contraceptive language.

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

Mr. KOLBE. Mr. Speaker, I yield 3 minutes to the very distinguished gentleman from Louisiana (Mr. LIVINGSTON), Chairman of the Committee on Appropriations.

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

Mr. LIVINGSTON. Mr. Speaker, I thank my friend, the very distinguished chairman of the Subcommittee on Treasury, Postal Service, and General Government for yielding this time to me, and I want to congratulate him and the staff and all the Members on both sides for doing such a great job with what I think is a fine bill and a bill which I hope will go to the other body, get passed, be sent down to the President and be signed because there is a lot that is good about this bill. In fact, I appreciate the comments by the gentleman from Maryland (Mr. HOYER) talking about what is good about this bill. It is a good bill.

And I was a little bit taken aback. Yes, there are four provisions which were irritants to many Members. I really appreciate the position of the gentleman when he said that whether it was one of the four that he was against, let us throw that one out and let us keep the other three. Well, that is a neat bargaining position, but that is not going to cut it because there are a lot of people in the House who are opposed to the other three, for one reason or the other, and they were not unanimous. Each of the four had its opposition, each of the four had its segment of people who were vigorously opposed to it, and together they came to the floor last Thursday night and cast their vote against the rule which prevented us from proceeding as we are proceeding tonight.

It was a simple decision, was not political, was not a vendetta, was not intended to single any one group out. If there were four irritants on a very good bill, let us take out the irritants, and pass the very good bill and go on about our business.

We have got three days, three legislative days between now and the end of the 105th Congress. It seems to me that if my colleagues did not get their provision kept in, but they are mad because the others that they liked were not also kept in, that they need to understand what a compromise means.

I simply say that it just makes common sense, take all four out, pass the bill, send it to the Senate, let us go on about our business.

This is a good bill. All of the Members have worked hard. We have had difficulty with the process, but we have not had difficulty with 99 percent of the substance of this bill. Let us stop talking about process, let us stop taking political advantage.

Yes, I have one of these provisions that I strenuously am in favor of. I lost. I lost my position on the FEC. I think that is a terrible mistake, but I am willing to concede it, and I would think my colleagues would be willing to concede it, and that is why I cannot understand why they would support a motion to recommit, rehash the process and undo this very fine bill which the gentleman himself concedes is great legislation.

If it is great legislation, let us stop playing politics, let us move the bill to the other body, and let us get the President to sign it.

Mr. HOYER. Mr. Speaker, I yield 3 minutes to the distinguished gentlewoman from Florida (Mrs. MEEK), a member of the subcommittee.

Mrs. MEEK of Florida. Mr. Speaker, this bill needs to be defeated. It is amazing to me how we can make relative comparisons in this bill. My Chairman, a man I have a lot of respect for, enumerated a lot of things that are in this bill that are good. They are good. But most of the things the Chairman enumerated were things that deal in things or buildings or objects like IRS, Customs, and many other things that he enumerated. But one thing that he left out: he did not deal with human lives and how this bill is going to negatively impact 40,000 Haitians that are in this country.

Why are they in this country? Not because they have the freedom to come here. They left fleeing a government which was unfair to them, a terrorist government, a government that caused them to go hungry, a government that caused them to give up their lives with their bodies washed ashore all along the Atlantic. These are the things this Congress has failed to look at.

Mr. Speaker, I have tried for 4 years to get some relief in this Congress for the Haitians. Certainly in the House we have consistently ignored these people, consistently we have. We were able to the last time to admit the Nicaraguans and 5000 more Cubans. The Cubans already had an opening in this country. We always support people who need help in this Congress.

I went along with the gentlewoman from Florida (Ms. ROS-LEHTINEN) and the gentleman from Florida (Mr. DIAZ-BALART) to help get the Nicaraguans and the Cubans in this country. Then they went along with me with the Haitians. And I want to say, Mr. Speaker, in this rider, it is not caused by all the people on the other side. We know who they are, and they know who they are. The good people on the other side have been swayed by a right-wing extremist group which for some reason cannot stand the idea of Haitians coming into this country and receiving green cards. Yet they can allow 150,000 of a people in this country who did not face similar kinds of terrorist actions as the Haitians.

I cannot understand it, Mr. Speaker. I wish I had the answer as to why this disparity is being made here in this House. The Senate did what they thought was a humane thing to do. They voted to allow them to come in, this 40,000. They did not let everybody in. They thought about the children, they thought about the ones who came from Guantanamo, and they thought about the ones who had sought asylum in this country. There are many other Haitians in this country, over 100,000 others, but at least the Senate stepped forward and said we believe it is righteous, we believe in it.

This House has shown that it believes in disparate treatment for Haitians. That is why this bill should go down, Mr. Speaker.

Mr. KOLBE. Mr. Speaker, I yield myself 30 seconds.

Let me just say, Mr. Speaker, that the gentlewoman from Florida makes a very powerful argument for the assistance to the Haitian refugees. I believe that her argument is one that should be considered by this House. But, as she knows, there are people, people who have responsibility for the authorization of immigration legislation that have very strong views on the other side, and we just could not carry it in this bill. If it is as important as it is, and the administration agrees, and the Senate leadership agrees, and the House leadership agrees, it should be included in the omnibus bill.

Mr. Speaker, I yield 4 minutes to the gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Mr. Speaker, on July 16 I felt tremendous pride in this Congress when Republicans and Democrats came together and passed an important family planning provision that would have extended contraceptive coverage to more than a million women enrolled in Federal health plans. The debate was heated, but it was honest and driven by the merits of the issue. Now, three months later, that same provision is no longer in this bill. No one is more disappointed than I.

I am particularly disappointed by the fact that it was the victim of an incredible partisanship. The Democrats simply decided contraceptive coverage was expendable, and I rarely make this kind of claim, but honestly that is the truth. It was expendable, it was less important than a provision that will have no effect for 4 years.

The Haitian solution was less important than the FEC problem that can be fixed in the next 4 years. The child care improvements were less important than the FEC provisions that will not have effect for 4 years. We should have been able to pass that bill on the floor that had those provisions in it. If my colleagues did not like the FEC provisions, and I know they did not and we know there is a pressing need for FEC reform, then we would have had time to work together and address those issues. But since there was no willingness to recognize the three major provisions we agreed on, 3 of 4, there was no choice for people like me but to support the bill before us.

Mr. Speaker, my responsibility is to keep the government open. My responsibility is to fund the United States Treasury Department that I think does very important things for the people of

this Nation. I am proud that in this bill is $103 million to improve IRS customer service. This Congress, the House and Senate, spent 2 years thinking through reform of the IRS, changing the law, and I am proud that the committee of the gentleman from Arizona (Mr. KOLBE) and with the cooperation of the gentleman from Maryland (Mr. HOYER) have got the money in this bill so that we can do what we told the people we were going to do and improve customer service at the IRS. Twenty-seven million dollars for restructuring and taxpayer clinics so people can have some timely help in understanding what their responsibilities are and how to pay their taxes in an honorable way on time.

Also in this bill is $3.2 million. It is a small amount of money but so important to the National Center for Missing and Exploited Children. This is also a lot of money for drug interdiction and other drug prevention programs.

This is a good bill. The tragedy is that everybody agrees that the subcommittee did an excellent job on funding this function of government, and we have caused ourselves enormous problems by legislating on an appropriation bill.

We have caused ourselves increasingly serious problems over the years by legislating more and more provisions on appropriations bills. While we know this is illegal under our rules, this time we did have some very serious debates about some of those riders, and some of them included from the Senate side, like the Haitian provisions, did solve very, very important problems for families who are stranded here in America. It just pains me that we were not big enough to move this bill through with those three provisions on it and come back next year to better address FEC problems. the D's could have gotten some solid agreement from us to come back and let us look on the FEC. Let us agree to make a real conscious effort to reform it. That was not done; I regret it. My responsibility was to fund the IRS and the other agencies funded in this bill, and I am proud to support it.

Mr. HOYER. Mr. Speaker, I yield myself 15 seconds.

Mr. Speaker, I tell the gentlewoman for whom I have a great deal of respect, the FEC provision is effective January 1, 1999. She firing Mr. Noble as of January 1, 1999, less than 90 days from today.

Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Speaker, I would simply say to the gentlewoman from Connecticut (Mrs. JOHNSON) that that speech simply will not wash. If you really believe that contraceptive coverage should be provided in this bill, there is only one way to get it: turn the bill down, and bring a bill back which contains it. The majority party was told by people on this side of the aisle that all they had to do to get 200 votes on our side of the aisle for the bill is to drop the amendment on the Federal Elections Commission that threatens to corrupt the entire election process. That is still the best way to cover or to get the contraceptive coverage that she says that she wants.

So they can give all the excuses they want about how it is necessary to fund the IRS. Nobody seriously believes the IRS is not going to be funded. It will be funded no matter what happens to this bill. Quit kidding people.

□ 1900

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

(Ms. WOOLSEY asked and was given permission to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Speaker, I rise in strong opposition to the Treasury-Postal Appropriations conference report because it strips out the contraceptive prescription coverage, strips out language that both the House and the other body passed, Mr. Speaker, language that was passed.

It seems like, in this Congress, the appropriations process immediately signals the beginning of hunting season on a woman's reproductive rights. Figure it out. Unwanted pregnancy and abortion rates drop when women have access to preventative reproductive health care, the health care they need.

I ask Members, look at your female staff, those women who work so hard to serve your districts. Look at them and tell them that you do not care about their reproductive health and their choices. Then look at the millions of Federal employees who, day in and day out, serve the people of this country. Go ahead. Tell them that you want to deny them the rights made accessible to other women but not to them.

Voluntary family planning services give our women and their families new choices and new hope. These services increase child survival and save motherhood. Prohibiting Federal workers from using their health care coverage for prescription contraceptive coverage discriminates against women, women that work for the Federal Government. This is a disgrace. Government workers should not be treated so poorly.

The democratic process deserves more respect. The appropriations process should not signal to women in this Nation that their rights are at risk. Vote against this conference.

Mr. KOLBE. Mr. Speaker, I yield 30 seconds to the gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Mr. Speaker, I just want to make it clear that I do not consider it partisan to require that the chief counsel of the FEC have bipartisan support, that there be bipartisan confidence in his work.

Almost every board and commission requires a majority vote for anything, and certainly for hiring a major staffer. The only thing that goes into effect January 1 is the change that a majority has to support, has to have confidence in their chief of staff. I consider this a bipartisan improvement.

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

Mr. Speaker, I thank the gentlewoman for her comment; but in point of fact, we are all confident that there are not three votes to do anything for Mr. Noble on the Republican side; and, therefore, as of January 1, 1999, less than 90 days, he would be terminated by legislation. I think that is unprecedented.

Mrs. JOHNSON of Connecticut. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentlewoman from Connecticut.

Mrs. JOHNSON of Connecticut. Mr. Speaker, does the gentleman not think that is incredible? Does the gentleman think that is healthy? Does it give the gentleman any insight into why this organization has been so ineffective in the last couple of years?

Mr. HOYER. Mr. Speaker, reclaiming my time from the gentlewoman, I will tell the gentlewoman, no, I do not think it is incredible because Mr. Noble went after GOPAC, and he went after the Christian Coalition. I will tell the gentlewoman that it is our strong conviction on this side that is why this issue has been raised this year, I will tell my friend.

Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Mrs. CAPPS).

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

Mrs. CAPPS. Mr. Speaker, I rise in support of a motion to recommit with great disappointment that the Lowey provision was removed from the bill.

It is outrageous to me that we would prevent Federal employees from access to basic health care which includes contraceptive coverage as was stated. These are our colleagues who work in our offices. These are the women and the families they represent who work in Federal agencies across this country.

Before coming to Congress, I spent 20 years as a school nurse and led a program for pregnant teenagers and teenage mothers. Many of these young parents were married and wanted to stay in school.

This experience convinced me that access to contraceptives is such a key part of our goal to reduce unintended pregnancies and, in turn, reduce the number of abortions in this country.

When we provide women and people with access to contraceptives, we empower them to make their own critical decisions about their own lives and the lives of their families.

Contraception is first and foremost a health issue. Close to half of all the pregnancies in the United States are unintended. Unwanted pregnancies often carry the risk of poor prenatal care and the risk of unwanted and disadvantaged children.

Improved access to contraception is a simple cost-effective way to keep

women healthy, to protect their families, and ensure that the children who are brought into this world have the support they need to thrive. Federal employees should be allowed access to a basic part of health coverage and should not be treated as second-class citizens.

Again, I am sorely disappointed that this provision so vital for women's health was stripped by our leadership.

Mr. HOYER. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from Denver, Colorado (Ms. DEGETTE).

Ms. DEGETTE. Mr. Speaker, last time I checked, it was 1998. But, frankly, as far as I am concerned today, it might as well be 1918 when Margaret Sanger went to prison for smuggling diaphragms to women.

This is a very sad day for American women. A proposal to provide birth control, birth control, not abortion, a proposal which passed both the House and Senate has now fallen to the demands of the Christian Coalition and the radical right.

Denying access to contraception for Federal employees is just a small step in the systemic efforts by the radical right to eradicate, not just a woman's right to abortion, but a woman's right to birth control, to reproductive health.

First, it is denying insurance coverage for contraception, then it is outlawing FDA approval of contraception, then criminalizing grandparents for taking teens across State lines for abortion. On and on and on are attempts to both reverse Roe versus Wade and then remove a woman's right to reproductive choice.

I think that we need to tell the tens of thousands of Federal employees in this country and their families that this Congress will stop playing God and do what the American people have elected us to do. We have no business in America's bedrooms. We cannot force natural family planning, the method by which my parents had 5 children in 6½ years.

We have got to have sensible birth control which will reduce abortion in this country and will give American women a choice over when they have planned pregnancies.

I urge this body to vote ''yes'' on the motion to recommit, put this important language for our employees and all Federal employees back in the bill. At that point, it is an excellent bill, and we should all support it.

Mr. KOLBE. Mr. Speaker, I yield myself 15 seconds.

Mr. Speaker, I would just point out to the gentlewoman from Colorado (Ms. DEGETTE), if this was such an important provision, where was she Thursday night? She was not here to vote for it. She voted against it. She did not think it was important on Thursday when we had the bill up here.

Mr. Speaker, I would ask how much time remains on both sides.

The SPEAKER pro tempore (Mr. GUTKNECHT). The gentleman from Arizona (Mr. KOLBE) has 10 minutes remaining. The gentleman from Maryland (Mr. HOYER) has 13 minutes remaining.

Mr. HOYER. Mr. Speaker, I yield 4 minutes to the gentlewoman from New York (Mrs. LOWEY), who was the sponsor of the provision in question on contraception.

Mrs. LOWEY. Mr. Speaker, I thank the ranking member of the committee for yielding to me. I want to say again to our distinguished chairman, the gentleman from Arizona (Mr. KOLBE), and to the ranking member, the gentleman from Maryland (Mr. HOYER) that I feel very sad tonight that I cannot enthusiastically support this bill.

I know how hard the gentleman from Arizona (Mr. KOLBE) worked on the bill and the gentleman from Maryland (Mr. HOYER) worked on the bill. There are a lot of Federal workers out there who depend upon the provisions of this bill.

I have heard from my colleagues this evening that we had to just remove all of the controversial provisions in the bill because otherwise the bill could not get through. I just want to make it clear to my friends on both sides of the aisle that I strongly disagree with that point of view.

There is a big difference between disagreeing on a provision and taking a provision out of the bill that was voted on democratically, with a small ''d,'' by the majority of this House, by a voice vote in the Senate that was in the conference report.

There is a big difference between taking that provision out, having the leadership of this House making a decision to take that provision out, and to remove other provisions that many of us felt were clearly political and were not supported by both the House and Senate. So I wanted to make that point, number one.

Secondly, as a woman, sometimes you get an opportunity to do something that really helps the majority of women in this country. I want to urge my colleagues and alert my colleagues to a poll, and not that polls means anything in this House, but a poll that is being released tomorrow saying 78 percent of women in this country support contraceptive coverage.

I know my good friend the gentlewoman from Kentucky (Mrs. NORTHUP) has said that any woman can choose a plan that has a contraceptive. We know, and I have 2 daughters and daughters-in-law, that some contraceptives are good for some people; others are good for others.

In fact, I would like to say to my good friend, the gentlewoman from Kentucky, is it not sad that a woman in 1998 should have to choose a plan just because it has the kind of contraceptive that is best for her.

What we are saying is that there are five established methods of contraception. The plan should cover them if, in fact, they cover prescription drugs. That is what the American people want. That is what the women of America want. If some people feel one of those contraceptives is an abortifacient, it is your right. Just do not use it.

I do not agree with everything that is in every plan, but the Budget Office has made it very clear that covering this would be an incidental cost. It does not mean anything.

So I just want to say in closing, we try to operate in a small ''d'' democratic way in this House of Representatives in this Congress of the United States, and I am still proud to be a part of the Congress of the United States.

But I have to tell my colleagues, to find a way to take out a provision that was democratically voted in both the House and the Senate I think is an outrage. I think it is an insult to American women when 80 percent of the plans do not cover all forms of contraception that have been approved.

I have to tell my colleagues, all but one covers sterilization. We have just seen that it is okay for the military to include $50 million for Viagra. This is patently unfair.

I would hope that everybody would vote for the motion to recommit so we can correct the error and put this contraceptive provision back in. That is what the American people want. That is what American women want. I thank again my chair and my ranking member.

Mr. KOLBE. Mr. Speaker, I yield 1½ minutes to the gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Speaker, I thank my good friend for yielding to me.

Mr. Speaker, I urge a ''no'' vote on the motion to recommit. The language that would be offered, I believe by either the gentleman from Maryland (Mr. HOYER) or by the gentlewoman from New York (Mrs. LOWEY), would force most health care providers in the Federal Employees Health Benefits Program to provide chemicals and devices that result in early abortions.

What is largely unknown and largely misunderstood is the fact that some devices and some chemicals that advertise as contraceptives also have the effect of preventing implantation of a newly created human being.

For example, the copper IUD, when inserted up to 7 days after intercourse, after intercourse, acts in a way that does not prevent fertilization, but it acts in a way to prevent implantation. That is advertised as emergency contraception.

If a conscientious objector who is not basing his or her objection on religious beliefs or plan would like to not provide this, they would not have that opportunity because it is a mandate. That is what we are talking about.

All of these things are permissible under current administrative policy and current law. All of these things are permissible, including early abortions through these chemicals. What is not the case, they are not mandated.

This is all about a mandate saying to a plan, you either tow the line and offer copper IUDs 7 days after intercourse, or you lose your ability to be in this program; and that is where the mandate ought to be rejected. Keep it permissible, not mandatory. Vote ''no'' on the motion.

□ 1915

Mr. HOYER. Mr. Speaker, I yield 1 minute to the gentlewoman from New York (Mrs. LOWEY).

Mrs. LOWEY. Mr. Speaker, I just want to respond to my good friend from New Jersey (Mr. SMITH) and to my colleagues. I just want to make it very clear that there are 5 established methods of contraception that have been approved by the FDA, number 1.

Second, 78 percent of the American people believe that we should work hard to reduce unintended pregnancies, to reduce the number of abortions, and most people in this country, men and women, do believe that the way to do that is with family planning, is with contraception.

Now, we can debate on this floor when life begins, but remember, if a plan offers the 5 methods of established contraception, that does not mean everyone has to choose that. Everyone has the opportunity to make a decision based on their religious beliefs, and in fact, we have exempted the 5 religiously-based health plans so that they do not have to offer contraception. I think we have been very fair in drafting this provision. It was passed in a bipartisan way. Let us vote for the motion to recommit and support it.

Mr. KOLBE. Mr. Speaker, I yield 4 minutes to the gentlewoman from Kentucky (Mrs. NORTHUP).

Mrs. NORTHUP. Mr. Speaker, often when I go before groups at home they ask me what sort of training I had or what seemed to help me be a Member of Congress. I tell them that it was growing up in a family of 11 children, because when one grows up in a family of 11 children, one does not always get one's way.

In fact, it often seems like one never gets their way, and one learns that one gives up all the time. One gives up their choice on what television show to watch, one does not get to choose when one goes to the pool, where one goes, what one eats for breakfast. The fact is that when one is one of 11 children, one learns to compromise all the time to get to an end that is very important.

So in the conference committee we had very strong feelings. Most of us compromised. Three of the provisions that were controversial I agreed with. I do not believe that we should add more mandates on our Federal employees' health plans that will have the effect of driving up their costs. But I agree, because it was very important to a group on the Democratic side particularly, but on both sides, that we include that.

The fact is that in the end the minority party decided not to support the rule and not to support the conference committee because one thing was more important than anything, and that is that the general council have bipartisan support to stay in place.

So the rule went down. So now we are back with all of the controversial provisions stripped.

I understand that it is very important to the gentlewoman from New York (Mrs. LOWEY). She has dedicated day after day to this mandate on health insurance. So she is going to stand up and offer a rule to recommit, I understand, for her provision. It sort of ignores, to the gentlewoman from Florida (Mrs. MEEK) and to me, the fact that the Haitian provision was very important, and that in this recommit rule, what we are saying is what I want is more important than anything else, and so I am going to recommit the bill to get the one provision that trumps everything else.

That is the sort of lesson one learns when one is in a family of 11 that one cannot do.

To directly address this, I just want to say that not one Federal employee has contacted me asking me to mandate every form of birth control in every plan. They like what they have. They like their choices, and they have confidence that they can choose the plan that is best for them.

Now, if we want to go back to a state where we have to tell Federal employees, we know what is better, you may not want a higher priced plan, but we know what is better for you and we are going to mandate it. They will come back and tell us that CBO said there is no additional cost, and the truth is, there is no additional cost for the Federal Government.

First of all, CBO has now said that maybe they did not score it correctly. But let me point out that in some ways, Federal employees are like many employees of small businesses. The employer says, I am going to pay this much every month for your policy, and you are going to pay the balance. And so if right now they do not need contraceptive coverage, and maybe what they need is the most affordable plan, something that they can choose, and in fact, we know Federal employees are moving to cheaper plans, that tends to be their criteria, what we are saying is that we do not care that is your criteria, we know better.

Mr. Speaker, I have not had one Federal employee that wants me to change and mandate, add mandates.

So what we are doing is deciding here that maybe something we want them to have is not even something that they want. There are women in the private sector that would love to have options on their insurance, but they do not exist in the Federal system.

Mr. HOYER. Mr. Speaker, I yield 1 minute to the gentlewoman from New York (Mrs. LOWEY).

Mrs. LOWEY. Mr. Speaker, I would just like to quickly respond to my colleague from Kentucky.

Number one, the association that represents the Federal employees does support this provision. They are on record.

Second, my colleague accused me of being selfish. I strongly endorse the provision of the gentlewoman from Florida (Mrs. MEEK), and I would hope that it would be in the bill. The reason the contraceptive provision is the motion to recommit is that provision did pass the House and the Senate; it was in the conference, and so it really is quite undemocratic to take it out.

Last, I just want to say that I just have one brother. I have 3 children, and maybe I did not have to share everything with 11, but I have learned that democracy should work in this body, as a Member who has been here for 10 years, and I still think, in closing, it is outrageous that a provision that passed the Senate and the House and the conference should be taken out.

We could have a longer debate about what should and should not be in a health benefit plan, but this has been supported by the association that represents these employees.

Mr. HOYER. Mr. Speaker, I yield 1½ minutes to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Speaker, I thank the gentleman for yielding me this time and I thank him for his leadership on this issue and so many other important issues before this House.

I rise in opposition to this bill, because while it restores some of the necessary powers to the Federal Elections Commission, it takes power away from women. It discriminates against women by denying them access to the full range of contraception services.

We are wasting no time in handing out over $50 million worth of Viagra to service members through the Pentagon this year, but we are denying women access to contraception. It is discriminatory and it is wrong.

Some of my Republican colleagues have accused us of wanting things both ways. Well, they are absolutely right, because restoring power to the Federal Elections Commission as well as giving women proper access to contraception, these are the right things to do.

Mr. Speaker, as we all know, this language, the contraception language has already been approved by the majority in both Houses. It passed this House twice. We should play by the rules. It has been approved by the House, approved by the Senate, and we have a great deal of additional work we need to do. We should not be undoing what this Congress has already passed, and I urge a ''no'' vote against this conference report.

The SPEAKER pro tempore. The Chair would advise that the gentleman from Maryland (Mr. HOYER) has 5½ minutes remaining; the gentleman from Arizona (Mr. KOLBE) has 4½ minutes remaining.

Mr. HOYER. Mr. Speaker, I yield 1 minute to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, I thank the gentleman.

I rise today opposed to this report and opposed to the way the Republican leadership has run roughshod over the will of the majority of the House, the majority of the Senate, and the American people.

We have discussed this issue many times before. The full House voted twice, the Senate voted once in support of contraceptive coverage for Federal employees. This is basic health care for women, health care that will help to reduce the number of abortions.

But to satisfy their right wing, for political reasons, the Republican leadership is once again extending the arm of government into the doctor's office. They claim to know better than doctors. It has been said many times before, but let me say it once again. This provision will not require plans to cover any form of abortion, including RU486.

We all know that the law forbids Federal health plans from covering any form of abortion. What was intended here was to ensure that women have access to the health care that they need and that they deserve. It enables couples to reduce the need for abortion.

Mr. HOYER. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I rise to speak about the motion that we will make, because there will be no time for debate when the motion to recommit is made.

As has been referenced earlier in this debate, there will be a motion to recommit. I regret that the gentlewoman from Connecticut is not on the floor, because the motion to recommit will be limited to one single issue, and it will be an issue that has enjoyed the majority support of the Members of this House, including approximately 51 Republicans, as well as 178 Democrats. It is a measure that has been supported in a bipartisan fashion, that is overwhelmingly supported in this Nation, and that is to commit to providing for women the family planning options of their choice that they can use most effectively.

Mr. Speaker, I would hope that every Member who voted for the Lowey amendment and who voted in opposition to the Smith amendment to undercut the Lowey amendment would vote for the motion to recommit, which will recommit the bill to conference, with instructions to add back the provision that passed this House.

Now, I want to make it clear that that position was the position shared by the chairman; shared by the ranking member, myself; shared by the chairman of the Senate conference committee; shared by the ranking member of the conference committee; supported by the Senate in a 5-to-2 vote by their conference.

Mr. Speaker, this should not be a controversial issue. I do not mean by that that there are not people who feel strongly in opposition to the suggestion of the full array of contraceptives being available to women. I understand that opposition. But it is to say that there is a clear majority in both Houses for this provision. One cannot say that about any other of these provisions. It is the only provision that fills that bill.

Furthermore, let me perhaps put a caveat to that.

□ 1930

The FEC measure may enjoy the majority support in both Houses, but Republicans only, so there is not bipartisan support for that. We make a distinction on that basis. Yes, we felt strongly about it.

I would hope that Members of this House, realizing that this is a good bill that should pass, and will pass in some form within the next 72 hours, I believe, I hope, and I will work towards that objective, but it is also a bill that could and should carry this provision, supported by the overwhelming majority of the Congress, the Senate, the House, and the conference committee.

Why should it pass? Because it is an important provision, as the gentlewoman from New York (Mrs. LOWEY) and so many others have stated, to provide for full health services for women in America.

I would suggest to my friends that if the men of America felt as strongly about a provision, the chances of us dropping it would be zero. Let me repeat that. If the men of America felt as strongly about a provision, the chances of us dropping it would be zero.

I would hope that when we come to the floor, that we vote for the motion to recommit. I would then hope my chairman would take us into conference immediately, and because I know that the Senator from Colorado, the chairman of the Senate conference, and the ranking member, the gentleman from Wisconsin, support this provision, and I know the chairman supports this provision, and obviously I support this provision, that we report this bill back immediately, and I will agree to a unanimous consent request for a limited debate, 5 minutes a side, and that this bill would then pass.

I want to tell the chairman that I would strongly support the Haitian provision as well. I am not sure that will go. I have talked to the administration, and believe that will be a very significant issue in the omnibus bill. But I would hope that the motion to recommit would be approved by this House, and the will of this House would be carried out in this bill.

Mr. KOLBE. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I rise in opposition to the motion to recommit, and I urge my colleagues to vote against that, when we come to that vote. I urge them to vote for the passage of the conference report.

Let me say that I support very strongly providing contraceptive coverage for women. My record on these issues has been very clear since I have come to this body, and I have taken more than my fair amount of heat at home from some of my more conservative members of my party on this issue, but I strongly support it because I think it is the right thing to do. I favor expanding the coverage. I believe that women who work for the Federal Government should have more options than they do now.

But I want to make it clear that without this provision that passed the House of Representatives, a very controversial provision, and it was, if Members will recall, a very tough fight when we had it, but it passed the House of Representatives, by eliminating this we are not eliminating contraceptive coverage for any woman who works for the Federal Government.

We are not providing any denial of coverage. We are not putting any limitation on what kinds of contraceptive coverage any Federal health plan can provide. That is a determination that the health plan can make. That is a determination that any person who signs up can make, as to whether they want to be in that plan.

We are retaining the status quo. We are where we are with the law today. Those on this side of the aisle and the minority side of the aisle would argue that it is not enough. I would agree. I think we should have an expansion. I think there should be more coverage.

There are those over here who would want to ban any contraceptive coverage in a Federal health plan. We have neither position. Neither position has been able to work its will here. So we have a law today that allows coverage, but it does not mandate it. Eighty-four percent of the Federal plans do provide for some kind of coverage. Forty percent of them provide for all of the contraceptive coverage. There is virtually no woman working for the Federal Government that does not have access to a plan that has some kind of coverage.

So I would prefer the position that has been articulated by those over there, but we could not get it out. My colleagues on that side of the aisle would not support it last Thursday when we had this vote up. It was not important enough to them then. Tonight it is important to them, so they want us to defeat this and recommit this, but it was not important enough to them last week.

I have a responsibility, as the chairman of this subcommittee, and the gentleman from Maryland (Mr. HOYER) has been there himself, to get this bill to the floor, to get this conference report done, to make sure that 163,000 Federal employees that are supported by this bill continue to work if we somehow do not have an omnibus bill on Friday; that they will continue to work; that they will continue to do the work of collecting the taxes for the Federal government, of doing the work of the IRS of processing tax returns; that they will continue to do the work of Customs, of checking the borders, of interdicting drugs from coming into this country; that they will continue to

do the work of the Secret Service, that provides protection for the president and fights against counterfeiters; that they will continue to provide the money for the Drug-Free Communities Act, so that we will be able to continue the work of the drug war through the Media program; that we will continue to be able to do all of these programs.

But Mr. Speaker, if we recommit this bill tonight, it is dead. We do not have contraceptive coverage. We do not have the good things that the gentleman from Maryland (Mr. HOYER) spoke about earlier in this bill. There is no way we can get that out of the conference committee. My colleague knows that. We have gone over this. We have talked about it. We cannot get it out, so we simply cannot pass the legislation.

Mr. Speaker, I urge my colleagues in the strongest possible terms to reject the motion to recommit. Let us move forward with the bill that is a good bill for the agencies that it funds, a bill that does not have extraneous legislative provisions on it.

Defeat the motion to recommit, pass the conference report tonight, and keep the Treasury-Postal agencies in business.

Ms. MILLENDER-McDONALD. Mr. Speaker, I rise in strong opposition to the rule. The Lowey provision within the Treasury-Postal Appropriations bill was passed in both chambers of Congress—twice in the House—and was included in the final conference report. To strip this language now flies in the face of the legislative process.

The vast majority of Federal Employee Health Benefit (FEHB) plans do not cover the full range of prescription contraceptives which prevent unintended pregnancies and 10 percent of the FEHB plans do not even cover any of the five major contraceptives.

The Lowey provision in the Treasury-Postal Appropriations bill simply requires that FEHB plans cover prescription contraception, just as they cover other prescriptions. The FEHB program serves as a model for the nation's private health insurance plans. The FEHB program must cover these basic and essential prescription drugs that can decrease the need and likelihood of abortions in this country. We owe this not only to the millions of women who make more than half this population, but to their families who are trying to be responsible parents.

Eighty-one percent of FEHB plans do not even cover the five leading reversible methods of contraception. Due to various medical conditions, many women do not even have the option of using certain forms of contraception. Women deserve a full and fair choice when it comes to their personal health needs.

Currently, women of reproductive age spend 68% more in out-of-pocket health costs than men. We need to narrow the gender gap in insurance coverage—not widen the disparities between those who have and those who have not, and further expand the chasm that has hurt far too many women and families throughout the country already.

The Lowey provision is a critical, basic necessity that has a ''negligible'' cost according to the Congressional Budget Office. I urge my colleagues to recognize and respect the legislative process.

And we must vote ''no'' because the Republicans have also stripped the language providing Haitian refugees the chance to establish legal permanent residence in the United States. This Haitian language would enable an estimated 40,000 Haitians, including about 11,000 paroled into the United States after the military coup in 1991 by the Bush Administration, to adjust to permanent residence status. These Haitians deserve the asylum that has been provided to their Nicaraguan and Cuban counterparts.

Again, I urge my colleagues to vote ''no'' on this destructive and unjudicious rule.

Mr. CONYERS. Mr. Speaker, this conference report is a shocking disappointment for two reasons: First of all it unjustly strips away well-deserved rights from a small group of Haitians in the United States. The Senate bill included relief for 40,000 Haitians who had arrived in the United States by the end of 1995 by granting them the right to apply for legal permanent residency. These Haitians were paroled in upon the invitation of the attorney general. Due to bipartisan, bicameral support the House receded to the other body.

Now a small minority here in Congress wants to kill this issue. This is totally unacceptable.

Second of all, this conference report deletes the Lowey language which requires that Federal Employees Health Benefits (FEHB) plans cover prescription contraception, just as they cover other kinds of prescriptions. The Lowey Amendment was approved by the full Appropriations Committee, twice by the House, once by the Senate unanimously by voice vote, and was included in the conference report.

The problem is that the vast majority of FEHB plans fail to cover the full range of prescription contraceptives which prevent unintended pregnancy and reduce the need for abortion. In fact, 81% of FEHB plans do not cover all five leading reversible methods of contraception and 10% have no coverage of contraceptives at all. Women of reproductive age spend 68% more in out-of-pocket health costs than men and much of this is due to the cost of contraception—we need to narrow this gender gap in insurance coverage. The federal government needs to provide a model for private health plans by providing this very basic health benefit for women insured by FEHB plans.

I urge my colleagues to reject this conference report.

Mr. KOLBE. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

MOTION TO RECOMMIT OFFERED BY MR. HOYER

Mr. HOYER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore (Mr. GUTKNECHT). Is the gentleman opposed to the conference report?

Mr. HOYER. Mr. Speaker, in its present form I am.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. HOYER moves to recommit the conference report on the bill H.R. 4104 to the committee of conference with instructions to the managers on the part of the House to insist on section 624 of H.R. 4104 dealing with contraceptive prescription coverage under the Federal Employees Health Benefit Plan.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. HOYER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Without objection, further proceedings on this motion will be postponed.

There was no objection.

MULTICHANNEL VIDEO COMPETITION AND CONSUMER PROTECTION ACT OF 1998

Mr. TAUZIN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2921) to amend the Communications Act of 1934 to require the Federal Communications Commission to conduct an inquiry into the impediments to the development of competition in the market for multichannel video programming distribution, as amended.

The Clerk read as follows:

H.R. 2921

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 ''Multichannel Video Competition and Consumer Protection Act of 1998''.

SEC. 2. DIRECT-TO-HOME SATELLITE PIRACY PREVENTION.

Section 705(d)(6) of the Communications Act of 1934 (47 U.S.C. 605(d)(6)) is amended by inserting ''or direct-to-home satellite services (as defined in section 303(v))'' after ''satellite cable programming''.

SEC. 3. TEMPORARY STAY OF SATELLITE ROYALTY FEE INCREASE.

Notwithstanding any other provision of law, the Copyright Office shall not before December 31, 1999, implement, enforce, collect, or award copyright royalty fees pursuant to the decision of the Librarian of Congress on October 28, 1997, which established a royalty fee of $0.27 per subscriber per month for the retransmission of distant broadcast signals by satellite carriers, and no obligation or liability for copyright royalty fees shall accrue before December 31, 1999, pursuant to that decision. This section shall not affect implementing, enforcing, collecting, or awarding copyright royalty fees pursuant to the royalty fee structure affected by the decision, as it existed prior to October 28, 1997.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Louisiana (Mr. TAUZIN) and the gentleman from Massachusetts (Mr. MARKEY) each will control 20 minutes.

The Chair recognizes the gentleman from Louisiana (Mr. TAUZIN).

GENERAL LEAVE

Mr. TAUZIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on this legislation.

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

There was no objection.

Mr. TAUZIN. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, today I am delighted to bring to the floor for Members' consideration H.R. 2921, the Multichannel Video Competition and Consumer Protection Act of 1998. I want to commend the gentleman from Virginia (Chairman BLILEY) for his leadership in bringing this bill to the floor, and my good friend, the gentleman from Massachusetts (Mr. MARKEY), the ranking member, for his kind and gracious support and assistance.

I introduced the bill in November of last year to address the inequitable decision of the Copyright Arbitration Rate Panel to increase the copyright fees that are paid by the direct broadcast satellite providers. This decision has resulted in increased rates for every DBS dish consumer in America.

To date, the bill has garnered 157 cosponsors, representing Members from all parts of our Nation. The bill has substantially bipartisan support because it does the right thing, it protects consumers and promotes competition in the video marketplace.

H.R. 2921 delays the impact of copyright fees that are paid by satellite providers and ultimately by consumers for distant network signals and superstations.

The Librarian of Congress made a decision to raise the rates of satellite services to 27 cents per subscriber for superstation and distant network signals. This rate compares to the rate of 9.7 cents per subscriber for superstations, and 2.7 cents for network signals that cable operators pay.

In effect, the satellite carriers, and thus, their consumers, are currently paying almost 270 percent more than cable for superstations, and 900 percent more for network signals. This enormous disparity in the copyright fees paid for the exact same signals has resulted in major rate increases for consumers, and has hurt the direct broadcast satellite industry's ability to compete with cable.

The bill rolls back these copyright rates paid by the DBS service providers to the rate they were prior to the decision of the court or the Librarian of Congress' panel. This rollback will extend from the period beginning January 1, 1998, until December 31, 1999.

Why are we doing this? We have seen the rapid development of the home satellite industry. Today direct broadcast satellite providers are offering consumers hundreds of programming channels in various packages. In part, these DBS companies have helped to keep cable companies from raising their rates, encourage them to improve their services, and to upgrade their networks.

I do not have to tell Members how all three are seriously important to America's consumers. At a time when we need more, not less, competition in the video marketplace, we should not be burdening the DBS industry and its consumers with unnecessary and arbitrary additional costs.

According to the Bureau of Labor Statistics, cable rates have risen three times faster than the rate of inflation since the Telecommunications Act of 1996 was passed. As we approach March 31, 1999, next year, when pursuant to that act cable will be deregulated, it is becoming increasingly clear that Congress has to consider legislation to further promote competition for the cable industry.

I find it far preferable to promote true and meaningful competition for cable, and thus to let competitive marketplaces drive the prices down for consumers, than it is for us to constantly regulate. That is why it is so important to pass this bill. This bill declares a time out on the Librarian's decision until we can determine its impact on consumers and the video marketplace.

This is an appropriate and measured response to the CARP panel's decision, and I hope this Congress will move this bill, give us a chance to make sure that next year we have the opportunity to ensure that more competition is available, more choice is available to America's television consumers, so that in fact better prices, better terms, better services become the wave of the future, rather than increase prices in a situation where customers have no other choice but to choose one service provider.

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

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

Mr. Speaker, I rise in wholehearted support of this very important legislation, and I rise first to praise the chairman of our subcommittee, which my long observation of him has led to I think the conclusion, not only by me but by everyone who observes this whole area of telecommunications policy, that he is the leading satellite samurai warrior in Congress. He of all Members has led the battle to ensure that the satellite industry will be able to compete and to provide vigorous competition for the cable industry, the product and the pricing that revolutionizes the way in which we receive video in this country.

Now, I give him credit, but I know that the real inspiration is and always has been his father, who is the original satellite philosopher of Cajun country. He instilled a philosophy of competition into the gentleman from Louisiana which I deeply appreciated, and have been educated to appreciate, since we have about the same number of satellite dishes in my congressional district as we have hydroelectric dams. These are phenomenon that we have to have explained to us from Members in other parts of the country.

Now because of the gentleman from Louisiana, we have been able to introduce a revolution, a revolution not of 8-foot dishes that we need a zoning variance to put in our backyards.

□ 1945

Of course that is possible in Iowa or Louisiana, Oklahoma. But not in Boston. Not three-decker homes with 8-foot dishes hanging off the back. That is not going to work.

But the vision was of 18-inch dishes, dishes that could be put between the petunias out in the backyard, hanging off of the back of the three-decker. But to do that requires programming that is available, HBO, ESPN, and programming that is affordable.

Interestingly, and I am sure it comes as somewhat of a mystery to most Members of Congress and without question to most Americans, it is the Library of Congress that determines the price that people pay for this programming. Now, tell me who is going to get that answer on Jeopardy? I do not think so. I think we could put that question up almost every other week and continue to stump people.

So, because of the leadership of the gentleman from Louisiana, we bring legislation today that helps to make it possible for us to ensure that there is a pricing scheme that reflects the fair market.

Now, the Library of Congress says, ''We determine what the fair market price is.'' And, of course, the response that we make is how can they determine that? The cable marketplace is a monopoly. There is no fair market that exists in the cable universe as it exists today.

Now, we hope to reach the point in time where telephone companies and electric companies and multipoint distribution systems from other sources provide competition. But while we are waiting, we have to be very conscious of the fact that we are still devising the mechanism by which this marketplace is competitive.

The legislation which the gentleman from Louisiana (Mr. TAUZIN) and the gentleman from Virginia (Mr. BOUCHER), the distinguished member of both the Committee on Commerce and the Committee on the Judiciary, bringing the wisdom of both committees to this process, helped to construct out here on the floor, I think helps us, at least over the next year, to buy the time we need in order to get an honest and fair resolution of this issue.

It is my hope that in the course of this evening, listening to my colleagues who are so wise on these issues from the hollows of southern Virginia to the bayou country in Louisiana, that we can produce a bill tonight that helps to advance the cause of a truly competitive video marketplace.

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

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

Mr. Speaker, I thank the gentleman from Massachusetts (Mr. MARKEY). I have been called a lot of things, but John Belushi or not, but I appreciate

that reference. The fact of the matter, it was my friend from Massachusetts who was there by my side, shoulder to shoulder, battling for the rights of satellite consumers to have the right to programming in this Chamber in 1992 that gave birth to these small dishes. And he did so, as he said, when very few of his consumers relied on satellite reception of television. With so many in Virginia, where the gentleman from Virginia (Mr. BOUCHER), my good friend, lives, and those of us in bayou country, and in Colorado, the State of the gentleman that I am about to introduce, have to rely on satellite signals live.

It is really a credit to the gentleman from Massachusetts that he learned how important it was to folks in rural countries like ours to have satellite television reception. I want to tell my colleagues that he learned that by coming to my home in Chackbay with me where my mother fed him a Cajun meal. And I have often threatened, when he was not with me on a bill, to explain to him what he ate that night and coerce him to join me in an effort. But he has always been there by our side on this issue, and I want to commend him and particularly my friend, the gentleman from Virginia (Mr. BOUCHER), for his help.

Mr. Speaker, I yield 2 minutes to the gentleman from Colorado (Mr. DAN SCHAEFER), another great friend. But I also want to say, Mr. Speaker, how sadly our Committee on Commerce is going to miss not only his friendship, but his service to this country and his incredibly talented and gifted service to the Committee on Commerce. The gentleman from Colorado is not just a close personal friend of all of us on both sides of the aisle, but he has been a great Congressman for his State and country, and we will miss him dearly.

(Mr. DAN SCHAEFER of Colorado asked and was given permission to revise and extend his remarks.)

Mr. DAN SCHAEFER of Colorado. Mr. Speaker, I thank the gentleman from Louisiana (Mr. TAUZIN) for yielding me this time.

Mr. Speaker, I rise today in strong support of H.R. 2921. This is a situation where a lot of talk has been made about cable television rate increases. Last year, the Federal Communications Commission, the FCC, in a report to Congress found that noncable television programmers, i.e., wireless cable and DBS, continue to experience substantial rates of growth.

However, the FCC report found that noncable television programmers, particularly Direct Broadcast Satellite operators, face several obstacles as they compete for television viewers. One of the most substantial obstacles is the Copyright Office-mandated increase in the copyright royalty fees that multichannel video programming operators pay to retransmit broadcast network and superstation signals to their consumers.

In September of 1997, the Copyright Arbitration Rate Panel increased satellite broadcasters' rates, as has already been said, from 6 cents per subscriber per month for broadcast network signals and 14 cents per subscriber per month for superstation signals, to 27 cents per subscriber per month for retransmission of both signals. Meanwhile, the statutory prescribed rate for cable transmission remains at 2.7 cents per subscriber per month for network signals and 9.7 cents per subscriber per month for superstation signals.

Mr. Speaker, I cosponsored this particular piece of legislation and am a strong supporter of it because it will roll back the copyright fees paid by satellite broadcasters to its past level. This will give us time to enact other legislation that will promote competition for the consumers in this country in the multichannel video programming industry and give consumers greater choices.

I thank the gentleman from Louisiana for yielding and for this excellent piece of legislation that has been brought out of our committee.

Mr. MARKEY. Mr. Speaker, I yield 3½ minutes to the exceptionally distinguished gentleman from Virginia (Mr. BOUCHER).

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

Mr. BOUCHER. Mr. Speaker, I want to express appreciation to the gentleman from Massachusetts (Mr. MARKEY) for his leadership on this measure and for yielding this time to me. I also want to thank my friend, the gentleman from Louisiana (Mr. TAUZIN), the chairman of our Subcommittee on Telecommunications, Trade, and Consumer Protection, for his very fine work on this measure. He has contributed substantially to resolving a major problem, and I want to thank him very much for his efforts.

Mr. Speaker, I rise in strong support of this legislation which will remove a major hindrance that exists today to the arrival of viable competition in the multichannel video marketplace.

As Members of Congress, we are hearing complaints every day from our constituents about cable television rates, the high level of those rates at the present time, and the fact that cable television rates are going up faster than the price of most of the products and services in the American economy. In fact, in many communities, cable TV rates are even increasing faster than the price of health care services.

Many of us believe that while some measure of rate regulation may be necessary in the interim period in order to address those problems of rates, over the long-term the right answer, and the best approach to addressing the concerns of ever-increasing cable television rates, is to bring competition into that market and make sure that the consumers of multichannel video services have a choice and have viable alternatives. Many of us also see the satellite industry as being the most viable immediate competitor for the cable industry.

Unfortunately, the regulation that was issued last year by the Copyright Office in the Library of Congress places a major barrier in the way of the arrival of that competition because it imposes copyright fees for the delivery of material over satellites that are many times greater than the fees imposed upon cable systems for the delivery of exactly the same programming.

In fact, with regard to network signals, the fees will be nine times greater when imposed upon satellite deliverers of this programming than upon cable systems, and with regard to superstation signals, the difference is three times, three times more for the satellite carrier than for the cable company.

This discrepancy also disproportionately affects the rural consumers of satellite services because most of the satellite dishes are found in rural America today. And as a representative of a rural district, that fact has particular resonance with me.

The amount of this charge per year for every consumer of satellite services is about $20. That is the amount of the increase imposed by the Copyright Office, and so it is not an inconsiderable amount of money.

The legislation before us would impose a freeze on the imposition of these disproportionate and unwise fees until the end of 1999, and that gives us an opportunity here in the Congress to establish a mechanism that will assure that the same fee is imposed upon satellite systems and cable systems and other providers of multichannel video services so that we have fairness, we have balance, and through the copyright fees we do not favor one provider of these services over others.

It is a very wise approach. I commend the gentleman from Louisiana and the gentleman from Massachusetts for bringing the measure forward, and I urge its approval by the House.

Mr. TAUZIN. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina (Mr. BURR) from the Committee on Commerce, and a dear friend.

(Mr. BURR of North Carolina asked and was given permission to revise and extend his remarks.)

Mr. BURR of North Carolina. Mr. Speaker, I rise today in strong support of H.R. 2921. This legislation delays for 18 months CARP's decision to increase royalties paid by satellite carriers on retransmission of network broadcasts. During this period, we will have time to examine the impact that an increase will have on consumer rates and on competition.

While copyright holders certainly deserve compensation for the use of their signal, rate adjustments should not be used to create competitive disadvantages. By passing this bill, we will help ensure fairness for rural viewers who cannot receive over-the-air broadcast and live in areas not served by cable TV.

I would also like to take this opportunity to add that we could help all satellite subscribers by enacting legislation like my SALSA bill, which allows DBS providers to retransmit local TV stations to their local markets. This will provide a long-term solution to problems highlighted by recent court cases.

In closing, Mr. Speaker, let me urge my colleagues to vote for H.R. 2921, and to continue working on the other outstanding issues facing the satellite TV industry.

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

Mr. BURR of North Carolina. I yield to the gentleman from Louisiana.

Mr. TAUZIN. Mr. Speaker, I simply wanted to commend the gentleman's statement and to pledge to him my continued efforts to see to it that we do pass local-into-local legislation in the next Congress. That will give the satellite providers a chance to offer local signals in that satellite package. That, in essence, would give much more coverage and competition to rural consumers. I will assist in every way to make that happen.

Mr. BURR of North Carolina. Mr. Speaker, reclaiming my time, like this legislation, that would protect consumers, and I look forward to additionally protecting consumers with the gentleman from Louisiana.

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

Mr. Speaker, just, in conclusion, to compliment the gentleman from Louisiana (Mr. TAUZIN). This is a part of an overall strategy that we have to construct if we are, in fact, going to introduce real competition into the video marketplace.

□ 2000

The cable company remains largely a monopoly in 97 percent of our country. The telephone companies, after promising in the 1996 Telecommunications Act that they were going to, by the year 2000, provide a second wire, second video service in almost every community in America, have pulled back from that commitment. I think that in this satellite area, though, we have a real potential to provide an alternative, not just for rural, not just for the most suburban communities in America, but for urban America.

And I think that in exploring this whole question of whether or not a local television station, here in Washington Channel 4, 5, 7, 9, and 50, can be carried by a satellite and beamed right back into the homes in that viewing area holds the key to whether or not we are going to give consumers, cable consumers, disgruntled, unhappy cable consumers across this country, the ability to just disconnect their cable company and, instead, just subscribe to an 18-inch satellite dish service with the local broadcast stations as well.

I have introduced, with the leadership of the gentleman from Louisiana (Mr. TAUZIN) and the gentleman from Virginia (Mr. BOUCHER), legislation that we are hoping that we will be able to move in the future that will make that possible. Because I know it is very frustrating to cable consumers across the country to know that if they disconnect their cable and move to satellite today they lose their local broadcast stations. That is frustrating to them because they really do want to disconnect in millions of homes across the country. And working with the gentleman from Louisiana to create a way in which we can get those local stations up on satellite, and to deal with this white area issue, to deal with the issue of who can receive the distant signals, is something that I think is absolutely critical.

I am pledging my continued assistance to the gentleman from Louisiana. I have been his partner now for the past 17 or 18 years on this issue, and I have now become an urban Pioneer.

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

Mr. MARKEY. I yield to the gentleman from Louisiana.

Mr. TAUZIN. I think we could be called urban samurais.

Mr. MARKEY. Well, Mr. Speaker, reclaiming my time, I do not know what we would be called there, but I will work with the gentleman to make it possible.

Mr. TAUZIN. Mr. Speaker, if the gentleman will continue to yield, I just want my colleagues to know that the gentleman makes such an important statement. Competition to cable is not real until the local signals are part of the package.

We all know that the local television signals are the part of the television that is watched the most. They are the programs that people most desire in that package. And when they cannot get those local signals from the satellite distributor, they have to receive, instead, long-distance signals.

Now, the awful truth about what the librarian did was to say to satellite consumers that not only are they to be penalized by not having the local signals, but they are going to have to pay more than the cable subscriber for these long-distance signals, just to hit them one more time. That is so unfair.

Getting this straightened out in this bill is important, but my friend makes such a valid point. This is but one of the many pieces of the puzzle we have to solve in order to make sure that consumers in America have real choices in true packages that contain both the local signals and all the other wonderful cable programming that the cable industry rightfully takes great pride in having provided to America.

I pledge to my friend the same partnership we have enjoyed for many years to put all those pieces together.

Mr. MARKEY. Once again reclaiming my time, Mr. Speaker, I would say in conclusion that I am looking forward to working with the gentleman, as his urban and suburban samurai sidekick, in making it possible for us to bring this revolution to every American in our country.

Mr. Speaker, I yield back the balance of my time.

Mr. TAUZIN. Mr. Speaker, I yield 2½ minutes to the gentleman from Florida (Mr. STEARNS), another distinguished member of our subcommittee.

Mr. STEARNS. Mr. Speaker, I thank the distinguished chairman for yielding me this time.

I say to my colleagues that we are here, roughly at 8 o'clock at night, and there are not a lot of people on the House floor, but what we are doing this evening is extremely important, particularly for those Americans not just in the suburbs or in the urban areas, but also in rural parts of the United States, which I represent, who have satellites. And they are out there trying to get their picture and they do not realize that this CARP, this Copyright Arbitration Royalty Panel, increased the royalty charge to the satellite companies so tremendously, so egregiously, that it almost put them out of business. So the people in the rural part of the United States, particularly in central Florida, will be impacted tremendously.

It is fundamentally important that this bill that we are here talking about tonight go forward, and the gentleman from Louisiana (Mr. TAUZIN) is doing a whale of a job to make this point. Because what really we are talking about is government increasing the cost of services and eliminating competition. And if we did not have this bill tonight, and we did not put this 18-month moratorium on, then what would happen is the government would increase this and the share of satellite would go down.

In fact, I have here a graph that in 1997 the satellite industry had about 11 percent of the market and they were paying about 22 percent of the distribution fees. One year later, after CARP, this Copyright Arbitration Royalty Panel, increases the fees tremendously, the satellite share is now at 12 percent. Only increased 1 percent, yet their amount of distribution fees went up to 39 percent.

So I mean there is a clear example of government stepping in, increasing the cost, with the help and approval of the Librarian of Congress, as the gentleman mentioned, and so we are going to knock out all competition for satellite. Simply tripling the royalty fees is unfair. It was no gradual matter. It just came in in a whoosh, tripled these royalty fees, and, in the end, people in the rural part of the United States will not be able to afford satellites because the satellite companies will pass these charges on.

So Congress basically has to ensure that the satellite services have a financial foothold in order to make a lasting competitive challenge. Without this bill, without the efforts of the chairman we would not have that opportunity tonight.

We will return next year, as the gentleman from Massachusetts (Mr. MARKEY) mentioned, and pass legislation to allow the satellite customer to get local-to-local service so they can have their local channels beamed directly to their homes. But I am hoping tonight that we can move forward and that the Senate, by unanimous consent, will pass this tomorrow. There is no reason not to. There is no controversy involved here. We should get this passed so that the competition in the satellite industry will increase, and I again commend the chairman for his efforts.

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

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

Mr. TAUZIN. I yield to the gentleman from Massachusetts.

Mr. MARKEY. Mr. Speaker, I thank the gentleman very much for yielding to me.

In the course of the debate I did not properly mention the work that the gentleman from Michigan (Mr. JOHN DINGELL), on our side, and the work also done by the gentleman from Virginia (Mr. TOM BLILEY), on the majority side, to help to formulate this policy, because it has been long in the making. We still have much more work to do, but we could not have done it without their able work, as well as the work of our staffers. We have David Schooler and Andy Levin and Colin Crowell on my staff; and Justin Lilley and Whitney Fox, it is like an all-time all-star team on the gentleman's side, that have worked together to make these policies come to pass.

I just wanted to publicly recognize them for all the excellent work which they have done.

Mr. TAUZIN. Mr. Speaker, reclaiming my time, I thank the gentleman.

Let me indeed indicate that this is but one step. Our staff and our committee, our chairman and our ranking member, are indeed to be commended for taking us down the right path. We have much work to do. I want to pledge to my colleagues as we complete work on this bill that they will hear and see from the gentleman from Massachusetts (Mr. MARKEY) and I again as we approach the date of March next year when cable is set to be deregulated.

We will be presenting, hopefully, for this House to consider, various options on how to make sure competition is really available for the American consumer, who, in many parts of America, is given one choice when it comes to cable, take it or leave it. That is not a good American choice. In a good American marketplace it means various choices, good prices, better service. That is the kind of marketplace the Committee on Commerce is committed to developing for the television consumers of America, and we will not stop until that is done.

Mr. Speaker, would the Chair indicate how much time we have remaining?

The SPEAKER pro tempore (Mr. GUTKNECHT). The gentleman from Louisiana (Mr. TAUZIN) has 4 minutes remaining; the gentleman from Massachusetts (Mr. MARKEY) has yielded his time back.

Mr. TAUZIN. Mr. Speaker, I yield 2 minutes to the gentlewoman from New Mexico (Mrs. WILSON), who is a new member of our committee and doing a great job.

Mrs. WILSON. Mr. Speaker, I rise to support this bill. It is something of an irony that I do, since at my house we do not have cable, we do not have a satellite dish, and we barely have a television. But I like this bill because it seems to delay things until folks can sort out exactly what is fair and what is equitable in order to enhance competition, which is the American way.

I commend my colleague for bringing this forward and the chairman of the committee for bringing it forward to increase competition and to make sure that there is a level playing field for all of those who provide services to our homes.

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

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

Mr. TAUZIN. I yield to the gentleman from Massachusetts.

Mr. MARKEY. Mr. Speaker, when I was going down the litany of saints who helped to make the satellite policy possible, I did forget Hugh Halpern and I forgot to mention Mike O'Rielly. And I think in order for us to have a complete and definitive list of those who labored in the vineyards for this competition in the video marketplace, that they all be listed at this time, and I thank the gentleman for yielding.

Mr. TAUZIN. Reclaiming my time, Mr. Speaker, the gentleman is indeed gracious in remembering all those who helped us so diligently day and night to make this bill come true, and we deeply appreciate that.

Let me say in conclusion that this bill is but one step. I want to make a point that I think all Members of Congress should be aware of, and that is there is nothing in our policy that in any way denigrates from the great work that cable has done in bringing new programming, in bringing extensive and delightful varieties of programming to America. Indeed, we are very grateful for that.

We are simply saying in this policy that for those who decide to receive that programming on a satellite transmission rather than over a cable, or over the air, as in New Orleans, or in Atlanta in a terrestrial air distribution system, those consumers are entitled to equal treatment. We should not be putting copyright fees that are three times and nine times as high on a consumer simply because they choose to receive that wonderful programming one way or another.

Secondly, we are saying that, in the end, this Congress will be faced with the choice of either reregulating cable, because it does not have a competitor, or we will have successfully provided for Americans the chance to regulate that marketplace by themselves deciding which of the methods of transmission they prefer, whether satellite, terrestrial wireless, or cable, or several cable systems in their community. To me, I hope to all of us, the best solution is to give Americans those choices.

The gentleman from Massachusetts (Mr. MARKEY) and our chairman, the gentleman from Virginia (Mr. BLILEY), and our ranking member, the gentleman from Michigan (Mr. DINGELL), are all committed to making sure that in the end America decides the right way to have more choices and less regulation in this important marketplace.

Mr. DINGELL. Mr. Speaker, I rise in strong support of H.R. 2921.

It is important to note that the bill we are considering today is a short-term fix to a greater problem. The greater problem is how do we encourage more competition to cable television so consumers can get more choices and not be held capitive to ever-increasing rates? The answer to that question is not simple, and it is one the Commerce Committee continues to grapple with. What is clear, however, is that emerging alternatives to cable, like satellite television, should not be put at a competitive disadvantage to incumbent monopolies. That problem is one that we are attempting to fix, in part, today.

Both cable and satellite television operators are required to pay copyrights royalties fees for the right to carry distant broadcast signals at ''superstations.'' Last year, a ruling by the Librarian of Congress required satellite television operators to pay almost three times the amount of money that cable operators pay—for the same programming. Obviously this is unfair, and flies in the face of Congressional policy to make sure that similar telecommunciations services are subject to similar rules and regulations.

This bill would freeze the copyright rates at preexisting levels to that parity continues between these competitors. Of course, the hard question remains: at what level should the rates be set for both cable and satellite television operators when the freeze mandated by this bill expries next December? The answer to that question must be evaluated in the context of several other important issues, such as whether satellite operators should be allowed to transmit local broadcast stations and, if so, whether traditional ''must carry'' rules should apply.

If we are to achieve the goal of the Telecommunications Act to open up all markets to competition, and free consumers from the tether of cable television monopolies in the process, we must address these issues comprehensively and quickly.

I thank Chairman BLILEY and Subcommittee Chairman TAUZIN for their leadership on the rate freeze issue before us today, and look forward to working with them to resolve these larger competitive concerns next year.

Mr. TAUZIN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Louisiana (Mr. TAUZIN) that the House suspend the rules and pass the bill, H.R. 2921, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: ''A bill to promote the competitive viability of direct-to-home satellite television service.''.

A motion to reconsider was laid on the table.

CORPORAL HAROLD GOMEZ POST OFFICE

Mr. MCHUGH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4616) to designate the United States Post Office located at 3813 Main Street in East Chicago, Indiana, as the ''Corporal Harold Gomez Post Office''.

The Clerk read as follows:

H.R. 4616

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

SECTION 1. DESIGNATION.

The United States Post Office located at 3813 Main Street in East Chicago, Indiana, shall be known and designated as the ''Corporal Harold Gomez Post Office''.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the post office referred to in section 1 shall be deemed to be a reference to the ''Corporal Harold Gomez Post Office''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. MCHUGH) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. MCHUGH).

GENERAL LEAVE

Mr. MCHUGH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4616.

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

There was no objection.

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

Mr. Speaker, we have before us, first in this bill and then in another similar proposal that I know will follow, really two distinct stories, two stories of two fine individuals but nevertheless two who share a great deal. They share, it seems to me, the history of contributions and the history of sacrifices and helping to make this country the great place that it is.

This first bill has been introduced by our distinguished colleague from Indiana (Mr. VISCLOSKY), and was introduced on August 23d of this year.

□ 2015

This legislation has the support of each member of the House delegation from the State of Indiana which is pursuant to the Committee on Government Reform and Oversight rules, and it designates the United States Post Office located at 3813 Main Street in East Chicago, Indiana, as the Corporal Harold Gomez Post Office.

Mr. Gomez was the son of Mr. and Mrs. Alfredo Gomez. He was born in 1946 in East Chicago, Indiana. After graduating from high school, he worked for a summer at Inland Steel Company and then, like many young men and young women of his age, he enlisted in the Marine Corps in 1965. In March of the following year, 1966, he was sent to Vietnam which followed his basic infantry training in San Diego, California.

Corporal Gomez was a fire team leader in a rife company of the Third Marine Division when in 1967 he was killed by a land mine explosion in South Vietnam. A look, however brief, at the numerous awards and medals and recognition that this fine young man received during his military career shows, I think, what an extraordinary individual he was: The Purple Heart, the Combat Action Ribbon, the Presidential Unit Citation, the National Defense Service Medal, the Vietnam Service Medal, the RVN Military Merit Medal and on and on and on. Truly, Mr. Speaker, this effort to memorialize the contributions and the sacrifices of this great individual I think is a very worth one and certainly one that I think embodies the kind of positive effort that we have a history of in this House of naming these very important Federal facilities after such deserving individuals.

I know that the gentleman from Illinois (Mr. DAVIS) and perhaps others would like to make comments as well.

At this time I would with a word of urging of support of fellow Members of this House, Mr. Speaker, reserve the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume. I join the gentleman from New York (Mr. MCHUGH) in bringing to the House floor H.R. 4616, legislation naming the United States Post Office located at 3813 Main Street in East Chicago, Indiana, as the Corporal Harold Gomez Post Office Building. Corporal Gomez, as we have already heard, a Vietnam veteran, was a fire team leader in a rifle company of the Third Marine Corps during the Vietnam War. He was the recipient of the Silver Star Medal for his leadership and bravery during his service, earning recognition for his actions during the February 21, 1967 battle in which he died.

Corporal Gomez was the first citizen of northwest Indiana to die in the Vietnam War. I commend the Indiana delegation for seeking to honor such a man, one who would give his life in the service of his country.

Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana (Mr. VISCLOSKY) the sponsor of this measure who will make some comments.

Mr. VISCLOSKY. Mr. Speaker, I appreciate the gentleman yielding and I would first want to thank the chair of the committee for the expeditious, speed-of-light consideration of this legislation that literally was introduced a month and a half ago as well as thanking my colleague from Illinois for ensuring that it was heard before Congress adjourned. I also would be remiss if I did not thank the members of the Indiana delegation who joined me in this effort.

Mr. Speaker, I do rise to urge my colleagues to support this legislation to rename a post office in East Chicago, Indiana in honor of Lance Corporal Harold Gomez. Corporal Gomez was the first resident of East Chicago to die during the Vietnam War and his community would like to honor him in this special way.

Corporal Gomez was born in East Chicago in 1946. After working briefly at Inland Steel Company, he enlisted in the U.S. Marine Corps and was sent to Vietnam in 1966. Corporal Gomez quickly became a fire team leader in a rifle company of the Third Marine Corps in Vietnam. He was awarded the Silver Star Medal posthumously for valiant leadership and bravery during his service, earning particular praise for his actions during the February 21, 1967 battle in which he died. Corporal Gomez's military awards also include the Purple Heart Medal, Combat Action Ribbon, Presidential Unit Citation, National Defense Service Medal, Vietnam Campaign Medal, and the Rifle Sharpshooters Badge.

In Harold Gomez's short life, he touched many lives and was admired by both friends and colleagues. I am deeply honored to offer this legislation to honor a true hero of northwest Indiana and our country. Corporal Gomez distinguished himself in combat and is a source of inspiration to many citizens of East Chicago and the rest of the northwest Indiana community. He is worthy of this honor.

On behalf of northwest Indiana's many veterans, I am proud to support this legislation to name an East Chicago post office in honor of Corporal Harold Gomez.

Mr. DAVIS of Illinois. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MCHUGH. Mr. Speaker, with a final urging of support for the gentleman from Indiana in this very worthy measure and thanking the gentleman from Illinois (Mr. DAVIS) and his staff for their efforts and cooperation, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GUTKNECHT). The question is on the motion offered by the gentleman from New York (Mr. MCHUGH) that the House suspend the rules and pass the bill, H.R. 4616.

The question was taken.

Mr. MCHUGH. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

MERVYN DYMALLY POST OFFICE BUILDING

Mr. MCHUGH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2348) to redesignate the Federal building located at 701 South Santa Fe Avenue in Compton, California, and known as the Compton Main Post Office, as the ''Mervyn Dymally Post Office Building''.

The Clerk read as follows:

H.R. 2348

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

SECTION 1. REDESIGNATION.

The Federal building located at 701 South Santa Fe Avenue in Compton, California, and known as the Compton Main Post Office, shall be known and designated as the ''Mervyn Dymally Post Office Building''.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building referred to in section 1 shall be deemed to be a reference to the ''Mervyn Dymally Post Office Building''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. MCHUGH) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. MCHUGH).

GENERAL LEAVE

Mr. MCHUGH. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on this measure.

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

There was no objection.

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

As I alluded to in my opening remarks on the previous bill, we indeed have here a very different but equally important story about the expansion and about the growth of this great country and its path to become the longest-lived democracy in the history of the world.

This bill, Mr. Speaker, H.R. 2348, was introduced by our distinguished colleague the gentlewoman from California (Ms. MILLENDER-MCDONALD) on July 31, 1997. There have been 86 Members who cosponsored this legislation which even when you consider that 51 are as required under House committee rules from the State of California, it is an extraordinary number to find on this kind of proposal. I think that fact in and of itself reflects very highly both on the sponsor who has made the great effort to bring together so many in support of this measure but also obviously is a statement on the achievements and the worthiness of the recipient.

This legislation designates the Federal building located at 701 South Santa Fe Avenue in Compton, California, presently known as the Compton Main Post Office, as the Mervyn Dymally Post Office Building. Like so many Americans before him, Mervyn Dymally was born not directly in the United States but rather in Cedros, Trinidad, British West Indies. After he attended government school there and graduating from secondary school in San Fernando, Trinidad, he came to the United States like so many before him to study at the Lincoln University in Jefferson City, Missouri. After completing his education, including earning his doctorate in 1969 from United States International University, he then began a career of distinguished public service. He became a California State Assemblyman from 1963 to 1966, then became a California State Senator from 1967 to 1975, and then Lieutenant Governor of the great State of California from 1975 to 1979.

To those in this body, though, he is probably best remembered as a Member of the 97th Congress where he served for five succeeding terms. He was a member indeed of the then Committee on Post Office and Civil Service. Presently our former colleague resides in Los Angeles.

As I said, Mr. Speaker, this is a story of America. It is a story of what makes this country great. In this nominee and in this gentleman, I think we have an extraordinarily worthy individual, one again that I commend our colleague from California for bringing to our attention and thank her and the gentleman from Illinois (Mr. DAVIS) and the others on the subcommittee for their efforts in bringing this to the floor today.

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

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

I am proud to join the gentleman from New York (Mr. MCHUGH) in bringing to the House floor H.R. 2348, legislation naming the United States Post Office located at 701 South Santa Fe Avenue in Compton, California, as the Mervyn Dymally Post Office Building.

A Member of Congress from 1980 until his retirement in 1992, Congressman Mervyn Dymally represented the 31st Congressional District with both distinction and honor. During his time in Congress, he served on the House Foreign Affairs Committee, chairing the Subcommittee on International Operations, the Post Office and Civil Service Committee, and the District of Columbia Committee. He also served as Chair of the Congressional Black Caucus. Congressman Dymally sponsored legislation advocating the causes of many human rights groups and devoted particular attention to United States policies toward nations in Africa and the Caribbean. A few days ago, I had the pleasure of meeting his son, who is following in his footsteps as a public servant as a member of a local commission.

Mr. Speaker, I yield such time as she may consume to the sponsor of this legislation, the former mayor of the City of Compton, California, the honorable Congresswoman from California (Ms. MILLENDER-MCDONALD).

Ms. MILLENDER-McDONALD. Mr. Speaker, first let me thank the great gentleman from Illinois for his kind words and for yielding time to me. I would like to thank the chairman for his sensitivity in the support of the bill and for the kind words that he has given and extended to the recipient.

Mr. Speaker, today I rise to pay tribute to my dear friend, former Congressman Mervyn Malcolm Dymally and redesignate the Post Office located at 701 South Santa Fe Avenue in Compton, California, currently known as the Compton Main Post Office, to the Mervyn Dymally Post Office Building.

Jet Magazine, a prominent African-American publication, once wrote, ''Few black elected officials were more aggressive, uncompromising and daring than representative Mervyn Dymally.''

Mervyn Dymally was elected to the United States House of Representatives in 1981 as the body's first foreign born member. Mervyn came to this country in 1945 from Cedros, Trinidad, British West Indies as a 19-year-old student to attend Lincoln University in Jefferson City, Missouri and to study journalism. After attending Lincoln University, Dymally traveled to California to attend Chapman College in Los Angeles before transferring to California State University, Los Angeles where he graduated in 1954 with a bachelor of arts in education. After graduation, Mervyn taught educationally handicapped children in the Los Angeles Unified School District.

In addition to a bachelor's degree, Dymally also holds a master's in government from California State University, Sacramento and a Ph.D. in human behavior from the United States International University. Mervyn is also a distinguished member of the Kappa Alpha Psi Fraternity and a member of the Phi Kappa Phi National Honor Scholastic Society.

Mervyn's political career began in 1960 when he worked as a field coordinator for then presidential candidate John F. Kennedy.

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Building upon his success in the Kennedy campaign, Dymally was elected to the California State Assembly in 1963 and then to the State Senate in 1967 where he served for 8 years. As a State Senator, Dymally chaired the committees on social welfare and veterans affairs, elections and reapportionment, and a select committee on medical education and health. In 1975, he was elected Lieutenant Governor of the State of California and was the State's first and highest-ranking African American elected official to have been voted statewide in an election.

On January 3, 1981, following a diverse career in education and government, Mervyn Dymally was sworn in as a Member of the 97th Congress, representing California's 31st District,

where he served his constituents for six terms.

Congressman Dymally served on the House Committee on Foreign Affairs where he was the Chair of the Subcommittee on International Operations. Dymally also became the only other black to chair the Subcommittee on Africa, succeeding former Detroit Representative Charles Diggs who held the post 20 years earlier than that. In his first year he traveled to 20 African countries. He launched the drive to increase the number of minority business investments on the continent and paid particular attention to the United States policies toward assistance levels to African and the Caribbean nations. In addition to his position on the Foreign Affairs Committee, Mervyn also served on the Post Office and Civil Service Committee and the Committee on the District of Columbia, chairing its Subcommittee on Judiciary and Education. While in Congress, Dymally sponsored legislation advocating several human rights issues. One of his crowning achievements was the passage of legislation authorizing relief, rehabilitation and reconstruction in war-torn Liberia.

When Mervyn retired in 1992, he was praised for leadership in raising the Congress' awareness of the suffering and misery in Africa and his ability to devise new initiatives for remedies.

Since his retirement from Congress Mervyn was quoted as saying, ''In retirement I am busier now than ever.'' Indeed he is. Since leaving Congress, Mr. Speaker, he has traveled extensively to Africa and to the Caribbean. His duties as President of the Grace Home for Waiting Children and Chairman of the Caribbean Action Lobby keep the time on his schedule at a premium.

Former Congressman Dymally is also a distinguished professor at the Central State University in Ohio and is also the President of the Dymally International Group, a consulting and financial advisory firm.

If these activities were not enough to keep him busy, former Congressman Dymally serves as Honorary Counsel to the Republic of Benin, West Africa, and Vice President of the Pacific Century Institute.

At every step in his career Mervyn has made his family proud. He has demonstrated to us what hard work and dedication to one's belief can accomplish. He dedicated his life to serving the people of the State of California and was the pride of his native Trinidad.

In an age of 30-second sound bites, Mervyn rarely held press conferences and often steered clear of glitzy words. He was a diligent and capable advocate for the needs of his constituents and will also be known as an industrious, savvy politician. Designating the post office located in Compton, California, as the Mervyn Dymally Post Office Building is a honor befitting his service to his community and to the State of California.

I would like to thank his wife, Alice, his children, Mark and Lynn Dymally, and his grandchildren, Maya, Christian and Cameron, for sharing him with us. I would also like to thank the members of the California delegation and other members for joining me in cosponsoring this legislation and paying tribute to one of California's political giants and one of the most distinguished statesmen I have ever known and had the privilege of knowing, the gentleman of California, Congressman Mervyn Dymally.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

We have no further speakers, and so I commend once again the chairman of this subcommittee for the outstanding work that he and the ranking member, the gentleman from Pennsylvania (Mr. FATTAH), did. It has been a pleasure working with them and other members of the committee throughout this past session, and we look forward to another great time beginning in January.

Mr. Speaker, I yield back the balance of my time.

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

Mr. Speaker, let me return the fine and very gracious compliment of the gentleman from Illinois (Mr. DAVIS). I, too, thoroughly enjoyed working with him and with his colleagues on the minority side, but also I think it really speaks well of our colleagues on both sides. It has been a pleasure, and, with the vagaries of democracy aside, I am looking forward perhaps to working with him in the future.

So with that, Mr. Speaker, and a final word of praise to the gentlewoman from California who sponsored this very worthy measure, I would urge our colleagues to support this bill.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MCHUGH) that the House suspend the rules and pass the bill, H.R. 2348.

The question was taken.

Ms. MILLENDER-MCDONALD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore (Mr. GUTKNECHT). Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed earlier today in the order in which that motion was entertained.

Votes will be taken in the following order: H.R. 4616 by the yeas and nays and H.R. 2348 by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

CORPORAL HAROLD GOMEZ POST OFFICE

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 4616.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MCHUGH) that the House suspend the rules and pass the bill, H.R. 4616, on which the years and nays are ordered.

The vote was taken by electronic device, and there were— yeas 425, nays 0, not voting 9, as follows:

[Roll No. 491]

YEAS—425

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 (CA)
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
Conyers
Cook
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
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
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
Hostettler
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)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Riley
Rivers
Rodriguez
Roemer
Rogan
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
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
Torres
Towns
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NOT VOTING—9

Cooksey
Greenwood
Kennelly
McCrery
Miller (CA)
Poshard
Pryce (OH)
Rogers
Yates

□ 2055

Mr. GUTIERREZ changed his vote from ''nay'' to ''yea.''

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. GUTKNECHT). Pursuant to the provisions of clause 5, rule I, and the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on the additional motion to suspend the rules in which the Chair has postponed further proceedings.

MERVYN DYMALLY POST OFFICE BUILDING

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 2348.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MCHUGH) that the House suspend the rules and pass the bill, H.R. 2348, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 421, nays 1, not voting 12, as follows:

[Roll No. 492]

YEAS—421

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (CA)
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
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
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
Hostettler
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)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
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
Torres
Towns
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wilson
Wise
Woolsey
Wynn
Young (AK)
Young (FL)

NAYS—1

Bereuter

NOT VOTING—12

Conyers
Kennelly
McCrery
Miller (CA)
Pastor
Poshard
Pryce (OH)
Sherman
Smith (NJ)
Solomon
Wolf
Yates

□ 2105

So (two-thirds having voted in favor thereof), the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 4104, TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1999

MOTION TO RECOMMIT OFFERED BY MR. HOYER

The SPEAKER pro tempore. (Mr. GUTKNECHT). The pending business is the question on the motion to recommit the conference committee report on the bill, H.R. 4104, offered by the gentleman from Maryland (Mr. HOYER) on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion to recommit.

The vote was taken by electronic device, and there were—yeas 202, nays 226, not voting 6, as follows:

[Roll No. 493]

YEAS—202

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barrett (WI)
Bass
Becerra
Bentsen
Berman
Bilbray
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Coyne
Cramer
Cummings
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Edwards
Engel
Ensign
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Ford
Fox
Frank (MA)
Frelinghuysen
Frost
Furse
Gejdenson
Gephardt
Gilman
Gonzalez
Gordon
Granger
Green
Gutierrez
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Hooley
Horn
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kilpatrick
Kind (WI)
Kleczka
Klug
Kucinich
Lampson
Lantos
Lazio
Leach
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Moran (VA)
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pickett
Pomeroy
Porter
Price (NC)
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Shays
Sherman
Sisisky
Skaggs
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stokes
Strickland
Tanner
Tauscher
Thompson
Thurman
Tierney
Torres
Towns
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn

NAYS—226

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Berry
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Costello
Cox
Crane
Crapo
Cubin
Cunningham
Danner
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Franks (NJ)
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Goodling
Goss
Graham
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson, Sam
Jones
Kasich
Kildee
Kim
King (NY)
Kingston
Klink
Knollenberg
Kolbe
LaFalce
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manzullo
Mascara
McCollum
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Mollohan
Moran (KS)
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Ortiz
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Quinn
Radanovich
Rahall
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Stupak
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—6

Kennelly
McCrery
Poshard
Pryce (OH)
Smith (OR)
Yates

□ 2122

Mr. COX of California changed his vote from ''yea'' to ''nay.''

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. GUTKNECHT). The question is on the conference report.

Pursuant to clause 7 of rule XV, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 290, nays 137, not voting 7, as follows:

[Roll No. 494]

YEAS—290

Aderholt
Allen
Archer
Armey
Bachus
Baesler
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Berry
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boswell
Boyd
Brady (TX)
Brown (FL)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Castle
Chabot
Chambliss
Christensen
Clayton
Clement
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Cramer
Cubin
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeLay
Dickey
Dicks
Dooley
Doyle
Dreier
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fazio
Foley
Forbes
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hinojosa
Hobson
Hoekstra
Holden
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson (CT)
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kildee
Kim
King (NY)
Kingston
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manton
Manzullo
Martinez
Mascara
McCollum
McDade
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
Meek (FL)
Metcalf
Mica
Miller (FL)
Moakley
Mollohan
Moran (VA)
Morella
Murtha
Myrick
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Olver
Ortiz
Oxley
Packard
Pappas
Parker
Pascrell
Pastor
Paxon
Pease
Peterson (PA)
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Reyes
Riggs
Riley
Rodriguez
Rogan
Rogers
Rohrabacher
Roukema
Royce
Ryun
Sabo
Salmon
Sawyer
Saxton
Scarborough
Schaefer, Dan
Scott
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Torres
Traficant
Turner
Upton
Vento
Visclosky
Walsh
Wamp
Watkins

Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Weygand
White
Whitfield
Wicker
Wilson
Wise
Wolf
Wynn
Young (AK)
Young (FL)

NAYS—137

Abercrombie
Ackerman
Andrews
Baldacci
Barrett (WI)
Becerra
Bentsen
Berman
Blagojevich
Blumenauer
Bonior
Boucher
Brady (PA)
Brown (CA)
Brown (OH)
Carson
Chenoweth
Clay
Clyburn
Conyers
Coyne
Crane
Crapo
Cummings
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dingell
Dixon
Doggett
Doolittle
Duncan
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gonzalez
Goodlatte
Gordon
Green
Gutierrez
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hooley
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (WI)
Johnson, E. B.
Kennedy (MA)
Kennedy (RI)
Kilpatrick
Kind (WI)
Kleczka
Lantos
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McKinney
McNulty
Meehan
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moran (KS)
Nadler
Neumann
Obey
Owens
Pallone
Paul
Payne
Pelosi
Peterson (MN)
Petri
Rangel
Rivers
Roemer
Ros-Lehtinen
Rothman
Roybal-Allard
Rush
Sanchez
Sanders
Sandlin
Sanford
Schaffer, Bob
Schumer
Sensenbrenner
Serrano
Sherman
Skaggs
Smith, Adam
Stabenow
Stark
Stokes
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Towns
Velazquez
Waters
Watt (NC)
Waxman
Wexler
Woolsey

NOT VOTING—7

Kennelly
Markey
McCrery
Poshard
Pryce (OH)
Smith (OR)
Yates

□ 2138

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.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. GUTKNECHT). Pursuant to the provisions of House Resolution 577, the Chair desires to inform Members that the official picture of the House while in session will be taken immediately after approval of the Journal when the House convenes tomorrow.

The Chair further announces that any recorded votes requested tonight will be postponed until tomorrow.

ANNOUNCEMENT OF BILLS AND RESOLUTIONS TO BE CONSIDERED UNDER SUSPENSION OF THE RULES ON THURSDAY, OCTOBER 8, 1998

Mr. HULSHOF. Mr. Speaker, pursuant to H. Res. 575, I announce the following suspensions to be considered on Thursday October 8:

H.R. 4364, Depository Institution Regulatory Streamlining Act of 1998;

H. Res. 578, Science Policy Report;

H. Res. 565, Mammograms;

H.R. 2263, Theodore Roosevelt;

H.R. 4506, International Child Labor Relief Act of 1998;

H.R. 4660, To Provide Rewards for Information Leading to the Arrest or Conviction of Any Individual for the Commission of an Act, or Conspiracy to Act, of International Terrorism, Narcotics Related Offenses, or for Serious Violations of International Humanitarian Law Relating to the Former Yugoslavia;

H. Con. Res. 320, Supporting the Baltic People of Estonia, Latvia, and Lithuania, and Condemning the Nazi Soviet Pact of Non-Aggression of August 23, 1939;

H. Res. 557, Expressing Support for U.S. Government Efforts to Identify Holocaust Era Assets, Urging the Restitution of Individual and Communal Property;

H. Con. Res. 331, Expressing the Sense of Congress Concerning the Inadequacy of Sewage Infrastructure Facilities in Tijuana, Mexico;

H. Con. Res. 309, Condemning the Forced Abduction of Ugandan Children and Their Use As Soldiers;

H.R. 3874, William F. Goodling Child Nutrition Reauthorization Act of 1998;

S. 2206, Coats Human Services Reauthorization Act of 1998;

S.J. Res. 51;

S. 1021;

H.R. 2281, WIPO; and

H.R. 2109, Campaign Finance Sunshine.

CURT FLOOD ACT OF 1998

Mr. HYDE. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 53) to require the general application of the antitrust laws to major league baseball, and for other purposes.

The Clerk read as follows:

S. 53

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 ''Curt Flood Act of 1998''.

SEC. 2. PURPOSE.

It is the purpose of this legislation to state that major league baseball players are covered under the antitrust laws (i.e., that major league baseball players will have the same rights under the antitrust laws as do other professional athletes, e.g., football and basketball players), along with a provision that makes it clear that the passage of this Act does not change the application of the antitrust laws in any other context or with respect to any other person or entity.

SEC. 3. APPLICATION OF THE ANTITRUST LAWS TO PROFESSIONAL MAJOR LEAGUE BASEBALL.

The Clayton Act (15 U.S.C. §12 et seq.) is amended by adding at the end the following new section:

''SEC. 27. (a) Subject to subsections (b) through (d), the conduct, acts, practices, or agreements of persons in the business of organized professional major league baseball directly relating to or affecting employment of major league baseball players to play baseball at the major league level are subject to the antitrust laws to the same extent such conduct, acts, practices, or agreements would be subject to the antitrust laws if engaged in by persons in any other professional sports business affecting interstate commerce.

''(b) No court shall rely on the enactment of this section as a basis for changing the application of the antitrust laws to any conduct, acts, practices, or agreements other than those set forth in subsection (a). This section does not create, permit or imply a cause of action by which to challenge under the antitrust laws, or otherwise apply the antitrust laws to, any conduct, acts, practices, or agreements that do not directly relate to or affect employment of major league baseball players to play baseball at the major league level, including but not limited to—

''(1) any conduct, acts, practices, or agreements of persons engaging in, conducting or participating in the business of organized professional baseball relating to or affecting employment to play baseball at the minor league level, any organized professional baseball amateur or first-year player draft, or any reserve clause as applied to minor league players;

''(2) the agreement between organized professional major league baseball teams and the teams of the National Association of Professional Baseball Leagues, commonly known as the 'Professional Baseball Agreement', the relationship between organized professional major league baseball and organized professional minor league baseball, or any other matter relating to organized professional baseball's minor leagues;

''(3) any conduct, acts, practices, or agreements of persons engaging in, conducting or participating in the business of organized professional baseball relating to or affecting franchise expansion, location or relocation, franchise ownership issues, including ownership transfers, the relationship between the Office of the Commissioner and franchise owners, the marketing or sales of the entertainment product of organized professional baseball and the licensing of intellectual property rights owned or held by organized professional baseball teams individually or collectively;

''(4) any conduct, acts, practices, or agreements protected by Public Law 87–331 (15 U.S.C. §1291 et seq.) (commonly known as the 'Sports Broadcasting Act of 1961');

''(5) the relationship between persons in the business of organized professional baseball and umpires or other individuals who are employed in the business of organized professional baseball by such persons; or

''(6) any conduct, acts, practices, or agreements of persons not in the business of organized professional major league baseball.

''(c) Only a major league baseball player has standing to sue under this section. For the purposes of this section, a major league baseball player is—

''(1) a person who is a party to a major league player's contract, or is playing baseball at the major league level; or

''(2) a person who was a party to a major league player's contract or playing baseball at the major league level at the time of the injury that is the subject of the complaint; or

''(3) a person who has been a party to a major league player's contract or who has played baseball at the major league level, and who claims he has been injured in his efforts to secure a subsequent major league player's contract by an alleged violation of

the antitrust laws: *Provided however,* That for the purposes of this paragraph, the alleged antitrust violation shall not include any conduct, acts, practices, or agreements of persons in the business of organized professional baseball relating to or affecting employment to play baseball at the minor league level, including any organized professional baseball amateur or first-year player draft, or any reserve clause as applied to minor league players; or

''(4) a person who was a party to a major league player's contract or who was playing baseball at the major league level at the conclusion of the last full championship season immediately preceding the expiration of the last collective bargaining agreement between persons in the business of organized professional major league baseball and the exclusive collective bargaining representative of major league baseball players.

''(d)(1) As used in this section, 'person' means any entity, including an individual, partnership, corporation, trust or unincorporated association or any combination or association thereof. As used in this section, the National Association of Professional Baseball Leagues, its member leagues and the clubs of those leagues, are not 'in the business of organized professional major league baseball'.

''(2) In cases involving conduct, acts, practices, or agreements that directly relate to or affect both employment of major league baseball players to play baseball at the major league level and also relate to or affect any other aspect of organized professional baseball, including but not limited to employment to play baseball at the minor league level and the other areas set forth in subsection (b) above, only those components, portions or aspects of such conduct, acts, practices, or agreements that directly relate to or affect employment of major league players to play baseball at the major league level may be challenged under subsection (a) and then only to the extent that they directly relate to or affect employment of major league baseball players to play baseball at the major league level.

''(3) As used in subsection (a), interpretation of the term 'directly' shall not be governed by any interpretation of section 151 et seq. of title 29, United States Code (as amended).

''(4) Nothing in this section shall be construed to affect the application to organized professional baseball of the nonstatutory labor exemption from the antitrust laws.

''(5) The scope of the conduct, acts, practices, or agreements covered by subsection (b) shall not be strictly or narrowly construed.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois (Mr. HYDE) and the gentleman from Michigan (Mr. CONYERS) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois (Mr. HYDE).

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

GENERAL LEAVE

Mr. HYDE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill under consideration.

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

There was no objection.

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

Mr. Speaker, I rise in support of S. 53, the Curt Flood Act of 1998. After years of disagreement, the baseball players, the baseball owners, and the minor leagues have reached an historic agreement on the application of the antitrust laws to labor relations in baseball. This agreement has already passed the Senate by unanimous consent, and I hope we will pass it today.

Mr. Speaker, let me just add, because we are talking about baseball, let me tip my cap to my good friend, the gentleman from Michigan (Mr. CONYERS) the ranking member of the Committee on the Judiciary. He has his own bill on this topic, H.R. 21, and he has led the charge on this issue in the House. I want to thank him for his outstanding work in bringing this bill to fruition.

I also want to thank my friends, Senators ORRIN HATCH and PAT LEAHY, chairman and ranking member of the Senate Committee on the Judiciary. They worked many long hours to negotiate the delicate compromise that this bill embodies. We are also indebted to them for their outstanding efforts in bringing this bill to passage. I am delighted to support this simple but important bill, and I ask my colleagues to do the same.

Mr. Speaker, I rise in support of S. 53, the ''Curt Flood Act of 1998.'' After years of disagreement, the baseball players, the baseball owners, and the minor leagues have reached a historic agreement on the application of the antitrust laws to labor relations in baseball. This agreement has already passed the Senate by unanimous consent, and I hope that we will pass it today.

The Supreme Court first held that the business of baseball is exempt from the antitrust laws in 1922. *Federal Baseball Club of Baltimore, Inc.* v. *National League of Professional Baseball Clubs,* 259 U.S. 200 (1922). The Court, emphasizing organized baseball's longstanding reliance on that exemption, has twice declined to overrule its original 1922 decision. *Flood* v. *Kuhn,* 407 U.S. 258 (1972); *Toolson* v. *New York Yankees, Inc.,* 346 U.S. 356 (1953). Instead, the Court has left it to Congress to decide whether the baseball exemption should continue.

Given the agreement of the parties, Congress has now decided to legislate in this area, but we do so only in an extremely narrow manner. S. 53 leaves completely unchanged all aspects of the baseball exemption except for the narrow issue of the labor relations of major league players at the major league level as set out in detail in the new subsection 27(b) of the Clayton Act.

This bill originates from a compromise struck during the last round of collective bargaining between the major league owners and the major league players. After a lengthy labor dispute, these parties reached a collective bargaining agreement that, among other things, required negotiation to reach agreement on a limited repeal of baseball's antitrust exemption. They did so because the players' union argued that the antitrust exemption contributed to the labor disputes that have long marked its relationship with the owners. Specifically, the union asserted that it was disadvantaged in its labor negotiations with the owners because, unlike unions of other professional athletes, it could not challenge allegedly unlawful employment terms under the antitrust laws.

The major league clubs, of course, disagreed with this view. They contended that the baseball exemption was irrelevant to their labor negotiations with the union. The clubs argued that, like every other multi-employer bargaining group, they were protected from antitrust challenges to their employment terms by the nonstatutory labor antitrust exemption. In that regard, I want to note that nothing in this bill will affect in any way the protections afforded to the major league clubs by the nonstatutory labor antitrust exemption.

As a result of this difference of opinion, both the players and the owners were willing to support the repeal of the specific and narrow portion of the baseball exemption covering labor relations between major league players and major league clubs. The bill was carefully drafted, however, to leave the remainder of the exemption intact.

Before this bill passed the Senate, several changes were adopted to address concerns raised by owners of the minor league teams—the members of the National Association of Professional Baseball Leagues. Minor league baseball owners were concerned that the original bill reported by the Senate Judiciary Committee might not adequately protect their interests. Specifically, the minor league clubs were concerned that the original version of S. 53 was not sufficiently clear to preserve antitrust protection for: (1) the relationship between the major league clubs and the minor league clubs and (2) those work rules and employment terms that arguably affect both major league and minor league baseball players.

Members of Congress agreed that this narrow legislation should not hurt the grass roots minor league baseball played in over 150 towns across the country. For that reason, the minor league clubs were invited into the discussion and given an opportunity to suggest changes to address their concerns, and those changes have been incorporated.

As a result of these three-way negotiations, the parties agreed to amend the bill in several significant ways. These amendments clarify the limited reach of the bill and the expansive nature of the continued protection the bill affords to minor league baseball. For instance, to accommodate the concerns of the minor league clubs, subsection (b) of the new section 27 of the Clayton Act was changed by adding the word ''directly'' immediately before the phrase ''relating to or affecting employment'' and the phrase ''major league players'' was added before the phrase ''to play baseball.'' These changes were made to ensure that neither major league players nor minor league players could use new subsection (a) to attack conduct, acts, practices, or agreements designed to apply to minor league employment.

In addition, new subsection (c) was added to clarify that only major league players could sue under the new subsection (a). Again, the minor leagues were concerned that, without a narrow standing section, minor league players or amateurs might attempt to attack minor league issues by asserting that these issues also indirectly affected major league employment terms.

Therefore, the new subsection (c) carefully limits the zone of persons protected by the bill to only major league players by providing that ''only a major league baseball player has

standing to sue under'' this limited antitrust legislation. The standing provision gives major league baseball players the same right to sue under the antitrust laws over the major league employment terms that other professional athletes have. Of course, the United States has standing to sue to enjoin all antitrust violations under 15 U.S.C. §§4 and 25, and we do not intend subsection 27(c) to limit that broad authority.

This bill does not affect the application of the antitrust laws to anyone outside the business of baseball. In particular, it does not affect the application of the antitrust laws to other professional sports. The law with respect to the other professional sports remains exactly the same after this bill becomes law.

Because we are talking about baseball, let me tip my cap to my good friend, the Ranking Member of the Judiciary Committee, JOHN CONYERS. Mr. CONYERS has his own bill on this topic, H.R. 21, and he has led the charge on this issue in the House. I want to thank him for his outstanding work in bringing this bill to fruition.

I also want to thank my friends Senators ORRIN HATCH and PAT LEAHY, the Chairman and Ranking Member of the Senate Judiciary Committee. They worked many long hours to negotiate the delicate compromise that this bill embodies. We are also indebted to them for their outstanding efforts in bringing this bill to passage.

Mr. Speaker, I am delighted to support this simple, but important, bill, and I ask my colleagues to do the same. At this point, I will reserve the balance of my time.

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

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

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

Mr. CONYERS. Mr. Speaker, this Curt Flood Act is an important piece of legislation. I thank the gentleman from Illinois (Chairman HYDE) for his very charitable comments. As two baseball aficionados, we know that the right thing is being done as we move this to finality.

Professional baseball is the only industry in the United States exempt from the antitrust laws without being subject to regulatory supervision. This circumstance has resulted from a rather sorry Supreme Court decision in 1922 holding that baseball did not involve interstate commerce and was beyond the reach of antitrust laws.

□ 2145

For some reason, we in the Congress have failed to rectify this, despite subsequent court decisions holding that all the other professional sports were fully subject to these same laws that baseball claimed to be exempt from.

There may have been a time when baseball's unique treatment was a source of pride and distinction for many loyal fans who loved our national pastime. But with baseball suffering more work stoppages over the last century than all the other sports combined, including a 1994 strike which ended the possibility of a world series for the first time in 90 years, and depriving many of our cities of tens of millions of dollars in tax revenues, we can now no longer afford to treat professional baseball in a manner enjoyed by no other professional sport. And that is what S. 53 and H.R. 21 attempt to do.

I am very pleased to be a major sponsor of this legislation, because concerns have been previously raised that by repealing the antitrust exemption we would somehow be disrupting the operation of the minor leagues. That, my colleagues will remember, was the defense that was always raised. An ugly specter. Or professional baseball's ability to limit franchise relocation might also occur. This legislation carefully eliminates these matters from the scope of new antitrust coverage.

In the past, some of us in this body objected to legislating in this area because of their hesitancy to take any action which could impact an ongoing labor dispute. But because the owners and the players have recently agreed to enter into a new collective bargaining agreement, that objection no longer exists. Additionally, the baseball owners are now in full support of this legislation, as of course the Major League Players Association has always been.

This bill was introduced by myself in honor of a very courageous and beautiful ball player, center fielder, Curt Flood, who passed away earlier this year, in January, and, unfortunately, is no longer with us to see the fruit of his work. Mr. Flood, one of the greatest players of his time, risked his career when he challenged baseball's reserve clause after he was traded from the St. Louis Cardinals to the Philadelphia Phillies. Although the Supreme Court rejected the 1972 challenge of Flood, we all owe a debt of gratitude for his willingness to challenge the baseball oligarchy. And he paid the price, too.

By the way, at his funeral in California, George Will, perhaps the supreme baseball nut of all, was there, and Reverend Jesse Jackson, Senior was there as well. It was a very touching event.

Now, this bill has gone through many changes over the years and was introduced originally in the 103rd Congress by our former beloved member of the Judiciary, Mike Synar, of Oklahoma.

In order to address the concern of the minor leagues, it contains many redundancies and, accordingly, a court may have questions about how the provisions of this bill will interrelate. Any court facing such questions would be advised, if I may dare suggest, to return to the purpose section of the bill for aid and interpretation. The purpose section states what Congress intends; that is, that it is no longer subject to question that major league baseball players have the same rights under antitrust laws as do other professional athletes.

This is a simple proposition, yet it is indeed startling that 26 years after this brave and eloquent player, Curt Flood, stood alone before the Supreme Court to seek an answer to a question whose answer seemed obvious to him, that it is only just now being addressed by this branch of government. I am very proud of the Congress for this.

If a court has any doubt as to the meaning or purpose of any provision of this act, it should be guided by our purpose, which is, at long last, to give the answer that Mr. Flood indeed knew to be the correct one. The legislation is not intended to have an adverse effect on any ongoing litigation nor intended to limit the ability of the United States Government to bring antitrust actions.

It is overdue. I hope it will be quickly passed for the good of the game, which has once again demonstrated why we love it, why baseball is on a resurgence, and we are just delighted that now that McGwire and Sosa have brought new enjoyment and life to the game that we now have this legislation to accompany it.

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

Mr. HYDE. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky (Mr. JIM BUNNING), a member of Baseball's Hall of Fame.

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

Mr. BUNNING. Mr. Speaker, I thank the gentleman from Illinois for yielding me this time.

Mr. Speaker, I rise in strong support of S. 53, the Curt Flood Act, named for the player who challenged the antitrust laws all the way to the Supreme Court.

Baseball is the only sport, and just about the only business in America, that is immune from the antitrust laws. Because of an outdated supreme court decision, major league baseball has been operating under a different set of rules than everyone else for the past 75 years. The legislation before us today is very simple: It provides for a limited repeal of that exemption when it comes to labor-management relations.

Baseball has had big troubles in recent years, and the antitrust exemption has been the root cause. There has been eight work stoppages in the last three decades, and it is no coincidence that baseball, the only sport that enjoyed such special treatment, has had more strikes and lockouts than all other sports combined.

After playing and managing in professional baseball for over 25 years, and serving on the Executive Board of the Players Association, I know firsthand how the exemption distorts player-owner relationships and has contributed to the turmoil in baseball. The exemption effectively removes a negotiating tool from the labor negotiating process and forces both sides to play hardball when it comes to bargaining over contracts. It removes a way for the players to push their grievances, and encourages the owners to take a hard line and reduces their incentive to compromise.

Personally, I think this exemption should be repealed altogether. Baseball is a multibillion dollar business that should have to play by the same rules as other sports and businesses. The exemption is anti-competitive and anti-American. But by passing this bill today, and partially repealing the exemption, we provide another avenue for the owners and the players to explore another way to vent steam before calling a strike or staging a lockout.

This is a bipartisan consensus bill that the Senate passed without opposition. It is supported by all of the affected parties in baseball, owners, players, and the minor leagues. Everyone agrees that it represents a positive step forward for our national pastime.

But most importantly, this legislation represents a win for the fans. Just 4 years ago the players were on strike. The world series was canceled. Baseball seemed doomed. But this year, as the gentleman from Michigan (Mr. CONYERS) has said, baseball has had a renaissance. Mark McGwire and Sammy Sosa thrilled us with the home run race. The playoffs are more exciting than ever before. And baseball is back.

Fans are returning to baseball, and passing this bill today will help ensure that the game does not spiral backwards, down into the abyss of labor strife. It will help ensure that the fans are not robbed of their right to the greatest game ever invented.

Mr. Speaker, I urge strong support for the bill.

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

I neglected to mention that the gentleman from Kentucky (Mr. JIM BUNNING), Hall of Famer, worked diligently on this bill with myself and the gentleman from Illinois (Mr. HYDE), and he was also a Detroit Tiger, where his greatest playing took place, and we still claim him, although he represents the great State of Kentucky. And, Mr. Speaker, he has a baseball in his hand now, as we watch.

Mr. Speaker, I yield back the balance of my time.

Mr. HYDE. Mr. Speaker, I yield 2 minutes to the gentleman from Arkansas (Mr. HUTCHINSON).

Mr. HUTCHINSON. Mr. Speaker, I want to thank the chairman for yielding me this time, and I want to thank the gentleman from Kentucky (Mr. BUNNING) for signing my baseball and being such a great baseball hero.

I speak as a fan today. In Arkansas, we do not have major league baseball in the State, but we have minor league baseball and we have a great baseball tradition. This bill that is before us has been agreed to by the players and the owners, but, more importantly, in my judgment, it is a bill for the fans. The fans want to see the boys of summer out on the field. They want to see them play ball. This has been a great year for the fans and we want that to continue without interruption.

This bill, as has been explained, and so eloquently by the gentleman from Michigan (Mr. CONYERS), and also by the chairman, provides baseball players with the same rights already afforded the National Football League and the National Basketball Association players. So they can act as their counterparts do in other fields of endeavor. But this also recognizes the importance of an antitrust exemption for certain aspects of the game so team owners may continue to cooperate on issues such as league expansion, franchise location and broadcast rights, without fear of lawsuit. So it protects and helps minor league baseball that is important in my State.

Mr. Speaker, baseball is America's pastime and it is my State's as well. Arkansas has produced its share of baseball greats as well, men like Lou Brock, Dizzy Dean, George Kell, and Brooks Robinson, all Hall of Famers, that have made us proud as they have carried a little bit of Arkansas to the far corners of this country.

Mr. Speaker, this is a good bill for baseball, the players and owners alike; it is a good bill for the fans, and I urge my colleagues to support it.

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

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

Mr. BOEHLERT. Mr. Speaker, I rise in support of this conference report. I do so in my capacity as chairman of the Minor League Baseball Caucus. The common thread that unites all of us in this caucus is our love for America's pastime.

I am a little bit disappointed that the two gentlemen that preceded me in the well, the gentleman from Kentucky (Mr. BUNNING), who is a member of the Baseball Hall of Fame, when he talked about the great year of 1998, I am surprised that he, a great Hall of Fame pitcher, did not mention that David Wells pitched a perfect game for the New York Yankees. The gentleman from Kentucky knows more than most that good pitching beats good hitting all the time.

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

Mr. BOEHLERT. I yield to the gentleman from Illinois.

Mr. HYDE. I would like to point out to the gentleman that the gentleman from Kentucky (Mr. BUNNING) also pitched a perfect game when he was in the major leagues.

Mr. BOEHLERT. Reclaiming my time, Mr. Speaker, the gentleman is exactly right, and I was one of the great fans cheering him on when he pitched that perfect game.

And my colleague from Arkansas neglected to mention another great Hall of Famer from his home State. Arky Vaughn.

The fact of the matter is, one of the reasons why this settlement was delayed was the genuine concern for the future of minor league baseball. Because when all is said and done, while we are all thrilled by America's pastime, most people have to watch it on television. But across America, 35 million fans are going to the ball parks to see minor league baseball, in places like Syracuse, New York, and Utica, New York, and all over America. In Toledo, Ohio, the Mudhens. Who can forget them.

□ 2200

It is indeed America's pastime. The great concern that all of us had was the preservation of minor league baseball. I am pleased to report to my colleagues that the minor league baseball officials have worked cooperatively and they do endorse this package. It is good for baseball at all levels.

Mr. LUTHER. Mr. Speaker, in an attempt to clarify the legislative intent of S. 53, I would like to place the following Senate colloquy between Senator PAUL WELLSTONE, Judiciary Committee Chairman ORRIN HATCH and Ranking Judiciary Committee Member PATRICK LEAHY in the House record.

CURT FLOOD ACT OF 1998

Mr. WELLSTONE. Mr. President, late last night (July 30, 1998), the Senate passed by unanimous consent S. 53. I have been contacted by the Attorney General of my State, Hubert H. Humphrey III, and asked to try to clarify a technical legal point about the effect of this legislation. The State of Minnesota, through the office of Attorney General, and the Minnesota Twins are currently involved in an antitrust-related investigation. It is my understanding that S. 53 will have no impact on this investigation or any litigation arising out of the investigation.

Mr. HATCH. That is correct. The bill simply makes it clear that major league baseball players have the same rights under the antitrust laws as do other professional athletes. The bill does not change current law in any other context or with respect to any other person or entity.

Mr. WELLSTONE. Thank you for that clarification. I also note that several lower courts have recently found that baseball currently enjoys only a narrow exemption from antitrust laws and that this exemption applies only to the reserve system. For example, the Florida Supreme Court in *Butterworth* v. *National League*, 644 So.2d 1021 (Fla. 1994), the U.S. District Court in Pennsylvania in *Piazza* v. *Major League Baseball*, 831 F. Supp. 420 (E.D. Pa. 1993) and a Minnesota State court in a case involving the Twins have all held the baseball exemption from antitrust laws is now limited only to the reserve system. It is my understanding that S. 53 will have no effect on the courts' ultimate resolution of the scope of the antitrust exemption on matters beyond those related to owner-player relations at the major league level.

Mr. HATCH. That is correct. S. 53 is intended to have no effect other than to clarify the status of major league players under the antitrust laws. With regard to all other context or other persons or entities, the law will be the same after passage of the Act as it is today.

Mr. LEAHY. I concur with the satement of the Chairman of the Committee. The bill affects no pending or decided cases except to the extent that courts have exempted major league baseball clubs from the antitrust laws in their dealings with major league players. In fact, Section 3 of the legislation makes clear that the law is unchanged with regard to issues such as relocation. The bill has no impact on the recent decisions in federal and state courts in Florida, Pennsylvania and

Minnesota concerning baseball's status under the antitrust laws.

Mr. WELLSTONE. I thank the Senator. I call to my colleagues attention the decision in *Minnesota Twins* v. *State by Humphrey*, No. 62–CX–98–568 (Minn. dist. Court, 2d Judicial dist., Ramsey County April 20, 1998) reprinted in 1998–1 Trade Cases (CCH) 72,136.

Mr. BILIRAKIS. Mr. Speaker, I rise to support S. 53, the Curt Flood Act, which gives major league baseball players the same rights other professional athletes have under antitrust laws.

As a longtime proponent of lifting baseball's antitrust exemption, I have sponsored bills in the past to lift this exemption completely as it applies to all aspects of baseball's business. Although the bill we are considering now is more limited in scope, it is an important first step in correcting a seven decade-old mistake.

Federal antitrust laws prohibit businesses from taking actions that ''unreasonably'' constrain interstate commerce. However, many years ago Major League Baseball was singled out for a complete exemption from America's antitrust laws by the Supreme Court. The Court said baseball was an amusement and not a business, exempting it from antitrust laws. This exemption created a monopoly for baseball and established artificial barriers to league expansion. It sent the wrong signal to Americans that baseball did not have to comply with our country's antitrust laws.

In 1972, the Supreme Court called the situation an ''anomaly'' and an ''aberration'' which Congress should remedy. A 1976 report by the House Select Committee on Professional Sports concluded that there was no justification for baseball's special exemption. Unfortunately, no action was ever taken.

Mr. Speaker, baseball has seen a resurgence since the dark days of the 1994 strike. Who can forget Cal Ripken's triumphant lap around Camden Yards after breaking Lou Gehrig's Iron Man streak of consecutive games played? Or the incredible home run chase this year between Mark McGwire and Sammy Sosa that culminated in both players smashing the thirty-seven-year home run record held by Roger Maris?

I felt immense personal pride when I watched my hometown team, the Tampa Bay Devil Rays, take the field for their inaugural season at Tropicana field. The debut of a major league team in the Tampa-St. Petersburg area was delayed for years because Major League Baseball did not have to abide by our nation's antitrust laws.

I urge my colleagues to support S. 53 because it makes baseball live by the same laws as the fans who sit in the bleachers. It tells baseball fans that competition and fairness in baseball boardrooms is just as important as it is on the field. Let's give America its game back.

Mr. CHABOT. Mr. Speaker, the legislation before us today is the result of a negotiation resulting in a compromise among the union that represents major league players, the owners of major league baseball clubs, and by the owners of minor league baseball teams affiliated with major league clubs. The compromise addresses only the limited area of the labor relations of major league players at the major league level. The bill does not affect any other aspect of the organized baseball exemption. Also, the legislation does not change in any way the antitrust exemption for the major league players union or the major league clubs in the collective bargaining process provided by the nonstatutory labor antitrust exemption available to all unions and employers.

The legislation is a success because it has been carefully crafted to make clear that only major league baseball players, and no other party, can bring suit under this amendment to the Clayton Act.

This protection will help to ensure the continued viability of minor league baseball.

Minor league baseball owners were concerned that any legislation preserve the antitrust protections for the historic relationship between the major league clubs and the minor league clubs. The minor league owners were particularly concerned about the work rules and terms of employment that impact both major league and minor league baseball players. The language of the bill guarantee that neither major league players nor minor league players can use subsection (a) of new section 27 of the Clayton Act to attack conduct, acts, practices or agreements designed to apply only to minor league employment.

I believe the compromise is successful because it protects minor league baseball by barring minor league players or amateur players from using the antitrust laws to attack issues unique to the continued economic success of minor league baseball.

Mr. CLAY. Mr. Speaker, I rise in strong support of S. 53, the ''Curt Flood Act of 1998.'' This is the Senate counterpart of H.R. 21, legislation I introduced in the each of the last two Congresses providing for the partial repeal of baseball's antitrust exemption. I'd like to thank Chairman Hyde for his leadership in seeing that this vital and long overdue legislation reached the House Floor.

Professional baseball is the only industry in the United States exempt from antitrust laws without being subject to alternative regulatory supervision. This circumstance resulted from an erroneous 1922 Supreme Court decision holding that baseball did not involve ''interstate commerce'' and was therefore beyond the reach of the antitrust laws. Congress has failed to overturn this decision despite subsequent court decisions holding that the other professional sports were fully subject to the antitrust laws.

There may have been a time when baseball's unique treatment was a source of pride and distinction for the many loyal fans who loved our national pastime. But with baseball suffering more work stoppages over the last 25 years than all of the other professional sports combined—including the 1994–95 strike which ended the possibility of a World Series for the first time in 90 years and deprived our cities of thousands of jobs and millions of dollars in tax revenues—we can no longer afford to treat professional baseball in a manner enjoyed by no other professional sport.

Because concerns have previously been raised that by repealing the antitrust exemption we could somehow be disrupting the operation of the minor leagues, or professional baseball's ability to limit franchise relocation, the legislation carefully eliminates these matters from the scope of the new antitrust coverage.

In the past, some in Congress had objected to legislating in this area because of their hesitancy to take any action which could impact the ongoing labor dispute. But because the owners and players have recently agreed to enter into a new collective bargaining agreement, this objection no longer exists. In addition, the baseball owners are now in full support of this legislation as are the Major League Players Association.

I originally introduced the House version of the bill as H.R. 21, in honor of the courageous center fielder, Curt Flood, who passed away earlier this year on January 21. Mr. Flood, one of the greatest players of his time, risked his career when he challenged baseball's reserve clause after he was traded from the St. Louis Cardinals to the Philadelphia Phillies. Although the Supreme Court rejected Flood's challenge in 1972, we all owe a debt of gratitude for his willingness to challenge the baseball oligarchy.

This bill has gone through many iterations over the years, beginning with its first enaction by the House Judiciary Committee at the end of the 103d Congress. That legislation was introduced by my former colleague Mike Synar.

In order to address the concern of the minor leagues, it contains many redundancies. Accordingly, a court may have questions about how the provisions of this bill interrelate. Any court facing such questions would be well-advised to return to the purpose section of the bill for aid in interpretation. The purpose section is the statement of what Congress intends the bundle of works now known as the ''Curt Flood Act of 1998'' to mean—that is, it is no longer subject to question that major league baseball players have the same rights under the antitrust laws as do other professional athletes. That is a simple proposition, yet it is indeed startling that 26 years after a brave and eloquent player stood alone before the Supreme Court to seek an answer that was obvious to him, it is only now being addressed directly by any branch of the United States government. If a court has any doubt as to the meaning or purpose of any provision of this new Act, it should be guided by our purpose which is at long last to give the answer Mr. Flood knew to be the correct one. This legislation is not intended to have any adverse effect on any ongoing litigation nor is it intended to limit the ability of the United States to bring antitrust actions.

Mr. Speaker, this bill is long overdue. I hope the House will act quickly to pass it for the good of the game, which has once again demonstrated why we love it, and for the good of the fans, who deserve to enjoy the national pastime without the continuous interruptions that have become nearly as predictable and plentiful, as McGwire or Sosa home runs.

Mr. HYDE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GUTKNECHT). The question is on the motion offered by the gentleman from Illinois (Mr. HYDE) that the House suspend the rules and pass the Senate bill, S. 53.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

SONNY BONO COPYRIGHT TERM EXTENSION ACT

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 505) to amend

the provisions of title 17, United States Code, with respect to the duration of copyright, and for other purposes.

The Clerk read as follows:

S. 505

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

TITLE I—COPYRIGHT TERM EXTENSION

SEC. 101. SHORT TITLE.

This title may be referred to as the ''Sonny Bono Copyright Term Extension Act''.

SEC. 102. DURATION OF COPYRIGHT PROVISIONS.

(a) PREEMPTION WITH RESPECT TO OTHER LAWS.—Section 301(c) of title 17, United States Code, is amended by striking ''February 15, 2047'' each place it appears and inserting ''February 15, 2067''.

(b) DURATION OF COPYRIGHT: WORKS CREATED ON OR AFTER JANUARY 1, 1978.—Section 302 of title 17, United States Code, is amended—

(1) in subsection (a) by striking ''fifty'' and inserting ''70'';

(2) in subsection (b) by striking ''fifty'' and inserting ''70'';

(3) in subsection (c) in the first sentence—

(A) by striking ''seventy-five'' and inserting ''95''; and

(B) by striking ''one hundred'' and inserting ''120''; and

(4) in subsection (e) in the first sentence—

(A) by striking ''seventy-five'' and inserting ''95'';

(B) by striking ''one hundred'' and inserting ''120''; and

(C) by striking ''fifty'' each place it appears and inserting ''70''.

(c) DURATION OF COPYRIGHT: WORKS CREATED BUT NOT PUBLISHED OR COPYRIGHTED BEFORE JANUARY 1, 1978.—Section 303 of title 17, United States Code, is amended in the second sentence by striking ''December 31, 2027'' and inserting ''December 31, 2047''.

(d) DURATION OF COPYRIGHT: SUBSISTING COPYRIGHTS.—

(1) IN GENERAL.—Section 304 of title 17, United States Code, is amended—

(A) in subsection (a)—

(i) in paragraph (1)—

(I) in subparagraph (B) by striking ''47'' and inserting ''67''; and

(II) in subparagraph (C) by striking ''47'' and inserting ''67'';

(ii) in paragraph (2)—

(I) in subparagraph (A) by striking ''47'' and inserting ''67''; and

(II) in subparagraph (B) by striking ''47'' and inserting ''67''; and

(iii) in paragraph (3)—

(I) in subparagraph (A)(i) by striking ''47'' and inserting ''67''; and

(II) in subparagraph (B) by striking ''47'' and inserting ''67'';

(B) by amending subsection (b) to read as follows:

''(b) COPYRIGHTS IN THEIR RENEWAL TERM AT THE TIME OF THE EFFECTIVE DATE OF THE SONNY BONO COPYRIGHT TERM EXTENSION ACT.—Any copyright still in its renewal term at the time that the Sonny Bono Copyright Term Extension Act becomes effective shall have a copyright term of 95 years from the date copyright was originally secured.'';

(C) in subsection (c)(4)(A) in the first sentence by inserting ''or, in the case of a termination under subsection (d), within the five-year period specified by subsection (d)(2),'' after ''specified by clause (3) of this subsection,''; and

(D) by adding at the end the following new subsection:

''(d) TERMINATION RIGHTS PROVIDED IN SUBSECTION (c) WHICH HAVE EXPIRED ON OR BEFORE THE EFFECTIVE DATE OF THE SONNY BONO COPYRIGHT TERM EXTENSION ACT.—In the case of any copyright other than a work made for hire, subsisting in its renewal term on the effective date of the Sonny Bono Copyright Term Extension Act for which the termination right provided in subsection (c) has expired by such date, where the author or owner of the termination right has not previously exercised such termination right, the exclusive or nonexclusive grant of a transfer or license of the renewal copyright or any right under it, executed before January 1, 1978, by any of the persons designated in subsection (a)(1)(C) of this section, other than by will, is subject to termination under the following conditions:

''(1) The conditions specified in subsection (c)(1), (2), (4), (5), and (6) of this section apply to terminations of the last 20 years of copyright term as provided by the amendments made by the Sonny Bono Copyright Term Extension Act.

''(2) Termination of the grant may be effected at any time during a period of 5 years beginning at the end of 75 years from the date copyright was originally secured.''.

(2) COPYRIGHT AMENDMENTS ACT OF 1992.—Section 102 of the Copyright Amendments Act of 1992 (Public Law 102–307; 106 Stat. 266; 17 U.S.C. 304 note) is amended—

(A) in subsection (c)—

(i) by striking ''47'' and inserting ''67'';

(ii) by striking ''(as amended by subsection (a) of this section)''; and

(iii) by striking ''effective date of this section'' each place it appears and inserting ''effective date of the Sonny Bono Copyright Term Extension Act''; and

(B) in subsection (g)(2) in the second sentence by inserting before the period the following: '', except each reference to forty-seven years in such provisions shall be deemed to be 67 years''.

SEC. 103. TERMINATION OF TRANSFERS AND LICENSES COVERING EXTENDED RENEWAL TERM.

Sections 203(a)(2) and 304(c)(2) of title 17, United States Code, are each amended—

(1) by striking ''by his widow or her widower and his or her children or grandchildren''; and

(2) by inserting after subparagraph (C) the following:

''(D) In the event that the author's widow or widower, children, and grandchildren are not living, the author's executor, administrator, personal representative, or trustee shall own the author's entire termination interest.''.

SEC. 104. REPRODUCTION BY LIBRARIES AND ARCHIVES.

Section 108 of title 17, United States Code, is amended—

(1) by redesignating subsection (h) as subsection (i); and

(2) by inserting after subsection (g) the following:

''(h)(1) For purposes of this section, during the last 20 years of any term of copyright of a published work, a library or archives, including a nonprofit educational institution that functions as such, may reproduce, distribute, display, or perform in facsimile or digital form a copy or phonorecord of such work, or portions thereof, for purposes of preservation, scholarship, or research, if such library or archives has first determined, on the basis of a reasonable investigation, that none of the conditions set forth in subparagraphs (A), (B), and (C) of paragraph (2) apply.

''(2) No reproduction, distribution, display, or performance is authorized under this subsection if—

''(A) the work is subject to normal commercial exploitation;

''(B) a copy or phonorecord of the work can be obtained at a reasonable price; or

''(C) the copyright owner or its agent provides notice pursuant to regulations promulgated by the Register of Copyrights that either of the conditions set forth in subparagraphs (A) and (B) applies.

''(3) The exemption provided in this subsection does not apply to any subsequent uses by users other than such library or archives.''.

SEC. 105. VOLUNTARY NEGOTIATION REGARDING DIVISION OF ROYALTIES.

It is the sense of the Congress that copyright owners of audiovisual works for which the term of copyright protection is extended by the amendments made by this title, and the screenwriters, directors, and performers of those audiovisual works, should negotiate in good faith in an effort to reach a voluntary agreement or voluntary agreements with respect to the establishment of a fund or other mechanism for the amount of remuneration to be divided among the parties for the exploitation of those audiovisual works.

SEC. 106. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect on the date of the enactment of this Act.

TITLE II—MUSIC LICENSING EXEMPTION FOR FOOD SERVICE OR DRINKING ESTABLISHMENTS

SEC. 201. SHORT TITLE.

This title may be cited as the ''Fairness In Music Licensing Act of 1998.''

SEC. 202. EXEMPTIONS.

(a) EXEMPTIONS FOR CERTAIN ESTABLISHMENTS.—Section 110 of title 17, United States Code is amended—

(1) in paragraph (5)—

(A) by striking ''(5)'' and inserting ''(5)(A) except as provided in subparagraph (B),''; and

(B) by adding at the end the following:

''(B) communication by an establishment of a transmission or retransmission embodying a performance or display of a nondramatic musical work intended to be received by the general public, originated by a radio or television broadcast station licensed as such by the Federal Communications Commission, or, if an audiovisual transmission, by a cable system or satellite carrier, if—

''(i) in the case of an establishment other than a food service or drinking establishment, either the establishment in which the communication occurs has less than 2000 gross square feet of space (excluding space used for customer parking and for no other purpose), or the establishment in which the communication occurs has 2000 or more gross square feet of space (excluding space used for customer parking and for no other purpose) and—

''(I) if the performance is by audio means only, the performance is communicated by means of a total of not more than 6 loudspeakers, of which not more than 4 loudspeakers are located in any 1 room or adjoining outdoor space; or

''(II) if the performance or display is by audiovisual means, any visual portion of the performance or display is communicated by means of a total of not more than 4 audiovisual devices, of which not more than one audiovisual device is located in any 1 room, and no such audiovisual device has a diagonal screen size greater than 55 inches, and any audio portion of the performance or display is communicated by means of a total of not more than 6 loudspeakers, of which not more than 4 loudspeakers are located in any 1 room or adjoining outdoor space;

''(ii) in the case of a food service or drinking establishment, either the establishment in which the communication occurs has less than 3750 gross square feet of space (excluding space used for customer parking and for no other purpose), or the establishment in which the communication occurs has 3750

gross square feet of space or more (excluding space used for customer parking and for no other purpose) and—

''(I) if the performance is by audio means only, the performance is communicated by means of a total of not more than 6 loudspeakers, of which not more than 4 loudspeakers are located in any 1 room or adjoining outdoor space; or

''(II) if the performance or display is by audiovisual means, any visual portion of the performance or display is communicated by means of a total of not more than 4 audiovisual devices, of which not more than one audiovisual device is located in any 1 room, and no such audiovisual device has a diagonal screen size greater than 55 inches, and any audio portion of the performance or display is communicated by means of a total of not more than 6 loudspeakers, of which not more than 4 loudspeakers are located in any 1 room or adjoining outdoor space;

''(iii) no direct charge is made to see or hear the transmission or retransmission;

''(iv) the transmission or retransmission is not further transmitted beyond the establishment where it is received; and

''(v) the transmission or retransmission is licensed by the copyright owner of the work so publicly performed or displayed;''; and

(2) by adding after paragraph (10) the following:

''The exemptions provided under paragraph (5) shall not be taken into account in any administrative, judicial, or other governmental proceeding to set or adjust the royalties payable to copyright owners for the public performance or display of their works. Royalties payable to copyright owners for any public performance or display of their works other than such performances or displays as are exempted under paragraph (5) shall not be diminished in any respect as a result of such exemption''.

(b) EXEMPTION RELATING TO PROMOTION.—Section 110(7) of title 17, United States Code, is amended by inserting ''or of the audiovisual or other devices utilized in such performance,'' after ''phonorecords of the work,''.

SEC. 203. LICENSING BY PERFORMING RIGHTS SOCIETIES.

(a) IN GENERAL.—Chapter 5 of title 17, United States Code, is amended by adding at the end the following:

''§ 512. Determination of reasonable license fees for individual proprietors

''In the case of any performing rights society subject to a consent decree which provides for the determination of reasonable license rates or fees to be charged by the performing rights society, notwithstanding the provisions of that consent decree, an individual proprietor who owns or operates fewer than 7 non-publicly traded establishments in which nondramatic musical works are performed publicly and who claims that any license agreement offered by that performing rights society is unreasonable in its license rate or fee as to that individual proprietor, shall be entitled to determination of a reasonable license rate or fee as follows:

''(1) The individual proprietor may commence such proceeding for determination of a reasonable license rate or fee by filing an application in the applicable district court under paragraph (2) that a rate disagreement exists and by serving a copy of the application on the performing rights society. Such proceeding shall commence in the applicable district court within 90 days after the service of such copy, except that such 90-day requirement shall be subject to the administrative requirements of the court.

''(2) The proceeding under paragraph (1) shall be held, at the individual proprietor's election, in the judicial district of the district court with jurisdiction over the applicable consent decree or in that place of holding court of a district court that is the seat of the Federal circuit (other than the Court of Appeals for the Federal Circuit) in which the proprietor's establishment is located.

''(3) Such proceeding shall be held before the judge of the court with jurisdiction over the consent decree governing the performing rights society. At the discretion of the court, the proceeding shall be held before a special master or magistrate judge appointed by such judge. Should that consent decree provide for the appointment of an advisor or advisors to the court for any purpose, any such advisor shall be the special master so named by the court.

''(4) In any such proceeding, the industry rate shall be presumed to have been reasonable at the time it was agreed to or determined by the court. Such presumption shall in no way affect a determination of whether the rate is being correctly applied to the individual proprietor.

''(5) Pending the completion of such proceeding, the individual proprietor shall have the right to perform publicly the copyrighted musical compositions in the repertoire of the performing rights society by paying an interim license rate or fee into an interest bearing escrow account with the clerk of the court, subject to retroactive adjustment when a final rate or fee has been determined, in an amount equal to the industry rate, or, in the absence of an industry rate, the amount of the most recent license rate or fee agreed to by the parties.

''(6) Any decision rendered in such proceeding by a special master or magistrate judge named under paragraph (3) shall be reviewed by the judge of the court with jurisdiction over the consent decree governing the performing rights society. Such proceeding, including such review, shall be concluded within 6 months after its commencement.

''(7) Any such final determination shall be binding only as to the individual proprietor commencing the proceeding, and shall not be applicable to any other proprietor or any other performing rights society, and the performing rights society shall be relieved of any obligation of nondiscrimination among similarly situated music users that may be imposed by the consent decree governing its operations.

''(8) An individual proprietor may not bring more than one proceeding provided for in this section for the determination of a reasonable license rate or fee under any license agreement with respect to any one performing rights society.

''(9) For purposes of this section, the term 'industry rate' means the license fee a performing rights society has agreed to with, or which has been determined by the court for, a significant segment of the music user industry to which the individual proprietor belongs.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 5 of title 17, United States Code, is amended by adding after the item relating to section 511 the following:

''512. Determination of reasonable license fees for individual proprietors.''.

SEC. 204. PENALTIES.

Section 504 of title 17, United States Code, is amended by adding at the end the following:

''(d) ADDITIONAL DAMAGES IN CERTAIN CASES.—In any case in which the court finds that a defendant proprietor of an establishment who claims as a defense that its activities were exempt under section 110(5) did not have reasonable grounds to believe that its use of a copyrighted work was exempt under such section, the plaintiff shall be entitled to, in addition to any award of damages under this section, an additional award of two times the amount of the license fee that the proprietor of the establishment concerned should have paid the plaintiff for such use during the preceding period of up to 3 years.''.

SEC. 205. DEFINITIONS.

Section 101 of title 17, United States Code, is amended—

(1) by inserting after the definition of ''display'' the following:

''An 'establishment' is a store, shop, or any similar place of business open to the general public for the primary purpose of selling goods or services in which the majority of the gross square feet of space that is nonresidential is used for that purpose, and in which nondramatic musical works are performed publicly.

''A 'food service or drinking establishment' is a restaurant, inn, bar, tavern, or any other similar place of business in which the public or patrons assemble for the primary purpose of being served food or drink, in which the majority of the gross square feet of space that is nonresidential is used for that purpose, and in which nondramatic musical works are performed publicly.'';

(2) by inserting after the definition of ''fixed'' the following:

''The 'gross square feet of space' of an establishment means the entire interior space of that establishment, and any adjoining outdoor space used to serve patrons, whether on a seasonal basis or otherwise.'';

(3) by inserting after the definition of ''perform'' the following:

''A 'performing rights society' is an association, corporation, or other entity that licenses the public performance of nondramatic musical works on behalf of copyright owners of such works, such as the American Society of Composers, Authors and Publishers (ASCAP), Broadcast Music, Inc. (BMI), and SESAC, Inc.''; and

(4) by inserting after the definition of ''pictorial, graphic and sculptural works'' the following:

''A 'proprietor' is an individual, corporation, partnership, or other entity, as the case may be, that owns an establishment or a food service or drinking establishment, except that no owner or operator of a radio or television station licensed by the Federal Communications Commission, cable system or satellite carrier, cable or satellite carrier service or programmer, provider of online services or network access or the operator of facilities therefor, telecommunications company, or any other such audio or audiovisual service or programmer now known or as may be developed in the future, commercial subscription music service, or owner or operator of any other transmission service, shall under any circumstances be deemed to be a proprietor.''.

SEC. 206. CONSTRUCTION OF TITLE.

Except as otherwise provided in this title, nothing in this title shall be construed to relieve any performing rights society of any obligation under any State or local statute, ordinance, or law, or consent decree or other court order governing its operation, as such statute, ordinance, law, decree, or order is in effect on the date of the enactment of this Act, as it may be amended after such date, or as it may be issued or agreed to after such date.

SEC. 207. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect 90 days after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from

Wisconsin (Mr. SENSENBRENNER) and the gentlewoman from Texas (Ms. JACKSON-LEE) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill under consideration.

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

There was no objection.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself such time as I may consume. S. 505 contains two important provisions and is substantially identical to H.R. 4712 which the gentleman from Florida (Mr. MCCOLLUM) and I introduced earlier today. It adopts the Sonny Bono Copyright Term Extension Act identical to the language the House passed by an overwhelming margin in March. This section of the bill is a fitting tribute to our departed colleague Sonny Bono. The second part of the bill adopts an agreement on the issue of fairness in music licensing issue. This agreement is the product of grueling and ofttimes contentious negotiations. I am proud of the final product and am pleased that all sides were able to work together to bridge their differences. This bill is a victory for small business and a tribute to the commitment of its supporters. In March, the House overwhelmingly passed the Sensenbrenner amendment to the Copyright Term Extension bill by a 297–112 vote. That amendment reflected the core principles of my legislation, the Fairness in Music Licensing Act, and had the strong endorsement of groups, including the National Federation of Independent Business and the National Restaurant Association. Since that time, we have been working to strike an agreement with the other body over this language. I am pleased to report we have arrived at a compromise that is supported by the same groups and is acceptable to the opponents of the original Sensenbrenner amendment. In short, passage of this bill today will allow the Sonny Bono Copyright Term Extension Act and the Fairness in Music Licensing Act to become law in very short course.

Under the music licensing compromise, restaurants and bars with 3,750 gross square feet or less will be exempt from paying music licensing fees for playing the radio or television in their establishments. Retail businesses will benefit from a 2,000 gross square foot exemption for radio and television. Importantly, both types of establishments, regardless of size, will be exempt if they have six or fewer external speakers or four televisions measuring 55 inches or less. Secondly, the bill contains a ''circuit rider'' provision that will provide small businesses an alternative to the existing system of dispute resolution which requires businesses to challenge ASCAP and BMI in a New York rate court. Under the provision in this bill, the existing New York rate court maintains jurisdiction over those cases but will hear them at the circuit court level. Lastly, the bill provides an exemption from licensing fees for television and stereo equipment retailers so that these businesses are not required to pay a fee simply to demonstrate to a potential customer that a product works. At this point in my statement, I would like to engage in a colloquy with the gentleman from Florida (Mr. MCCOLLUM).

Mr. Speaker, I want to make certain that the critically important provision concerning the burden of proof is clearly understood in the license fee determination provision, Section 512(4). Nothing in Section 512(4) shall change the burden of proof with respect to the rates or fees under the consent decrees, which places the burden of showing a reasonable rate or fee on the performing rights society.

Does the preceding statement reflect the gentleman's understanding of the provisions stated above?

I yield to the gentleman from Florida.

Mr. MCCOLLUM. Madam Speaker, yes, it does. I thank the gentleman for asking that question. I most certainly agree that is correct.

Mr. SENSENBRENNER. I thank the gentleman for his answer.

Madam Speaker, the legislation before us today demonstrates that the system works. Title I of the legislation satisfies a top priority for the entertainment industry and ensures that one of America's most valuable assets will continue to dominate in global markets. Title II of the bill brings to a close a 4-year effort to bring common sense, fairness and clarity to the copyright music licensing system. This victory for small business should make Congress proud. I urge a unanimous vote in favor of this agreement and this bill.

Madam Speaker, I include in this part of the RECORD an exchange of correspondence between the gentleman from North Carolina (Mr. COBLE) who is the chairman of the Subcommittee on Courts and Intellectual Property and myself.

The correspondence referred to is as follows:

CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES
Washington, DC, October 7, 1998.

Hon. HOWARD COBLE,
Chairman, Subcommittee on Courts and Intellectual Property.

DEAR MR. CHAIRMAN: I am writing to you regarding the upcoming floor action on S. 505, a bill to amend title 17, United States Code, to extend the term of copyright, to provide for a music licensing exemption, and for other purposes.

Among the negotiated portions included in the final version was a provision concerning the burden of proof in determining reasonableness of the license rate. I want to make certain that this critically important provision concerning the burden of proof is clearly understood in the license fee determination provision, Section 512(4). Nothing in Section 512(4) shall change the burden of proof with respect to the rates or fees under the consent decrees, which places the burden of showing a reasonable rate or fee on the performing rights society.

Mr. Chairman, I respectfully request your affirmation of this understanding be included in the record for purposes of providing legislative history on this subject.

Sincerely,

F. JAMES SENSENBRENNER, JR.,
Member of Congress.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, October 7, 1998.

Hon. F. JAMES SENSENBRENNER, Jr.,
U.S. Representative for the 9th District of Wisconsin, Rayburn House Office Building, Washington, DC.

DEAR REPRESENTATIVE SENSENBRENNER: Thank you for your letter of October 7, 1998, regarding the upcoming floor action on S. 505, a bill to amend title 17, United States Code, to extend the term of copyright, to provide for a music licensing exemption, and for other purposes.

This letter is to affirm your understanding that nothing in section 512(4) of the Copyright Act, as amended by the bill, is intended to change the burden of proof with respect to rates or fees under applicable consent decrees, which places the burden of showing a reasonable rate or fee on the performing rights society.

This letter, along with your letter, will be placed in the RECORD for purposes of providing legislative history on this subject.

Sincerely,

HOWARD COBLE,
Chairman, Subcommittee on Courts and Intellectual Property.

Madam Speaker, I reserve the balance of my time.

Ms. JACKSON-LEE of Texas. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I am delighted to rise in strong support of the Copyright Term Extension Act before us this evening, the passage of which marks an important moment for those of us who support strong copyright and specifically our domestic copyright and creative industries. The enactment of this legislation will bring United States copyright creators and owners into full citizenship with respect to the international community and finally permit us to enjoy the full and appropriate term that European copyright owners have enjoyed for some time now.

There is a provision in the legislation which I am especially happy to see, and that is the resolution of the long-simmering dispute between copyright owners and restaurants and other small businesses. I have always said, Madam Speaker, that small businesses like restaurants are the backbone of America. They create job opportunities, they provide entertainment and enjoyment. The latter of whom have sought and argued for a fair exemption from music licensing fees for some time. I am sorry that the dispute was so protracted and difficult, but I am, as I have said, delighted that we have reached a workable compromise on this difficult legislation. Sometimes the most difficult

struggles bring about the fairest resolutions, and I think we may have achieved such a result tonight.

I appreciate the work of the gentleman from North Carolina (Mr. COBLE) and certainly the gentleman from Wisconsin (Mr. SENSENBRENNER) who I know has worked on this issue for a very long time, the ranking minority member the gentleman from Massachusetts (Mr. FRANK) and the gentleman from Michigan (Mr. CONYERS) who have worked on this issue as well. I know that there has been some disagreement and may still continue to be. But I think we have come to a point in this legislation that we have recognized the importance of our small businesses like restaurants, like various other centers who need to have the ability to create and improve their enjoyment. Again I commend all of those who have been working on this matter for their hard work and I am very pleased to have seen this come to a good end. I am asking my colleagues to support this legislation.

I rise today in strong support of the Copyright Term Extension Act before us this evening, the passage of which marks an important moment for those of us who support copyright, and specifically our domestic copyright and creative industries. The enactment of this legislation will bring United States copyright creators and owners into full citizenship with respect to the international community, and finally permit us to enjoy the full and appropriate term that European copyright owners have enjoyed for some time now.

There is a provision in this legislation which I am especially happy to see, and that is the resolution of the long simmering dispute between copyright owners and restaurants and other small businesses, the latter of whom have sought and argued for a fair exemption from music licensing fees for some time. I am sorry that the dispute was so protracted, and difficult, but I am as I say delighted that we have reached a workable compromise on this difficult legislation. Sometimes the most difficult struggles bring about the fairest resolutions, and I think we may have achieved such a result tonight.

I commend those in the majority and the minority who worked hard to get to this day. I commend Chairman COBLE, ranking member CONYERS, and Mr. SENSENBRENNER for their hard work and efforts on this important bill, and I am pleased to support it strongly.

Madam Speaker, I reserve the balance of my time.

Mr. SENSENBRENNER. Madam Speaker, I yield 4 minutes to the gentleman from North Carolina (Mr. COBLE).

Mr. COBLE. I thank the gentleman for yielding me this time, Madam Speaker. This has been a long, extended journey that we have traveled. The gentleman from Wisconsin and I have slugged it out literally as well as figuratively on this matter, but I think tonight we are finally in the position to maybe put it to bed.

I rise in support of the bill, S. 505, Madam Speaker. Copyright extension is essential legislation that will ensure that the United States will continue to receive the enormous export revenues that it does today from the sale of its copyrighted works abroad. At the same time, S. 505 resolves the question of music licensing fees for restaurants and small businesses.

I want to applaud the efforts of the parties and Members involved in negotiating the music licensing agreement. This legislation is the result of much hard work and diligent negotiation. I want to express my thanks to the Speaker the gentleman from Georgia (Mr. GINGRICH) for his efforts in bringing the parties together. I also want to express my thanks to the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Florida (Mr. MCCOLLUM) for their work in bringing about a fair resolution. It was no small task. Of course, I would be remiss if I did not mention the late Mr. Bono, the gentleman from California, regarding his work and interest in the copyright extension feature of this.

S. 505 will give the United States economy 20 more years of foreign sales revenue from movies, books, records and software products sold abroad. We are by far the world's largest producer of copyrighted works and the copyright industries give us one of our most significant trade surpluses. The European Union countries, pursuant to a directive, have adopted domestic laws which would protect their own works for 20 years more than they protect American works. This bill would correct that by granting to the United States works the same amount of protection which under international agreements requires reciprocity.

This bill is also good for consumers, Madam Speaker. When works are protected by copyright, they attract investors who can exploit the work for profit. That in turn brings the work to the consumer who may enjoy it at the movie theater, in a home, in an automobile, or in a retail establishment.

Finally, the bill addresses the concern of restaurants and small businesses regarding the payment of licensing fees for the use of music broadcasts over the radio or television. It gives qualifying establishments an exemption from paying music licensing fees and forums in addition to the Southern District of New York which the gentleman from Wisconsin previously mentioned in which to challenge the reasonableness of the fees charged. I believe this bill protects small business interests which represent a key sector of our society.

This bill, Madam Speaker, recognizes the importance of the business community, the small business community in particular. That is, the entrepreneurs who operate restaurants across our land but at the same time recognizes the importance and the obvious significance of our maintaining a sound copyright system.

I urge Members to vote ''yes'' on S. 505.

Ms. JACKSON-LEE of Texas. Madam Speaker, I yield 3 minutes to the distinguished gentleman from New York (Mr. NADLER), a member of the Committee on the Judiciary.

Mr. NADLER. Madam Speaker, I thank the distinguished gentlewoman for yielding me this time. I want to rise in opposition to that portion of the bill regulating music licensing fees. This is a very interesting occasion. Here we have under the leadership of the party that believes preeminently in the free enterprise system that government should not intervene against the operation of the free market advancing a bill that would interfere between an arm's length relationship between two different business interests.

Now, I do not agree with most of my friends on the other side of the aisle in as great a degree of the sanctity of the free market system as they might. I probably support more government regulation than they would. I probably think the government should intervene in the free market more often. But I do think that before you have the government intervene in the free market, you have to have a showing of necessity.

What showing of necessity have we here? Restaurants that pay an average of $400 a year in music licensing fees, a rather small, I would say minute percentage of the revenues of an average restaurant, do not want to pay the $400 a year to the songwriters. Well, that is interesting. Let them try to negotiate a different deal. Or let them not use the music. But what necessity, what public interest is served by the government coming in and making a decision and saying, ''Thou shalt not pay the $400; you shall get it free''?

Is there a great housing shortage that necessitates rent control? Is there a great shortage of restaurant musicians or of restaurant radios that necessitates that, my God, if we do not pass this bill, people are not going to be able to eat because they will be so nervous without the radio music as to justify the government intervention in the free market here, to come in and say, ''We're not going to let you make this deal, we're going to upset the licensing arrangements''?

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I do not see the point. Why is government intervening in the free market here? Point One.

Point Two: Assuming we want the government to intervene in the free market, assuming that we should arrogate to ourselves the power of determining what the deal should be, the deal should be very different. We are saying that the restaurant that pays a average of $400 a year for these licensing fees, a minute part of its expenses to the restaurant to which it makes virtually no difference, that is the one interest. The other interest is the song writer to whom this revenue may be a very large part of their income.

So let us take the song writer for whom this may be a very large part of their income and say, ''You can't get that income because the restaurants

for whom this is a minute expense, we don't want them to have this expense.''

So if government should make this decision, I would make it the other way around and leave the situation as it is, but why should government make this decision? Government should intervene in the free market when there is a real public policy purpose only, when there is a necessity, when the free market is not working right, when there is not an arm's length relationship, when consumers have to be protected, when the antitrust has to be promoted, when the free market is leading to exploitation of wages, when some real public policy purpose necessities the intervention.

What is the public policy purpose? I have been asking that question for 2 years. I have never heard any answer suggested. So I would hope that this part of this bill, which I otherwise support, would not be adopted.

Mr. SENSENBRENNER. Madam Speaker, I yield 3 minutes to the gentleman from Florida (Mr. MCCOLLUM).

Mr. MCCOLLUM. Madam Speaker, I thank the gentleman from Wisconsin for yielding this time to me.

Madam Speaker, I am pleased to support S. 505 which will extend copyright protection and resolve a long standing issue concerning music licensing. I am also pleased to be joined by my colleague, the gentleman from Wisconsin (Mr. SENSENBRENNER) who has devoted extensive time and energy to reaching the solution on this issue. It is clear to me that today we would not be here if it were not for Mr. SENSENBRENNER's committed effort, and I believe that that deserves recognition, and I want to thank him personally for the time he has put in on it. I also wanted to express my gratitude to the gentleman from Illinois (Mr. HYDE) and to the gentleman from North Carolina (Mr. COBLE) and to Senator HATCH for their dedicated commitment to copyright protection.

Extending the term of copyright protection by 20 years will ensure that the American public continues to enjoy the contributions made by our creative community. In addition, it would eliminate harmful discrimination against American works abroad. Copyright protection benefits the public. It promotes the creation of educational materials, widens the dissemination of information and provides countless hours of entertainment. Copyright products such as movies, software, music and books contributed more than $275 billion to the U.S. economy in 1996 and employed more than 6½ million workers.

It is clear that we must be as vigilant in protecting intellectual property as we are protecting physical property. Unfortunately, without the enactment of this legislation, U.S. copyright owners would continue to be at a critical disadvantage in overseas markets. The European Union, which is the largest market for U.S. copyrighted products protects its own products for 20 years longer than it protects American works. This is due to the fact that foreign countries only protect U.S. works for as long as the U.S. itself protects its own works. Enactment of S. 505 would eliminate this extreme economic disadvantage and contribute to America's balance of trade.

With S. 505 we will no longer be abandoning 20 years worth of copyright protection for our creative community. In addition, we will be promoting the creation of new copyrighted works for the American public and strengthening our international trading position abroad. Also, S. 505 resolves the longstanding dispute between song writers, music publishers and the performing rights societies on the side, one side, and the restaurants and the other, and commercial users of music on still the other. The compromise provides certain exemptions from copyright infringement for the limited commercial use of radios and televisions. It also provides for additional forums for individuals to be heard in court concerning music licensing rates and fees.

This fair and balanced compromise is the result of years of work, and I am pleased to be joined by the gentleman from Wisconsin (Mr. SENSENBRENNER) in urging my colleagues to support the passage of this resolution and the resolution of this matter by the adoption of S. 505 which I certainly encourage tonight.

Ms. JACKSON-LEE of Texas. Madam Speaker, I yield myself such time as I may consume.

Let me conclude by adding again my emphasis on the importance of the compromise and resolution of this bill that brings the restaurants and copyright entities together. It is important that we do recognize that this was a very vital part of the economic structure of these businesses, and it is our responsibility to ensure their viability as well as the fair treatment of those in the copyright industry.

With that I would ask my colleagues to support this legislation.

Madam Speaker, I yield back the balance of my time.

Mr. SENSENBRENNER. Madam Speaker, I yield 2 minutes to the gentleman from Florida (Mr. FOLEY).

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

Mr. FOLEY. Madam Speaker, I want to take a moment to thank the gentleman from Wisconsin (Mr. SENSENBRENNER), the gentleman from Florida (Mr. MCCOLLUM), the gentleman from North Carolina (Mr. COBLE) and, of course, the House leadership for bringing this important measure to the floor tonight and spend a moment of special tribute to our good friend Sonny Bono who was basically the one that brought this bill to the attention of the floor. Sonny, as many of my colleagues know, was a song writer and cared deeply about the rights of performers like himself who had created music and wanted that protection under law as other nations have recognized. The gentleman from Florida (Mr. MCCOLLUM) eloquently laid out that European nations protect their copyrighted materials, and we should do no less for our artists.

I also want, as Chairman of the House Entertainment Task Force, to thank all parties for recognizing the importance of this issue to America's creative community. Whether it is Sony, BMI, Disney or any of the multitude of companies that make up the fabric of our entertainment community, as the gentleman from Florida (Mr. MCCOLLUM) clearly stated, 6½ million workers make up the work force of the entertainment industry in America. It is a thriving business, it is an important business, but, more importantly, it is a business that needs protection so that the works of these creative artists, the works they have struggled to produce, the works that have now reached critical acclaim are not stolen and pirated.

When we were in China with the Speaker last year we noticed that there were CDs for sale in the streets of China for a $1.25 and $2, American currency. That record cost $14 here in the United States, but it was being bootlegged by foreign sources, if my colleagues will, and sold under market, under value and no attribution to the recording label or the artist.

So, again I want to take a moment because I know it has been difficult, and I know it has been stressful to reach a compromise. But thanks to the leadership of the gentleman from Wisconsin (Mr. SENSENBRENNER) bringing all parties together, we were able to really produce what this House is all about. Comity. And I would also like to thank the minority and certainly those that have worked so hard at this, the gentlewoman from Texas (Ms. JACKSON-LEE), the gentleman from Massachusetts (Mr. FRANK) in the Committee on the Judiciary for their hard work in this effort because they too recognize the importance of the artistic community.

So really this is a spirit of bipartisanship, this is a good bill, and I urge all Members to support it as it reaches the floor tonight.

Mrs. BONO. Mr. Speaker, I rise to extend my deep appreciation to my colleagues, including the gentleman from Florida, for honoring Sonny with the legislation before us today. I support this bill and ask my colleagues to do the same.

Copyright term extension is a very fitting memorial for Sonny. This is not only because of his experience as a pioneer in the music and television industries. The most important reason for me was that he was a legislator who understood the delicate balance of the constitutional interests at stake. Last year he sponsored the term extension bill, H.R. 1621, in conjunction with Sen. HATCH. He was active on intellectual property issues because he truly understood the goals of Framers of the Constitution: that by maximizing the incentives for original creation, we help expand the public store-house of art, films music, books and now

also, software. It is said that ''it all starts with a song,'' and these works have defined our culture to audiences world-wide.

Actually, Sonny wanted the term of copyright protection to last forever. I am informed by staff that such a change would violate the Constitution. I invite all of you to work with me to strengthen our copyright laws in all of the ways available to us. As you know, there is also Jack Valenti's proposal for term to last forever less one day. Perhaps the Committee may look at that next Congress.

In addition, this bill also presents a significant change in the music licensing system. Everyone must remember that I was a small business woman before I came to Washington. I am sympathetic to the concerns raised by many industries. Unfortunately the generous exemption included in this bill tests my patience because it comes at the expense of songwriters. The current system has worked for decades, and in my view serves the public well.

Yet, we must bring this bill forward today. Our inaction risks a response from the international community. While one of the goals of term extension is having our system conform to a strong international standard, I am troubled to learn that with the music licensing section, we risk violating our international treaty obligations. These treaties protect American property overseas, for example under the Berne Convention and the TRIPS agreement. I ask that the RECORD include the following letters from the U.S. Trade Representative, the Patent and Trademark Office, the Department of Commerce, and the Register of Copyrights concerning the possible serious international consequences of this portion of the bill.

I am hopeful that we in the House Judiciary Committee will have the chance to revisit this issue, and pursuant to our oversight powers, review its effect on American songwriters and our multi-lateral trade obligations. Further, this may be an unconstitutional taking of property. The talented men and women who write our music may rest assured that I will continue to be their advocate in the House.

Again, I truly thank all of my colleagues for this tribute to Sonny.

THE U.S. TRADE REPRESENTATIVE,
Washington, DC, August 26, 1998.

Hon. MARY BONO,
U.S. House of Representatives, Washington, DC.

DEAR CONGRESSWOMAN BONO: Thank you for your recent letter regarding the Fairness in Musical Licensing Act. As you note in your letter, Administration officials have expressed serious concerns about this legislation on a number of occasions. If this legislation is passed, we believe that our trading partners will argue that it violates our international obligations under the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights.

You have asked whether it is fair to conclude that there would be repercussions in the global community if Congress passed legislation that violated U.S. multilateral treaty obligations. Your question is phrased as a hypothetical one and we assume that it is not limited to the music licensing context. In general, we would expect that our relations with our trading partners would be impaired if the United States enacted legislation that was inconsistent with its previous commitments. In response to your second question—again, as a general matter—we would also expect that our trading partners might pursue action in the World Trade Organization (WTO) if the United States enacted legislation that those countries believed violated our WTO obligations and impaired their interests.

You have also asked whether our trading partners could respond to the passage of music licensing legislation in a manner that would compromise the integrity of the copyright sectors and other sectors of the U.S. economy. It is difficult to predict exactly how our trading partners would react to the passage of legislation resembling the Fairness in Musical Licensing Act. We are certain, however, that the reaction would be a strong negative one. One of our most important trading partners, the European Union (EU), has already expressed significant concern about the pending legislation, and we know that EU officials are following its progress in Congress very closely. The EU is currently threatening to bring dispute settlement proceedings in the WTO challenging the existing ''home style'' exception in U.S. copyright law as overly broad. The pending legislation, as you know, would expand that exception, and thus would likely elicit a strong reaction.

Finally, you have asked whether it is the policy of the Administration to oppose a legislative package that violates our multilateral trade obligations. We cannot generalize about the Administration's likely position on legislation in the abstract, but can reiterate the seriousness with which we take all of our international commitments. With respect to music licensing, the Administration has opposed the pending legislation for a wide variety of policy reasons.

I appreciate this opportunity to reiterate the Administration's concerns regarding the pending legislation and would be pleased to respond to any further questions that you might have.

Sincerely,

RICHARD W. FISHER,
Acting.

THE SECRETARY OF COMMERCE,
Washington, DC, March 20, 1998.

Hon. NEWT GINGRICH,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: The House may consider H.R. 2589, the ''Copyright Term Extension Act,'' next week. The Administration supports passage of this bill, as reported by the House Judiciary Committee, and urges favorable consideration. I have been informed, however, that there also may be an attempt by supporters of H.R. 789, the ''Fairness in Musical Licensing Act of 1997,'' to add the provisions of that bill to H.R. 2589. The Administration strongly opposes the provisions of H.R. 789 and urges that any such amendment be rejected.

The Administration strongly opposes H.R. 789 because it would amend section 110 of the Copyright Act of 1976 in ways that effectively strip music copyright owners of one of their fundamental rights under the Copyright Act—the right of copyright owners of literary, musical, dramatic, audiovisual and other works to publicly perform their copyrighted work or to authorize the performance by others. For example, the bill replaces the limited ''small business'' or ''home style'' exemptions of current law, which provide for minimal public use of a private-type radio or television under section 110(5) of the Copyright Act, with a much broader exemption based on whether an ''admission fee'' is charged or the transmission is otherwise not licensed. This change would thereby expand the limited ''home style'' exemption to encompass profitable restaurants and bars and would favor these establishments at the expense of the copyright owner and his or her Constitutionally granted rights.

If the amendment were adopted, we know that our trading partners will claim that it is an overly broad exception that violates our obligations under the Berne Convention for the Protection of Literary Works and the Agreement on the Trade-Related Aspects of Intellectual Property Rights (TRIPs Agreement). We are equally concerned that enactment could sacrifice the interests of U.S. music copyright owners abroad to satisfy the demands of those domestic interests that seek uncompensated use of their music. The American music industry is the most successful in the world, and royalties from foreign performances are an important source of income for U.S. artists and composers. If we expand the exemptions in our law as contemplated in H.R. 789, other countries may use that as an excuse to adopt this or other exemptions in their copyright laws, thereby leading to economic losses to U.S. music copyright owners in hundreds of millions of dollars.

Accordingly, the Administration strongly urges the House to reject any attempt to attach the provisions of H.R. 789 to H.R. 2589. Thank you for your consideration.

Sincerely,

WILLIAM M. DALEY.

PATENT AND TRADEMARK OFFICE
Washington, DC, January 16, 1998.

Hon. HOWARD COBLE,
Chairman, Subcommittee on Courts and Intellectual Property,
Committee on the Judiciary, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: We received the attached letter from the late Representative Sonny Bono raising issues concerned with certain provisions in H.R. 789, the ''Fairness in Music Licensing Act.'' In view of the tragic and untimely death of Mr. Bono and the importance of these issues, I thought we should send this response to you so that the Committee could be made aware of the depth of his concerns. I am pleased to share the Administration's views on this issue with you.

As we testified last summer, the Administration is concerned that the United States maintain its role as the world's leader in ensuring adequate and effective intellectual property protection. We are seriously concerned, as are you, that, if enacted, section 110(5) of H.R. 789, could be challenged by our trading partners, who could argue that it is an overly broad exception that would violate our obligations under the Berne Convention for the Protection of Literary and Artistic Works.

We are also concerned that we should not sacrifice the interests of U.S. music copyright owners—authors, composers and publishers—abroad to satisfy the demands of those domestic interests who would seek to permit uncompensated use of their music. The American music industry is the most successful in the world, and American popular music is publicly performed widely in virtually every country on the planet. Royalties from those foreign performances is an important part of the income for U.S. artists and composers. Creating in our own copyright law anything more than a *de minimus* exception to the public performance right will be used against us internationally, when other countries seek to enact similar limitations. If put in place, such limitations would keep U.S. music copyright owners from collecting royalties for the public performance of their works in those countries which would cause hundreds of millions of dollars in losses to U.S. music copyright owners.

As you have noted in your letter, the current ''home style exception'' has been applied by the courts to exempt establishments of approximately 1000 square feet. The Irish Performing Rights Organization has requested the Commission of the European

Communities to investigate the consistency of the ''home style exception'' with the Berne Convention. We believe that this request is groundless. We believe that the courts' ability to apply the ''home style exception'' on a case-by-case basis is appropriate and that legislating a specific size exemption would be problematic. If there are to be further limitations on the public performance right, such limitations should be the subject of private agreements and not set in legislation.

We share your concern that, if it is determined that there must be specific guidance in the copyright law, an exception tailored to the kind of equipment used might be more appropriate, but even in this case, we are concerned that it could lead to substantial erosion of the public performance right, and could lead to the erosion of other rights. As we continue to urge other countries to improve their intellectual property protection, we should not be weakening our own laws by the imposition of additional limitations on the rights of copyright owners. As we noted in our earlier testimony, we believe that private negotiations to exempt certain performances or size of establishments are the appropriate solution, consistent with our treaty obligations.

Sincerely,

BRUCE A. LEHMANN,
Assistant Secretary of Commerce and Commissioner of Patents and Trademarks.

THE REGISTER OF COPYRIGHTS,
Washington, DC, Sept. 28, 1994.

Hon. WILLIAM J. HUGHES,
Chairman, House Subcommittee on Intellectual Property and Judicial Administration, Washington, DC.

DEAR CHAIRMAN HUGHES: I would like to comment on H.R. 4936, the ''Fairness in Musical Licensing Act of 1994,'' which was introduced on August 10, 1994. I have a number of concerns that I would like to share with you.

AMENDMENT TO SECTION 110(5)

My first concern is with the proposed amendments to 17 USC §110(5); that section represents a narrowly crafted exemption to the copyright owner's exclusive right of public performance under section 106(4). I believe that H.R. 4936 would make major changes and would violate our treaty obligations.

At the time section 110(5) was enacted into law the United States was not a member of the Berne Convention. The United States became a signatory to the Berne Convention on March 1, 1989. In joining the Berne Convention the United States reviewed its copyright law to make sure that it was consistent with the requirements of Berne. For the most part deficiencies in our law were corrected in the Berne Convention Implementation Act of 1988; P.L. 100–568, 102 Stat. 2853 (1988). One of the sections reviewed was section 110(5). An Ad Hoc Working Group on U.S. Adherence to the Berne Convention noted that section 110(5) was an extremely narrow exemption to the public performance right and that the case law interpreting that section had not broadened the exemption beyond Congress' intent. The Working Group noted that the exemption did not extend to the use of loudspeakers or any sort of speaker arrangement which was the characteristics of a commercial sound system and therefore found section 110(5) compatible with the provisions of the Convention.

Let me quickly review part of the legislative history of section 110(5). The 1965 Supplementary Report of the Register on the General Revision of the Copyright Law stated:

''The intention behind this exception is to make clear that it is not an infringement of copyright merely to turn on, in a public place, an ordinary radio or television receiving apparatus of a type commonly sold to members of the public for private use. This exception would apply for the most part to the incidental entertainment of small public audiences (patrons in a bar, customers getting a shoeshine, patients waiting in a doctor's office, etc.). It is not intended to exempt larger establishments, such as supermarkets, bus stations, factories, etc., in which broadcasts are not merely received in the usual manner of a private reception, but are transmitted to substantial audiences by means of a receiving system connected with a number of loudspeakers spread over a wide area. The exemption would also not apply in any case where the public is charged directly to see or hear the broadcast.'' *Id.* at 44.

The legislative history shows that the rationale for the subsection was that the secondary use of the transmission by turning on an ordinary receiver in public is so remote and minimal that no further liability should be imposed.

During the revision process the Supreme Court decided *Twentieth Century Music Corp.* v. *Aiken,* 422 U.S. 151 (1975) which, though addressing the issue of what constituted a performance under the 1909 law, raised questions about the proper interpretation of section 110(5). The Senate, House and Conference Committee Reports all written after *Aiken* indicate how that case would be decided under the 1976 Copyright Act. The House Report states that *Aiken* represented the outer limit of the exemption; (Aiken operated a small fast-food restaurant which had a radio with four ordinary speakers in the ceiling.) That report states that the line should be drawn here. It goes on to say ''the clause would exempt small commercial establishments whose proprietors merely bring onto their premises standard radio or television equipment and turn it on for their customers' enjoyment.'' H. Rep. No. 1476, 94th Cong., 2d Sess. 87 (1976).

The House Report also suggests some of the factors to consider in particular cases—the size, physical arrangement, and noise level of areas within the establishment where the transmissions are made audible or visible. The Conference Committee Report states that the establishment involved is ''of sufficient size to justify, as a practical matter, a subscription to a commercial background music service.'' H.R. Conf. Rept. No. 1733, 94th Cong., 2d Sess. 75 (1976).''

It is true that there has been litigation on the scope of section 110(5) exemption; some courts have relied on the legislative history while others have refused to go beyond the plain language of the statute.

At the time that the United States joined the Berne Convention courts had consistently held that the §110(5) exemption was not available to businesses financially capable of paying reasonable licensing fees for the use of music. However, since that time two decisions have significantly expanded scope of the exemption. *Broadcast Music, Inc. v. Claire's Boutiques,* 949 F.2d 1482 (7th Cir. 1991) and *Edison Brothers Stores, Inc. v. Broadcast Music, Inc.,* 954 F.2d 1419 (8th Cir. 1992). It can be argued that the holding in these cases violate the spirit, if not the letter, of the Berne Convention.

My concern is that the proposed amendment to section 110(5) would do further violence to our Berne Convention obligations.

Berne allows only narrow exemptions to the author's exclusive right to authorize public performance. Thus, only in rare instances may third parties use a broadcast without a license and without remuneration to the author. Article 11 *bis* (1) (iii) establishes the exclusive right of the author to authorize the ''public communication by loudspeaker or any other analogous instrument transmitting by signs, sounds, or images, the broadcast of the work.'' The World Intellectual Property Organization Guide to the Berne Convention (Paris Act 1971) (1978) states:

''Finally, the third case dealt with in this paragraph is that in which the work which has been broadcast is publicly communicated e.g., by loudspeaker, or otherwise, to the public. The case is becoming more common. In places where people gather (cafes, restaurants, tea-rooms, hotels, large shops, trains, aircraft, etc.) the practice is growing of providing broadcast programs . . . The question is whether the license given by the author to the broadcasting station covers, in addition, all the use made of the broadcast which may or may not be for commercial ends.'' *Id.* notes 11 and 12 at 68. The Convention's answer is no. *Id.* note 12.

In 1988 Congress decided to adhere to the Berne Convention to increase protection for United States' interests in the international copyright arena. The House Report on the implementing legislation states:

''. . . the relationship of Berne adherence to promotion of U.S. trade is clear. American popular culture and information products have become precious export commodities of immense economic value. That value is badly eroded by low international copyright standards. Berne standards are both high, reasonable and widely accepted internationally. Lending our prestige and power to the international credibility of those standards will promote development of acceptable copyright regimes in bilateral and multilateral contexts.'' H.R. Rep. No. 609, 100th Cong., 2d Sess. 19–20 (1988).

To expand the section 110(5) exemption would send the wrong signal. Moreover, I am not aware of any new or unusual difficulties with respect to the licensing of music in commercial establishments. I urge you to reconsider this amendment.

With respect to the particular language in the proposed amendment to section 110(5), let me raise some additional questions. The proposed language contains no limitation on the type of equipment, and it could permit businesses to use sophisticated equipment with no limitation on the number of speakers or the size of a television screen.

The Copyright Office also wonders about the interpretation of ''indirect charge.'' There is no indication on how this is to be interpreted. Entertainment and background music is frequently part of the overhead cost of running an establishment. Would overhead costs built into the price of food, for example, make this exception unavailable?

CHORAL GROUP EXEMPTION

This proposal exemption would eliminate liability for public performance of a ''nondramatic musical work by a choral group of a nonprofit educational institution choral group, unless a direct or indirect charge is made to hear the performance.'' I understand that this change was suggested in response to complaints that performing rights organizations were attempting to require school groups to pay license fees for performing seasonal musical compositions.

The Copyright Act of 1976 already covers most situations in which a choral group connected with a non-profit institution may be permitted to perform works freely. Section 110(4) contains a nonprofit exemption for performance of nondramatic literary and musical works if the performance is ''without any purpose of direct or indirect commercial advantage and without payment of any fee or other compensation for the performance to any of its performers, promoters, organizers . . .'' 17 U.S.C. §110(4). If there is a charge, the exemption is still available if the net

proceeds are used exclusively for educational, charitable or religious purposes. Although a copyright owner may prohibit such a performance by serving the performing organization with a signed written notice, this is rarely done. Thus, it would seem that virtually all performances by such choral groups are already covered either by existing licenses or existing exemptions. I urge you to reconsider the necessity for a further exemption.

ARBITRATION OF RATE DISPUTES

The proposed legislation allows a defendant in a copyright infringement suit involving a licensed nondramatic musical work to admit liability but contest the amount being charged for the license. Either the defendant or the plaintiff in the suit would be able to request arbitration of the licensing fee under 28 U.S.C. 652(e).

This section would reconfigure the dispute resolution process between the performing rights societies and their licensees. Currently, ASCAP rates may be altered by the federal district court of the Southern District of New York, although this is far from a daily practice. Neither BMI nor SESAC has such a mechanism; disputes about their rates must be solved by means of negotiation. However, BMI has asked the United States Department of Justice for permission to amend its consent decree to provide for a rate court similar to that now in place for ASCAP. The Justice Department has agreed, and opened a public comment period on this matter. BMI would like to designate the Southern District of New York as its rate court. When the comment period closes, that court may agree to BMI's requested changes, or may disagree and suggest an alternative. We feel a trend may be developing that would provide more efficient administration of rate disputes and that amendment at this time is premature.

Furthermore, H.R. 4936 would allow any party who disagrees with the licensing organization to demand arbitration proceedings. This proposal may be a more cost effective system for an individual defendant who admits liability, but it could create a tremendous burden on the licensing organizations to address each complaint individually. Even arbitration proceedings are time-consuming and expensive, and at the end of the day, may not result in an arrangement that is any fairer to copyright owners or users than a negotiated licensing agreement would have been. Such a result would make it difficult for representatives of performers to set prices for use consistently, as they are required to do now.

I am also troubled by the proposed conforming amendment to Title 28 of the United States Code concerning civil actions for copyright infringement. The proposed amendment says that upon a request by either party for arbitration, as set out in section 4 of H.R. 4936, a district court may refer the dispute with respect to that defendant to arbitration. It also says that ''[e]ach district court shall establish procedures by local rule authorizing the use of arbitration under this subsection.''

Should each district court be charged with creating a set of rules and procedures regarding arbitration for public performance of nondramatic musical works? Since courts have extremely busy schedules, it does not appear to be judicially efficient to impose new duties on all district courts. Moreover, permitting each court to set its own rules would likely result in an uneven, patchwork effect that is undesirable as well as unpredictable. In addition, the Southern District Court of New York and the legal representatives of the private parties have developed a certain expertise in music licensing matters that other courts would take time to gain.

ACCESS TO REPERTOIRE

This proposed section mandates free access to critical information about copyrighted works by those who wish to license use of the works from performing rights organizations. We think it is unwise to mandate provision of this information at this time. Moreover, address and telephone information about authors who no longer are copyright owners seems unwarranted.

ASCAP is now providing information about its activities and its membership via CompuServe's Entertainment Drive. In addition, BMI recently launched its accessible database containing information that more than satisfies the needs evidenced by H.R. 4936's Sec. 5. The Library of Congress and the Copyright Office are working with the Corporation for National Research Initiative to develop an electronic copyright management system; a key feature of this system will make certain basic information about copyright owners available to the public for licensing purposes.

In conclusion, I urge you to reconsider this legislation. Many of the problems H.R. 4936 is attempting to resolve are currently being addressed elsewhere; thus, the proposed legislation seems premature. In at least one case, the new exemption for choral groups, it is difficult to see where the problem is, and finally, the proposed modification to §110(5) seems unwise.

Sincerely,

MARYBETH PETERS,
Register of Copyrights.

Mr. SENSENBRENNER. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. WILSON). The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the Senate bill, S. 505.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

CONFERENE REPORT ON H.R. 3150, BANKRUPTCY REFORM ACT OF 1998

Mr. GEKAS submitted the following conference report and statement on the bill (H.R. 3150) to amend title 11 of the United States Code, and for other purposes:

CONFERENCE REPORT (H. REPT. 105–794)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3150), to amend title 11 of the United States Code, 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 ''Bankruptcy Reform 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—CONSUMER BANKRUPTCY PROVISIONS

Subtitle A—Needs based bankruptcy

Sec. 101. Conversion.
Sec. 102. Dismissal or conversion.
Sec. 103. Notice of alternatives.
Sec. 104. Debtor financial management training test program.

Subtitle B—Consumer Bankruptcy Protections

Sec. 105. Definitions.
Sec. 106. Disclosures.
Sec. 107. Debtor's bill of rights.
Sec. 108. Enforcement.
Sec. 109. Sense of the congress.
Sec. 110. Discouraging abuse reaffirmation practices.
Sec. 111. Promotion alternative dispute resolution.
Sec. 112. Enhanced disclosure for credit extensions secured by a dwelling.
Sec. 113. Dual use debit card.
Sec. 114. Enhanced disclosures under an open-end credit plan.
Sec. 115. Protection of savings earmarked for the postsecondary education of children.
Sec. 116. Effect of discharge.
Sec. 117. Automatic stay.
Sec. 118. Reinforce the fresh start.
Sec. 119. Discouraging bad faith repeat filings.
Sec. 120. Curbing abusive filings.
Sec. 121. Debtor retention of personal property security.
Sec. 122. Relief from the automatic stay when the debtor does not complete intended surrender of consumer debt collateral.
Sec. 123. Giving secured creditors fair treatment in chapter 13.
Sec. 124. Restraining abusive purchases on secured credit.
Sec. 125. Fair valuation of collateral.
Sec. 126. Exemptions.
Sec. 127. Limitation.
Sec. 128. Rolling stock equipment.
Sec. 129. Discharge under chapter 13.
Sec. 130. Bankruptcy judgeships.
Sec. 131. Additional amendments to title 11, United States code.
Sec. 132. Amendment to section 1325 of title 11, United States code.
Sec. 133. Application of the codebtor stay only when the stay protects the debtor.
Sec. 134. Adequate protection for investors.
Sec. 135. Limitation on luxury goods.
Sec. 136. Giving debtors the ability to keep leased personal property by assumption.
Sec. 137. Adequate protection of lessors and purchase money secured creditors.
Sec. 139. Automatic stay.
Sec. 140. Extend period between bankruptcy discharges.
Sec. 141. Definition of domestic support obligation.
Sec. 142. Priorities for claims for domestic support obligations.
Sec. 143. Requirements to obtain confirmation and discharge in cases involving domestic support obligations.
Sec. 144. Exceptions to automatic stay in domestic support obligation proceedings.
Sec. 145. Nondischargeability of certain debts for alimony, maintenance, and support.
Sec. 146. Continued liability of property.
Sec. 147. Protection of domestic support claims against preferential transfer motions.
Sec. 148. Definition of household goods and antiques.
Sec. 149. Nondischargeable debts.

TITLE II—DISCOURAGING BANKRUPTCY ABUSE

Sec. 201. Reenactment of chapter 12.

Sec. 202. Meetings of creditors and equity security holders.
Sec. 203. Protection of retirement savings in bankruptcy.
Sec. 204. Protection of refinance of security interest.
Sec. 205. Executory contracts and unexpired leases.
Sec. 206. Creditors and equity security holders committees.
Sec. 207. Amendment to section 546 of title 11, United States code.
Sec. 208. Limitation.
Sec. 209. Amendment to section 330(a) of title 11, United States code.
Sec. 210. Postpetition disclosure and solicitation.
Sec. 211. Preferences.
Sec. 212. Venue of certain proceedings.
Sec. 213. Period for filing plan under chapter 11.
Sec. 214. Fees arising from certain ownership interests.
Sec. 215. Claims relating to insurance deposits in cases ancillary to foreign proceedings.
Sec. 216. Defaults based on nonmonetary obligations.

TITLE III—GENERAL BUSINESS BANKRUPTCY PROVISIONS

Sec. 301. Definition of disinterested person.
Sec. 302. Miscellaneous improvements.

TITLE IV—SMALL BUSINESS BANKRUPTCY PROVISIONS

Sec. 401. Flexible rules for disclosure Statement and plan.
Sec. 402. Definitions.
Sec. 403. Standard form disclosure Statement and plan.
Sec. 404. Uniform national reporting requirements.
Sec. 405. Uniform reporting rules and forms for small business cases.
Sec. 406. Duties in small business cases.
Sec. 407. Plan filing and confirmation deadlines.
Sec. 408. Plan confirmation deadline.
Sec. 409. Prohibition against extension of time.
Sec. 410. Duties of the United States trustee.
Sec. 411. Scheduling conferences.
Sec. 412. Serial filer provisions.
Sec. 413. Expanded grounds for dismissal or conversion and appointment of trustee.
Sec. 414. Study of operation of title 11 of the United States code with respect to small businesses.
Sec. 415. Payment of interest.

TITLE V—MUNICIPAL BANKRUPTCY PROVISIONS

Sec. 501. Petition and proceedings related to petition.
Sec. 502. Applicability of other sections to chapter 9.

TITLE VI—STREAMLINING THE BANKRUPTCY SYSTEM

Sec. 601. Creditor representation at first meeting of creditors.
Sec. 602. Audit procedures.
Sec. 603. Giving creditors fair notice in chapter 7 and 13 cases.
Sec. 604. Dismissal for failure to timely file schedules or provide required information.
Sec. 605. Adequate time to prepare for hearing on confirmation of the plan.
Sec. 606. Chapter 13 plans to have a 5-year duration in certain cases.
Sec. 607. Sense of the Congress regarding expansion of rule 9011 of the Federal rules of bankruptcy procedure.
Sec. 608. Elimination of certain fees payable in chapter 11 bankruptcy cases.
Sec. 609. Study of bankruptcy impact of credit extended to dependent students.
Sec. 610. Prompt relief from stay in individual cases.
Sec. 611. Stopping abusive conversions from chapter 13.

TITLE VII—BANKRUPTCY DATA

Sec. 701. Improved bankruptcy statistics.
Sec. 702. Uniform rules for the collection of bankruptcy data.
Sec. 703. Sense of the Congress regarding availability of bankruptcy data.

TITLE VIII—BANKRUPTCY TAX PROVISIONS

Sec. 801. Treatment of certain liens.
Sec. 802. Effective notice to government.
Sec. 803. Notice of request for a determination of taxes.
Sec. 804. Rate of interest on tax claims.
Sec. 805. Tolling of priority of tax claim time periods.
Sec. 806. Priority property taxes incurred.
Sec. 807. Chapter 13 discharge of fraudulent and other taxes.
Sec. 808. Chapter 11 discharge of fraudulent taxes.
Sec. 809. Stay of tax proceedings.
Sec. 810. Periodic payment of taxes in chapter 11 cases.
Sec. 811. Avoidance of statutory tax liens prohibited.
Sec. 812. Payment of taxes in the conduct of business.
Sec. 813. Tardily filed priority tax claims.
Sec. 814. Income tax returns prepared by tax authorities.
Sec. 815. Discharge of the estate's liability for unpaid taxes.
Sec. 816. Requirement to file tax returns to confirm chapter 13 plans.
Sec. 817. Standards for tax disclosure.
Sec. 818. Setoff of tax refunds.

TITLE IX—ANCILLARY AND OTHER CROSS-BORDER CASES

Sec. 901. Amendment to add chapter 15 to title 11, United States code.
Sec. 902. Amendments to other chapters in title 11, United States code.

TITLE X—FINANCIAL CONTRACT PROVISIONS

Sec. 1001. Treatment of certain agreements by conservators or —receivers of insured depository institutions.
Sec. 1002. Authority of the corporation with respect to failed and failing institutions.
Sec. 1003. Amendments relating to transfers of qualified financial contracts.
Sec. 1004. Amendments relating to disaffirmance or repudiation of qualified financial contracts.
Sec. 1005. Clarifying amendment relating to master agreements.
Sec. 1006. Federal deposit insurance corporation improvement act of 1991.
Sec. 1007. Bankruptcy code amendments.
Sec. 1008. Recordkeeping requirements.
Sec. 1009. Exemptions from contemporaneous execution —requirement.
Sec. 1010. Damage measure.
Sec. 1011. SIPC stay.
Sec. 1012. Asset-backed securitizations.
Sec. 1013. Federal reserve collateral requirements.
Sec. 1014. Severability; effective date; application of —amendments.

TITLE XI—TECHNICAL CORRECTIONS

Sec. 1101. Definitions.
Sec. 1102. Adjustment of dollar amounts.
Sec. 1103. Extension of time.
Sec. 1104. Technical amendments.
Sec. 1105. Penalty for persons who negligently or fraudulently prepare bankruptcy petitions.
Sec. 1106. Limitation on compensation of professional persons.
Sec. 1107. Special tax provisions.
Sec. 1108. Effect of conversion.
Sec. 1109. Amendment to table of sections.
Sec. 1110. Allowance of administrative expenses.
Sec. 1111. Priorities.
Sec. 1112. Exemptions.
Sec. 1113. Exceptions to discharge.
Sec. 1114. Effect of discharge.
Sec. 1115. Protection against discriminatory treatment.
Sec. 1116. Property of the estate.
Sec. 1117. Preferences.
Sec. 1118. Postpetition transactions.
Sec. 1119. Disposition of property of the estate.
Sec. 1120. General provisions.
Sec. 1121. Appointment of elected trustee.
Sec. 1122. Abandonment of railroad line.
Sec. 1123. Contents of plan.
Sec. 1124. Discharge under chapter 12.
Sec. 1125. Bankruptcy cases and proceedings.
Sec. 1126. Knowing disregard of bankruptcy law or rule.
Sec. 1127. Transfers made by nonprofit charitable corporations.
Sec. 1128. Prohibition on certain actions for failure to incur finance charges.
Sec. 1129. Protection of valid purchase money security interests.
Sec. 1130. Trustees.

TITLE XII—GENERAL EFFECTIVE DATE; APPLICATION OF AMENDMENTS

Sec. 1201. Effective date; application of amendments.

TITLE I—CONSUMER BANKRUPTCY PROVISIONS

Subtitle A—Needs based bankruptcy

SEC. 101. CONVERSION.

Section 706(c) of title 11, United States Code, is amended by inserting ''or consents to'' after ''requests''.

SEC. 102. DISMISSAL OR CONVERSION.

(a) IN GENERAL.—Section 707 of title 11, United States Code, is amended—

(1) by striking the section heading and inserting the following:

''§ 707. Dismissal of a case or conversion to a case under chapter 13'';

and

(2) in subsection (b)—

(A) by inserting ''(1)'' after ''(b)''; and

(B) in paragraph (1), as redesignated by subparagraph (A) of this paragraph—

(i) in the first sentence—

(I) by striking ''but not at the request or suggestion'' and inserting '', panel trustee or'';

(II) by inserting '', or, with the debtor's consent, convert such a case to a case under chapter 13 of this title,'' after ''consumer debts''; and

(III) by striking ''substantial abuse'' and inserting ''abuse''; and

(ii) by striking the last sentence and inserting the following:

''(2)(A)(i) In considering under paragraph (1) whether the granting of relief would be an abuse of the provisions of this chapter, the court shall presume abuse exists if the debtor's current monthly income less amounts set forth in clauses (ii), (iii), and (iv), and multiplied by 60 months is not less than 25 percent of the debtor's nonpriority unsecured claims in the case or $5,000, whichever is less.

''(ii) The debtor's monthly expenses shall be the applicable monthly expenses under National Standards, Local Standards, and Other Necessary Expenses allowance (excluding payments for debts) issued by the Internal Revenue Service for the area in which the debtor resides, as in effect on the date of the entry of the order for relief, for the debtor, the dependents of the debtor, and the spouse of the debtor in a joint case, if the spouse is not otherwise a dependent.

''(iii) The debtor's average monthly payments on account of secured debts shall be calculated as the total of all amounts scheduled as contractually due to secured creditors in each month of the 60 months following the date of the petition, and dividing that total by 60 months.

''(iv) The debtor's expenses for payment of all priority claims (including priority child support and alimony claims), which shall be calculated as the total amount of debts entitled to priority, and dividing the total by 60 months.

''(B) In any proceeding brought under this subsection, the presumption of abuse may be rebutted only by demonstrating extraordinary circumstances that require additional expenses or adjustment of current monthly total income. In order to establish extraordinary circumstances, the debtor must itemize each additional expense or adjustment of income and provide documentation for such expenses and a detailed explanation of the extraordinary circumstances which make such expenses necessary and reasonable. The debtor, and the attorney for the debtor if the debtor has an attorney, shall attest under oath to the accuracy of any information provided to demonstrate that additional expenses or adjustment to income are required. The presumption of abuse may be rebutted only if such additional expenses or adjustments to income cause the debtor's current monthly income less the amounts set forth in clauses (ii), (iii), and (iv) of subparagraph (A) when multiplied by 60 to be less than 25 percent of the debtor's nonpriority unsecured claims $5,000, whichever is less.

''(C) As part of the schedule of current income and expenditures required under section 521 of this title, the debtor shall include a statement of the debtor's current monthly income, and the calculations which determine whether a presumption arises under subparagraph (A)(i), showing how each amount is calculated. The bankruptcy rules promulgated under section 2075 of title 28, United States Code, shall prescribe a form for such statement and may provide general rules on its content.

''(3) In considering under paragraph (1) whether the granting of relief would be an abuse of the provisions of this chapter in a case in which the presumption in subparagraph (A)(i) does not apply or has been rebutted, the court shall consider—

''(A) whether the debtor filed the petition in bad faith; or

''(B) the totality of the circumstances (including whether the debtor seeks to reject a personal services contract and the financial need for such rejection as sought by the debtor) of the debtor's financial situation demonstrates abuse.''.

(b) DEFINITION.—Title 11, United States Code, is amended—

(1) in section 101 by inserting after paragraph (10) the following:

''(10A) 'currently monthly income' means the average monthly income from all sources derived which the debtor, or in a joint case, the debtor and the debtor's spouse, receive without regard to whether it is taxable income, in the 180 days preceding the date of determination, and includes any amount paid by anyone other than the debtor or, in a joint case, the debtor and the debtor's spouse, on a regular basis to the household expenses of the debtor or the debtor's dependents and, in a joint case, the debtor's spouse if not otherwise a dependent;''; and

(2) in section 704—

(i) in paragraph (8) by striking ''and'' at the end;

(ii) in paragraph (9) by striking the period at the end and inserting ''; and''; and

(iii) by adding at the end the following:

''(10) With respect to an individual debtor under this chapter, the panel trustee or bankruptcy administrator shall review all materials filed by the debtor and, 10 days prior to the first meeting of creditors, file with the court a statement as to whether the debtor's case would be presumed to be an abuse under section 707(b) of this title, and the court shall provide a copy of such statement to all creditors within 5 days. If, based on the filing of such statement with the court, the panel trustee or bankruptcy administrator determines that the debtor's case should be presumed to be an abuse under section 707(b) of this title and the debtor's current monthly income, when multiplied by 12, is not less than the highest national median family income reported for a family of equal or lesser size, or in the case of a household of 1 person, the national median household income for 1 earner, the panel trustee or bankruptcy administrator shall within 30 days file a motion to dismiss or convert under section 707(b) of this title, or file a statement setting forth the reasons the trustee does not believe that such a motion would be appropriate.

''(3)(A) If a panel trustee appointed under section 586(a)(1) of title 28 brings a motion for dismissal or conversion under this subsection and the court grants that motion and finds that the action of the counsel for the debtor in filing under this chapter was not substantially justified, the court shall order the counsel for the debtor to reimburse the trustee for all reasonable costs in prosecuting the motion, including reasonable attorneys' fees.

''(B) If the court finds that the attorney for the debtor violated Rule 9011, at a minimum, the court shall order—

''(i) the assessment of an appropriate civil penalty against the counsel for the debtor; and

''(ii) the payment of the civil penalty to the panel trustee or the United States trustee.

''(C) In the case of a petition referred to in subparagraph (B), the signature of an attorney shall constitute a certificate that the attorney has—

''(i) performed a reasonable investigation into the circumstances that gave rise to the petition; and

''(ii) determined that the petition—

''(I) is well grounded in fact; and

''(II) is warranted by existing law or a good faith argument for the extension, modification, or reversal of existing law and does not constitute an abuse under paragraph (1) of this subsection.

''(4)(A) Except as provided in subparagraph (B), the court may award a debtor all reasonable costs in contesting a motion brought by a party in interest (other than a panel trustee or United States trustee) under this subsection (including reasonable attorneys' fees) if—

''(i) the court does not grant the motion; and

''(ii) the court finds that—

''(I) the position of the party that brought the motion was not substantially justified; or

''(II) the party brought the motion solely for the purpose of coercing a debtor into waiving a right guaranteed to the debtor under this title.

''(B) A party in interest that has a claim of an aggregate amount less than $1,000 shall not be subject to subparagraph (A).

''(5) However, only the judge, United States trustee, bankruptcy administrator or panel trustee may bring a motion under this section if the debtor and the debtor's spouse combined, as of the date of the order for relief, have current monthly total income equal to or less than the national median household monthly income calculated on a monthly basis for a household of equal size. However, for a household of more than 4 individuals, the median income shall be that of a household of 4 individuals plus $583 for each additional member of that household.''.

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 7 of title 11, United States Code, is amended by striking the item relating to section 707 and inserting the following:

''707. Dismissal of a case or conversion to a case under chapter 13.''.

SEC. 103. NOTICE OF ALTERNATIVES.

Section 342(b) of title 11, United States Code, is amended to read as follows:

''(b) Before the commencement of a case under this title by an individual whose debts are primarily consumer debts, that individual shall be given or obtain (as required in section 521(a)(1), as part of the certification process under subchapter 1 of chapter 5) a written notice prescribed by the United States trustee for the district in which the petition is filed pursuant to section 586 of title 28. The notice shall contain the following:

''(1) A brief description of chapters 7, 11, 12, and 13 and the general purpose, benefits, and costs of proceeding under each of those chapters.

''(2) A brief description of services that may be available to that individual from a credit counseling service that is approved by the United States trustee for that district.''.

SEC. 104. DEBTOR FINANCIAL MANAGEMENT TRAINING TEST PROGRAM.

(a) DEVELOPMENT OF FINANCIAL MANAGEMENT AND TRAINING CURRICULUM AND MATERIALS.—The Director of the Executive Office for United States Trustees (in this section referred to as the ''Director'') shall consult with a wide range of individuals who are experts in the field of debtor education, including trustees who are appointed under chapter 13 of title 11 of the United States Code and who operate financial management education programs for debtors, and shall develop a financial management training curriculum and materials that can be used to educate individual debtors on how to better manage their finances.

(b) TEST—(1) The Director shall select 3 judicial districts of the United States in which to test the effectiveness of the financial management training curriculum and materials developed under subsection (a).

(2) For a 1-year period beginning not later than 270 days after the date of the enactment of this Act, such curriculum and materials shall be made available by the Director, directly or indirectly, on request to individual debtors in cases filed in such 1-year period under chapter 7 or 13 of title 11 of the United States Code.

(c) EVALUATION.—(1) During the 1-year period referred to in subsection (b), the Director shall evaluate the effectiveness of—

(A) the financial management training curriculum and materials developed under subsection (a); and

(B) a sample of existing consumer education programs such as those described in the Report of the National Bankruptcy Review Commission (October 20, 1997) that are representative of consumer education programs carried out by the credit industry, by trustees serving under chapter 13 of title 11 of the United States Code, and by consumer counselling groups.

(2) Not later than 3 months after concluding such evaluation, the Director shall submit a report to the Speaker of the House of Representatives and the President pro tempore of the Senate, for referral to the appropriate committees of the Congress, containing the findings of the Director regarding the effectiveness of such curriculum, such materials, and such programs.

Subtitle B—Consumer Bankruptcy Protections

SEC. 105. DEFINITIONS.

(a) DEFINITIONS.—Section 101 of title 11, United States Code, is amended—

(1) by inserting after paragraph (3) the following:

''(3A) 'assisted person' means any person whose debts consist primarily of consumer debts and whose non-exempt assets are less than $150,000;'';

(2) by inserting after paragraph (4) the following:

''(4A) 'bankruptcy assistance' means any goods or services sold or otherwise provided to an assisted person with the express or implied purpose of providing information, advice, counsel, document preparation or filing, or attendance at a creditors' meeting or appearing in a proceeding on behalf of another or providing legal representation with respect to a proceeding under this title;''; and

(3) by inserting after paragraph (12A) the following:

''(12B) 'debt relief agency' means any person who provides any bankruptcy assistance to an

assisted person in return for the payment of money or other valuable consideration, or who is a bankruptcy petition preparer pursuant to section 110 of this title, but does not include any person that is any of the following or an officer, director, employee or agent thereof—

''(A) any nonprofit organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986;

''(B) any creditor of the person to the extent the creditor is assisting the person to restructure any debt owed by the person to the creditor; or

''(C) any depository institution (as defined in section 3 of the Federal Deposit Insurance Act) or any Federal credit union or State credit union (as those terms are defined in section 101 of the Federal Credit Union Act), or any affiliate or subsidiary of such a depository institution or credit union;''.

(b) CONFORMING AMENDMENT.—In section 104(b)(1) by inserting ''101(3),'' after ''sections''.

SEC. 106. DISCLOSURES.

(a) DISCLOSURES.—Subchapter II of chapter 5 of title 11, United States Code, is amended by adding at the end the following:

''§ 526. Disclosures

''(a) A debt relief agency providing bankruptcy assistance to an assisted person shall provide the following notices to the assisted person:

''(1) the written notice required under section 342(b)(1) of this title; and

''(2) to the extent not covered in the written notice described in paragraph (1) of this section and no later than three business days after the first date on which a debt relief agency first offers to provide any bankruptcy assistance services to an assisted person, a clear and conspicuous written notice advising assisted persons of the following—

''(A) all information the assisted person is required to provide with a petition and thereafter during a case under this title must be complete, accurate and truthful;

''(B) all assets and all liabilities must be completely and accurately disclosed in the documents filed to commence the case, and the replacement value of each asset as defined in section 506 of this title must be stated in those documents where requested after reasonable inquiry to establish such value;

''(C) current monthly total income, projected monthly net income and, in a chapter 13 case, monthly net income must be stated after reasonable inquiry; and

''(D) that information an assisted person provides during their case may be audited pursuant to this title and that failure to provide such information may result in dismissal of the proceeding under this title or other sanction including, in some instances, criminal sanctions.

''(b) A debt relief agency providing bankruptcy assistance to an assisted person shall provide each assisted person at the same time as the notices required under subsection (a)(1) with the following statement, to the extent applicable, or one substantially similar. The statement shall be clear and conspicuous and shall be in a single document separate from other documents or notices provided to the assisted person:

''''IMPORTANT INFORMATION ABOUT BANKRUPTCY ASSISTANCE SERVICES FROM AN ATTORNEY OR BANKRUPTCY PETITION PREPARER

''''If you decide to seek bankruptcy relief, you can represent yourself, you can hire an attorney to represent you, or you can get help in some localities from a bankruptcy petition preparer who is not an attorney. THE LAW REQUIRES AN ATTORNEY OR BANKRUPTCY PETITION PREPARER TO GIVE YOU A WRITTEN CONTRACT SPECIFYING WHAT THE ATTORNEY OR BANKRUPTCY PETITION PREPARER WILL DO FOR YOU AND HOW MUCH IT WILL COST. Ask to see the contract before you hire anyone.

''''The following information helps you understand what must be done in a routine bankruptcy case to help you evaluate how much service you need. Although bankruptcy can be complex, many cases are routine.

''''Before filing a bankruptcy case, either you or your attorney should analyze your eligibility for different forms of debt relief made available by the Bankruptcy Code and which form of relief is most likely to be beneficial for you. Be sure you understand the relief you can obtain and its limitations. To file a bankruptcy case, documents called a Petition, Schedules and Statement of Financial Affairs, as well as in some cases a Statement of Intention need to be prepared correctly and filed with the bankruptcy court. You will have to pay a filing fee to the bankruptcy court. Once your case starts, you will have to attend the required first meeting of creditors where you may be questioned by a court official called a ''trustee'' and by creditors.

''''If you choose to file a chapter 7 case, you may be asked by a creditor to reaffirm a debt. You may want help deciding whether to do so and a creditor is not permitted to coerce you into reaffirming your debts.

''''If you choose to file a chapter 13 case in which you repay your creditors what you can afford over three to five years, you may also want help with preparing your chapter 13 plan and with the confirmation hearing on your plan which will be before a bankruptcy judge.

''''If you select another type of relief under the Bankruptcy Code other than chapter 7 or chapter 13, you will want to find out what needs to be done from someone familiar with that type of relief.

''''Your bankruptcy case may also involve litigation. You are generally permitted to represent yourself in litigation in bankruptcy court, but only attorneys, not bankruptcy petition preparers, can give you legal advice.'.

''(c) Except to the extent the debt relief agency provides the required information itself after reasonably diligent inquiry of the assisted person or others so as to obtain such information reasonably accurately for inclusion on the petition, schedules or statement of financial affairs, a debt relief agency providing bankruptcy assistance to an assisted person, to the extent permitted by nonbankruptcy law, shall provide each assisted person at the time required for the notice required under subsection (a)(1) reasonably sufficient information (which may be provided orally or in a clear and conspicuous writing) to the assisted person on how to provide all the information the assisted person is required to provide under this title pursuant to section 521, including—

''(1) how to value assets at replacement value, determine current monthly total income, projected monthly income and, in a chapter 13 case, net monthly income, and related calculations;

''(2) how to complete the list of creditors, including how to determine what amount is owed and what address for the creditor should be shown; and

''(3) how to determine what property is exempt and how to value exempt property at replacement value as defined in section 506 of this title.

''(d) A debt relief agency shall maintain a copy of the notices required under subsection (a) of this section for two years after the later of the date on which the notice is given the assisted person.''.

(b) CONFORMING AMENDMENT.—The table of section for chapter 5 of title 11, United States Code, is amended by inserting after the item relating to section 525 the following:

''526. Disclosures.''.

SEC. 107. DEBTOR'S BILL OF RIGHTS.

(a) DEBTOR'S BILL OF RIGHTS.—Subchapter II of chapter 5 of title 11, United States Code, as amended by section 106, is amended by adding at the end the following:

''§ 527. Debtor's bill of rights

''(a) A debt relief agency shall—

''(1) no later than five business days after the first date on which a debt relief agency provides any bankruptcy assistance services to an assisted person, but prior to such assisted person's petition under this title being filed, execute a written contract with the assisted person specifying clearly and conspicuously the services the agency will provide the assisted person and the basis on which fees or charges will be made for such services and the terms of payment, and give the assisted person a copy of the fully executed and completed contract in a form the person can keep;

''(2) disclose in any advertisement of bankruptcy assistance services or of the benefits of bankruptcy directed to the general public (whether in general media, seminars or specific mailings, telephonic or electronic messages or otherwise) that the services or benefits are with respect to proceedings under this title, clearly and conspicuously using the following statement: 'We are a debt relief agency. We help people file Bankruptcy petitions to obtain relief under the Bankruptcy Code.' or a substantially similar statement. An advertisement shall be of bankruptcy assistance services if it describes or offers bankruptcy assistance with a chapter 13 plan, regardless of whether chapter 13 is specifically mentioned, including such statements as 'federally supervised repayment plan' or 'Federal debt restructuring help' or other similar statements which would lead a reasonable consumer to believe that help with debts was being offered when in fact in most cases the help available is bankruptcy assistance with a chapter 13 plan; and

''(3) if an advertisement directed to the general public indicates that the debt relief agency provides assistance with respect to credit defaults, mortgage foreclosures, lease eviction proceedings, excessive debt, debt collection pressure, or inability to pay any consumer debt, disclose conspicuously in that advertisement that the assistance is with respect to or may involve proceedings under this title, using the following statement: ''We are a debt relief agency. We help people file Bankruptcy petitions to obtain relief under the Bankruptcy Code.'' or a substantially similar statement.

''(b) A debt relief agency shall not—

''(1) fail to perform any service which the debt relief agency has told the assisted person or prospective assisted person the agency would provide that person in connection with the preparation for or activities during a proceeding under this title;

''(2) make any statement, or counsel or advise any assisted person to make any statement in any document filed in a proceeding under this title, which is untrue and misleading or which upon the exercise of reasonable care, should be known by the debt relief agency to be untrue or misleading;

''(3) misrepresent to any assisted person or prospective assisted person, directly or indirectly, affirmatively or by material omission, what services the debt relief agency can reasonably expect to provide that person, or the benefits an assisted person may obtain or the difficulties the person may experience if the person seeks relief in a proceeding pursuant to this title; or

''(4) advise an assisted person or prospective assisted person to incur more debt in contemplation of that person filing a proceeding under this title or in order to pay an attorney or bankruptcy petition preparer fee or charge for services performed as part of preparing for or representing a debtor in a proceeding under this title.''.

(b) CONFORMING AMENDMENT.—The table of section for chapter 5 of title 11, United States Code, as amended by section 106, is amended by inserting after the item relating to section 526, the following:

''527. Debtor's bill of rights.''.

SEC. 108. ENFORCEMENT.

(a) ENFORCEMENT.—Subchapter II of chapter 5 of title 11, United States Code, as amended by

sections 106 and 107, is amended by adding at the end the following:

''§ 528. Debt relief agency enforcement

''(a) ASSISTED PERSON WAIVERS INVALID.—Any waiver by any assisted person of any protection or right provided by or under section 526 or 527 of this title shall be void and may not be enforced by any Federal or State court or any other person.

''(b) NONCOMPLIANCE.—

''(1) Any contract between a debt relief agency and an assisted person for bankruptcy assistance which does not comply with the material requirements of section 526 or 527 of this title shall be treated as void and may not be enforced by any Federal or State court or by any other person.

''(2) Any debt relief agency which has been found, after notice and hearing, to have—

''(A) negligently failed to comply with any provision of section 526 or 527 with respect to a bankruptcy case or related proceeding of an assisted person;

''(B) provided bankruptcy assistance to an assisted person in a case or related proceeding which is dismissed or converted because the debt relief agency's negligent failure to file bankruptcy papers, including papers specified in section 521 of this title; or

''(C) negligently or intentionally disregarded the material requirements of this title or the Federal Rules of Bankruptcy Procedure applicable to such debt relief agency shall be liable to the assisted person in the amount of any fees and charges in connection with providing bankruptcy assistance to such person which the debt relief agency has already been paid on account of that proceeding.

''(3) In addition to such other remedies as are provided under State law, whenever the chief law enforcement officer of a State, or an official or agency designated by a State, has reason to believe that any person has violated or is violating section 526 or 527 of this title, the State—

''(A) may bring an action to enjoin such violation;

''(B) may bring an action on behalf of its residents to recover the actual damages of assisted persons arising from such violation, including any liability under paragraph (2); and

''(C) in the case of any successful action under subparagraph (A) or (B), shall be awarded the costs of the action and reasonable attorney fees as determined by the court.

''(4) The United States District Court for any district located in the State shall have concurrent jurisdiction of any action under subparagraph (A) or (B) of paragraph (3).

''(5) Notwithstanding any other provision of Federal law, if the court, on its own motion or on the motion of the United States trustee, finds that a person intentionally violated section 526 or 527 of this title, or engaged in a clear and consistent pattern or practice of violating section 526 or 527 of this title, the court may—

''(A) enjoin the violation of such section; or

''(B) impose an appropriate civil penalty against such person.

''(c) RELATION TO STATE LAW.—This section and sections 526 and 527 shall not annul, alter, affect or exempt any person subject to those sections from complying with any law of any State except to the extent that such law is inconsistent with those sections, and then only to the extent of the inconsistency.''.

(b) CONFORMING AMENDMENT.—The table of section for chapter 5 of title 11, United States Code, as amended by sections 106 and 107, is amended by inserting after the item relating to section 527, the following:

''528. Debt relief agency enforcement.''.

SEC. 109. SENSE OF THE CONGRESS.

It is the sense of the Congress that States should develop curricula relating to the subject of personal finance, designed for use in elementary and secondary schools.

SEC. 110. DISCOURAGING ABUSE REAFFIRMATION PRACTICES.

Section 524(c)(2) of title 11, United States Code, is amended—

(1) in subparagraph (A) by striking ''and'' at the end;

(2) in subparagraph (B) by adding ''and'' at the end; and

(3) by adding at the end the following:

''(C) if the consideration for such agreement is based on a wholly unsecured consumer debt, such agreement contains a clear and conspicuous statement which advises the debtor—

''(i) that the debtor is entitled to a hearing before the court at which the debtor shall appear in person and at which the court will decide whether the agreement is an undue hardship, not in the debtor's best interest, and not the result of a threat by the creditor to take any action that cannot be legally taken or that is not intended to be taken; and

''(ii) that if the debtor is represented by counsel, the debtor may waive the debtor's right to such a hearing by signing a statement waiving the hearing, stating that the debtor is represented by counsel, and identifying such counsel;'';

(3) in subsection (6)(A)—

(A) by striking ''and'' at the end of clause (i);

(B) by striking the period at the end of clause (ii) and inserting ''; and'';

(C) by adding at the end thereof the following:

''(iii) not entered into by the debtor as the result of a threat by the creditor to take any action that cannot be legally taken or that is not intended to be taken.''; and

(4) in the 3d sentence of subsection (d)—

(A) by striking ''of this section'' and inserting a comma; and

(B) by inserting after ''such agreement'' the following:

''or if the consideration for such agreement is based on a wholly unsecured consumer debt (except for debts owed to creditors defined in section 461(b)(10(A)(iv) of title 12, United States Code) and the debtor has not waived the debtor's right to a hearing on the agreement in accordance with subsection (c)(2)(C) of this section''.

SEC. 111. PROMOTION ALTERNATIVE DISPUTE RESOLUTION.

(a) REDUCTION OF CLAIM.—Section 502 of title 11, United States Code, is amended by adding at the end the following:

''(k)(1) The court, on the motion of the debtor and after a hearing, may reduce a claim filed under this section based in whole on unsecured consumer debts by not more than 20 percent, if the debtor can prove by clear and convincing evidence that the claim was filed by a creditor who unreasonably refused to negotiate a reasonable alternative repayment schedule proposed by an approved credit counseling agency acting on behalf of the debtor, if—

''(A) such offer was made at least 60 days before the filing of the petition;

''(B) such offer provided for payment of at least 60 percent of the amount of the debtor over a period not to exceed the repayment period of the loan, or a reasonable extension thereof; and

''(C) no part of the debt under the alternative repayment schedule is nondischargeable.

''(2) The debtor shall have the burden of proving that the proposed alternative repayment schedule was made in the 60-day period specified in subparagraph (A) and that the creditor unreasonably refused to consider the debtor's proposal.''.

(b) LIMITATION ON AVOIDABILITY.—Section 547 of title 11, United States Code, is amended by adding at the end the following:

''(h) The trustee may not avoid a transfer if such transfer was made as a part of an alternative repayment plan between the debtor and any creditor of the debtor created by an approved credit counseling agency.''.

SEC. 112. ENHANCED DISCLOSURE FOR CREDIT EXTENSIONS SECURED BY A DWELLING.

(a) STUDY REQUIRED.—During the period beginning 180 days after the date of enactment of this Act and ending 18 months after the date of the enactment, the Board of Governors of the Federal Reserve System (in this section referred to as the ''Board'') shall conduct a study and submit to Congress a report (including recommendations for any appropriate legislation) regarding—

(1) whether a consumer engaging in an open-end credit transaction (as defined pursuant to section 103 of the Truth in lending Act) secured by the consumer's principal dwelling is provided adequate information under Federal law, including under section 127A of the Truth in Lending Act, regarding the tax deductibility of interest paid on such transaction; and

(2) whether a consumer engaging in a closed-end credit transaction (as defined pursuant to section 103 of the Truth in Lending Act) secured by the consumer's principal dwelling is provided adequate information regarding the tax deductibility of interest paid on such transaction.

In conducting such study, the Board shall specifically consider whether additional disclosures are necessary with respect to such open-end or closed-end credit transactions in which the amount of the credit extended exceeds the fair market value of the dwelling.

(b) REGULATIONS.—If the Board determines that additional disclosures are necessary in connection with transactions described in subsection (a), the Board, pursuant to its authority under the Truth in Lending Act, may promulgate regulations that would require such additional disclosures. Any such regulations promulgated by the Board under this section shall not take effect before the end of the 36-month period after the date of the enactment of this Act.

SEC. 113. DUAL USE DEBIT CARD.

(a) STUDY REQUIRED.—The Board of Governors of the Federal Reserve System (in this section referred to as the ''Board'') shall conduct a study of existing protections provided to consumers to limit their liability for unauthorized use or a debit card or similar access device.

(b) SPECIFIC CONSIDERATIONS.—In conducting the study required by subsection (a), the Board shall specifically consider the following—

(1) the extent to which existing provisions of section 909 of the Electronic Fund Transfer Act and the Board's implementing regulations provide adequate unauthorized use liability protection for consumers;

(2) the extent to which any voluntary industry rules have enhanced the level of protection afforded consumers in connection with such unauthorized use liability; and

(3) whether amendments to the Electronic Funds Transfer Act or the Board's implementing regulations thereto are necessary to provide adequate protection for consumers in this area.

(c) REPORT AND REGULATIONS.—Not later than 2 years after the date of the enactment of this Act, the Board shall make public a report on its findings with respect to the adequacy of existing protections afforded consumers with respect to unauthorized-use liability for debit cards and similar access devices. If the Board determines that such protections are inadequate, the Board, pursuant to its authority under the Electronic Funds Transfer Act, may issue regulations to address such inadequacy. Any regulations issued by the Board shall not be effective before 36 months after the date of the enactment of this Act.

SEC. 114. ENHANCED DISCLOSURES UNDER AN OPEN-END CREDIT PLAN.

(a) INITIAL AND ANNUAL MINIMUM PAYMENT DISCLOSURE.—Section 127(a) of the Truth in Lending Act (15 U.S.C. 1637(a)) is amended by adding at the end the following:

''(9) In the case of any credit or charge card account under an open-end consumer credit

plan on which a minimum monthly or periodic payment will be required, other than an account described in paragraph (8)—

''(A) the following statement: 'The minimum payment amount shown on your billing statement is the smallest payment which you an make in order to keep the account in good standing. This payment option is offered as a convenience and you may make larger payments at any time. Making only the minimum payment each month will increase the amount of interest you pay and the length of time it takes to repay your outstanding balance.';

''(B) if the plan provides that the consumer will be permitted to forgo making a minimum payment during a specified billing cycle, a statement, if applicable, that if the consumer chooses to forgo making the minimum payment, finance charges will continue to accrue; and

''(C) an example, based on an annual percentage rate and method for determining minimum periodic payments recently in effect for that creditor, and a $500 outstanding balance, showing the estimated minimum periodic payment, and the estimated period of time it would take to repay the $500 outstanding balance if the consumer paid only the minimum periodic payment on each monthly or periodic statement and obtained no additional extensions of credit.

''(10) With respect to one billing cycle per calendar year, the creditor shall transmit the information required under paragraph (9) to each consumer to whom the creditor is required to transit a statement pursuant to subsection (b) for such billing cycle. The creditor shall also transmit to such consumer for such cycle a worksheet prescribed by the Board to assist the consumer in determining the consumer's household income and debt obligations.''.

(b) PERIOD MINIMUM PAYMENT DISCLOSURES.—Section 127(b) of the Truth in Lending Act (15 U.S.C. 1637(b)) is amended by adding at the end the following:

''(11) The following statement: 'The minimum payment amount shown on your billing statement is the smallest payment which you can make in order to keep the account in good standing. This payment option is offered as a convenience and you may make larger payments at any time. Making only the minimum payment each month will increase the amount of interest you pay and the length of time it takes to repay your outstanding balance.' '.

(c) ENFORCEMENT.—Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end the following:

''(h) In promulgating regulations to implement the disclosure of an example required under subsection (a)(9)(C) and (a)(10), the Board shall set forth a model disclosure to accompany the example stating that the credit features shown are only an example which does not obligate the creditor, but is intended to illustrate the approximate length of time it could take to repay using the assumptions set forth in subsection (a)(9)(C) without regard to any other factors that could impact an approximate repayment period, including other credit features or the consumer's payment or other behavior with respect to the account. Compliance with the disclosures required under subsection (a)(9)(C) and (a)(10) shall be enforced exclusively by the Federal agencies set forth in section 108.''.

(d) REGULATORY IMPLEMENTATION.—The Board of Governors of the Federal Reserve System (in this section referred to as the ''Board'') shall promulgate regulations implementing the amendments made by subsections (a) and (b). Such regulations shall take effect no earlier than the end of the 36-month period beginning on the date of the enactment of this Act.

(e) STUDY REQUIRED.—The Board shall conduct a study to determine whether consumers have adequate information about borrowing activities which may result in financial problems. In studying this issue, the Board shall consider the extent to which—

(1) consumers, in establishing new credit arrangements, are aware of their existing payment obligations, the need to consider those obligations in deciding to take on new credit, and how taking on excessive credit can result in financial difficulty;

(2) minimum periodic payment features offered in connection with open-end credit plans impact consumer default rates;

(3) consumers always make only the minimum payment throughout the life of the plan;

(4) consumers are aware that making only minimum payments will increase the cost and repayment period of an open-end loan; and

(5) the availability of low minimum payment options is a cause of consumers experiencing financial difficulty.

(f) REPORT TO CONGRESS.—Before the end of the 2-year period beginning on the date of the enactment of this Act, the Board shall submit to Congress a report containing the findings of the Board in connection with the study required under subsection (b).

(g) REGULATIONS.—The Board shall, by regulation promulgated pursuant to its authority under the Truth in Lending Act, require additional disclosures to consumers regarding minimum payment features, including periodic statement disclosures, if the Board determines that such disclosures are necessary based on its findings. Any such regulations promulgated by the Board shall not take effect earlier than January 1, 2001.

SEC. 115. PROTECTION OF SAVINGS EARMARKED FOR THE POSTSECONDARY EDUCATION OF CHILDREN.

(a) IN GENERAL.—Section 522(b) of title 11, United States Code, as amended by section 330, is amended—

(1) in paragraph (2)—

(A) in subparagraph (B), by striking ''and'' at the end;

(B) in subparagraph (C), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(D) postsecondary education accounts as described as follows:

''(i) except as provided under applicable State law or except as provided in paragraph (5), any funds placed in a qualified tuition program (as described in section 529(b) of the Internal Revenue Code of 1986) at least 365 days before the date of entry of the order for relief and which has not been pledged or promised to any person in connection with any extension of credit; or

''(ii) except as provided in paragraph (5), any funds placed in an education individual retirement account (as defined in section 530(b)(1) of the Internal Revenue Code of 1986) at least 365 days before the date of entry of the order for relief and which has not been pledged or promised to any person in connection with any extension of credit;''; and

(4) by adding at the end the following:

''(5) For purposes of paragraph (3)(D), funds placed in a qualified tuition program or in an education individual retirement account shall not be exempt under this subsection—

''(A) unless the debtor has one or more dependent children less than 22 years of age;

''(B) if the amounts in such postsecondary accounts do not exceed the lesser of $50,000 (in the aggregate) in accounts attributable to each such dependent child or $100,000 (in the aggregate) attributable to all such dependent children;

''(C) to the extent such funds contributed to such account exceed $500 per year per child; and

''(D) any individual (other than the dependent child of the debtor to whom such account is attributable) has any ownership right to such funds, or the right to obtain ownership in the future of any amount of such funds (other than upon the death or serious mental impairment of such child), or direct the application of such funds for any purpose other than the postsecondary education of such child.''.

SEC. 116. EFFECT OF DISCHARGE.

Section 524 of title 11, United States Code, is amended by adding at the end the following:

''(i) The willful failure of a creditor to credit payments received under a plan confirmed under this title (including a plan of reorganization confirmed under chapter 11 of this title) in the manner required by the plan (including crediting the amounts required under the plan) shall constitute a violation of an injunction under subsection (a)(2).

''(j)(1) An individual who is injured by the failure of a creditor to comply with the requirements for a reaffirmation agreement under subsections (c) and (d), or by any willful violation of the injunction under subsection (a)(2), shall be entitled to recover—

''(A) the greater of—

''(i) the amount of actual damages; or

''(ii) $1,000; and

''(B) costs and attorneys' fees.

''(2) An action to recover for a violation specified in paragraph (1) may not be brought as a class action.''.

SEC. 117. AUTOMATIC STAY.

Section 362(h) of title 11, United States Code, is amended to read as follows:

''(h)(1) An individual who is injured by any willful violation of a stay provided in this section shall be entitled to recover—

''(A) actual damages; and

''(B) reasonable costs, including attorneys' fees.

''(2) An action to recover for a violation specified in paragraph (1) may not be brought as a class action.''.

SEC. 118. REINFORCE THE FRESH START.

(a) RESTORATION OF AN EFFECTIVE DISCHARGE.—Section 523(a)(17) of title 11, United States Code, is amended—

(1) by striking ''by a court'' and inserting ''on a prisoner by any court'',

(2) by striking ''section 1915(b) or (f)'' and inserting ''subsection (b) or (f)(2) of section 1915'', and

(3) by inserting ''(or a similar non-Federal law)'' after ''title 28'' each place it appears.

SEC. 119. DISCOURAGING BAD FAITH REPEAT FILINGS.

Section 362(c) of title 11, United States Code, 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 a semicolon; and

(3) by adding at the end the following new paragraphs:

''(3) If a single or joint case is filed by or against an individual debtor under chapter 7, 11, or 13, and if a single or joint case of the debtor was pending within the previous 1-year period but was dismissed, other than a case refiled under a chapter other than chapter 7 after dismissal under section 707(b) of this title, the stay under subsection (a) with respect to any action taken with respect to a debt or property securing such debt or with respect to any lease will terminate with respect to the debtor on the 30th day after the filing of the later case. Upon motion by a party in interest for continuation of the automatic stay and upon notice and a hearing, the court may extend the stay in particular cases as to any or all creditors (subject to such conditions or limitations as the court may then impose) after notice and a hearing completed before the expiration of the 30-day period only if the party in interest demonstrates that the filing of the later case is in good faith as to the creditors to be stayed. A case is presumptively filed not in good faith (but such presumption may be rebutted by clear and convincing evidence to the contrary)—

''(A) as to all creditors if—

''(i) more than 1 previous case under any of chapters 7, 11, or 13 in which the individual was a debtor was pending within such 1-year period;

''(ii) a previous case under any of chapters 7, 11, or 13 in which the individual was a debtor was dismissed within such 1-year period, after the debtor failed to file or amend the petition or

other documents as required by this title or the court without substantial excuse (but mere inadvertence or negligence shall not be substantial excuse unless the dismissal was caused by the negligence of the debtor's attorney), failed to provide adequate protection as ordered by the court, or failed to perform the terms of a plan confirmed by the court; or

''(iii) there has not been a substantial change in the financial or personal affairs of the debtor since the dismissal of the next most previous case under any of chapters 7, 11, or 13 of this title, or any other reason to conclude that the later case will be concluded, if a case under chapter 7 of this title, with a discharge, and if a chapter 11 or 13 case, a confirmed plan which will be fully performed;

''(B) as to any creditor that commenced an action under subsection (d) in a previous case in which the individual was a debtor if, as of the date of dismissal of such case, that action was still pending or had been resolved by terminating, conditioning, or limiting the stay as to actions of such creditor.

''(4) If a single or joint case is filed by or against an individual debtor under this title, and if 2 or more single or joint cases of the debtor were pending within the previous year but were dismissed, other than a case refiled under section 707(b) of this title, the stay under subsection (a) will not go into effect upon the filing of the later case. On request of a party in interest, the court shall promptly enter an order confirming that no stay is in effect. If a party in interest requests within 30 days of the filing of the later case, the court may order the stay to take effect in the case as to any or all creditors (subject to such conditions or limitations as the court may impose), after notice and hearing, only if the party in interest demonstrates that the filing of the later case is in good faith as to the creditors to be stayed. A stay imposed pursuant to the preceding sentence will be effective on the date of entry of the order allowing the stay to go into effect. A case is presumptively not filed in good faith (but such presumption may be rebutted by clear and convincing evidence to the contrary)—

''(A) as to all creditors if—

''(i) 2 or more previous cases under this title in which the individual was a debtor were pending within the 1-year period;

''(ii) a previous case under this title in which the individual was a debtor was dismissed within the time period stated in this paragraph after the debtor failed to file or amend the petition or other documents as required by this title or the court without substantial excuse (but mere inadvertence or negligence shall not be substantial excuse unless the dismissal was caused by the negligence of the debtor's attorney), failed to pay adequate protection as ordered by the court, or failed to perform the terms of a plan confirmed by the court; or

''(iii) there has not been a substantial change in the financial or personal affairs of the debtor since the dismissal of the next most previous case under this title, or any other reason to conclude that the later case will not be concluded, if a case under chapter 7, with a discharge, and if a case under chapter 11 or 13, with a confirmed plan that will be fully performed; or

''(B) as to any creditor that commenced an action under subsection (d) in a previous case in which the individual was a debtor if, as of the date of dismissal of such case, such action was still pending or had been resolved by terminating, conditioning, or limiting the stay as to action of such creditor.''.

SEC. 120. CURBING ABUSIVE FILINGS.

(a) IN GENERAL.—Section 362(d) of title 11, United States Code, is amended—

(1) in paragraph (2), by striking ''or'' at the end;

(2) in paragraph (3), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(4) with respect to a stay of an act against real property under subsection (a), by a creditor whose claim is secured by an interest in such real estate, if the court finds that the filing of the bankruptcy petition was part of a scheme to delay, hinder, and defraud creditors that involved either—

''(A) transfer of all or part ownership of, or other interest in, the real property without the consent of the secured creditor or court approval; or

''(B) multiple bankruptcy filings affecting the real property.

If recorded in compliance with applicable State laws governing notices of interests or liens in real property, an order entered pursuant to this subsection shall be binding in any other case under this title purporting to affect the real property filed not later than 2 years after that recording, except that a debtor in a subsequent case may move for relief from such order based upon changed circumstances or for good cause shown, after notice and a hearing.''.

(b) AUTOMATIC STAY.—Section 362(b) of title 11, United States Code, is amended—

(1) in paragraph (17), by striking ''or'' at the end;

(2) in paragraph (18) by striking the period at the end; and

(3) by inserting after paragraph (18) the following:

''(19) under subsection (a), of any act to enforce any lien against or security interest in real property following the entry of an order under section 362(d)(4) of this title as to that property in any prior bankruptcy case for a period of 2 years after entry of such an order. The debtor in a subsequent case, however, may move the court for relief from such order based upon changed circumstances or for other good cause shown, after notice and a hearing; or

''(20) under subsection (a), of any act to enforce any lien against or security interest in real property—

''(A) if the debtor is ineligible under section 109(g) of this title to be a debtor in a bankruptcy case; or

''(B) if the bankruptcy case was filed in violation of a bankruptcy court order in a prior bankruptcy case prohibiting the debtor from being a debtor in another bankruptcy case.''.

SEC. 121. DEBTOR RETENTION OF PERSONAL PROPERTY SECURITY.

Title 11, United States Code, is amended—

(1) in section 521—

(A) in paragraph (4) by striking ''and'' at the end;

(B) in paragraph (5) by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(6) in an individual case under chapter 7 of this title, not retain possession of personal property as to which a creditor has an allowed claim for the purchase price secured in whole or in part by an interest in that personal property unless, in the case of an individual debtor, the debtor takes 1 of the following actions within 45 days after the first meeting of creditors under section 341(a)—

''(A) enters into an agreement with the creditor pursuant to section 524(c) of this title with respect to the claim secured by such property; or

''(B) redeems such property from the security interest pursuant to section 722 of this title.

''If the debtor fails to so act within the 45-day period, the personal property affected shall no longer be property of the estate, and the creditor may take whatever action as to such property as is permitted by applicable nonbankruptcy law, unless the court determines on the motion of the trustee, and after notice and a hearing, that such property is of consequential value or benefit to the estate.''; and

(2) in section 722 by inserting ''in full at the time of redemption'' before the period at the end.

SEC. 122. RELIEF FROM THE AUTOMATIC STAY WHEN THE DEBTOR DOES NOT COMPLETE INTENDED SURRENDER OF CONSUMER DEBT COLLATERAL.

Title 11, United States Code, is amended as follows—

(1) in section 362—

(A) by striking ''(e), and (f)'' in subsection (c) and inserting in lieu thereof ''(e), (f), and (h)''; and

(B) by redesignating subsection (h), as amended by section 117, as subsection (i) and by inserting after subsection (g) the following:

''(h) In an individual case pursuant to chapter 7, 11, or 13 the stay provided by subsection (a) is terminated with respect to property of the estate securing in whole or in part a claim, or subject to an unexpired lease, if the debtor fails within the applicable time set by section 521(a)(2) of this title—

''(1) to file timely any statement of intention required under section 521(a)(2) of this title with respect to that property or to indicate therein that the debtor will either surrender the property or retain it and, if retaining it, either redeem the property pursuant to section 722 of this title, reaffirm the debt it secures pursuant to section 524(c) of this title, or assume the unexpired lease pursuant to section 365(p) of this title if the trustee does not do so, as applicable; or

''(2) to take timely the action specified in that statement of intention, as it may be amended before expiration of the period for taking action, unless the statement of intention specifies reaffirmation and the creditor refuses to reaffirm on the original contract terms;

unless the court determines on the motion of the trustee, and after notice and a hearing, that such property is of consequential value or benefit to the estate.''; and

(2) in section 521, as amended by sections 121 and 604—

(A) in paragraph (2) by striking ''consumer'';

(B) in paragraph (2)(B)—

(i) by striking ''forty-five days after the filing of a notice of intent under this section'' and inserting ''30 days after the first date set for the meeting of creditors under section 341(a) of this title''; and

(ii) by striking ''forty-five day'' the second place it appears and inserting ''30-day'';

(C) in paragraph (2)(C) by inserting ''except as provided in section 362(h) of this title'' before the semicolon; and

(D) by adding at the end the following:

''(c) If the debtor fails timely to take the action specified in subsection (a)(6) of this section, or in paragraphs (1) and (2) of section 362(h) of this title, with respect to property which a lessor or bailor owns and has leased, rented, or bailed to the debtor or as to which a creditor holds a security interest not otherwise voidable under section 522(f), 544, 545, 547, 548, or 549 of this title, nothing in this title shall prevent or limit the operation of a provision in the underlying lease or agreement which has the effect of placing the debtor in default under such lease or agreement by reason of the occurrence, pendency, or existence of a proceeding under this title or the insolvency of the debtor. Nothing in this subsection shall be deemed to justify limiting such a provision in any other circumstance.''.

SEC. 123. GIVING SECURED CREDITORS FAIR TREATMENT IN CHAPTER 13.

Section 1325(a)(5)(B)(i) of title 11, United States Code, is amended to read as follows:

''(i) the plan provides that the holder of such claim retain the lien securing such claim until the earlier of payment of the underlying debt determined under nonbankruptcy law or discharge under section 1328 of this title, and that if the case under this chapter is dismissed or converted without completion of the plan, such lien shall also be retained by such holder to the extent recognized by applicable nonbankruptcy law; and''.

SEC. 124. RESTRAINING ABUSIVE PURCHASES ON SECURED CREDIT.

Section 506 of title 11, United States Code, is amended by adding at the end the following:

''(e) In an individual case under chapter 7, 11, 12, or 13—

''(1) subsection (a) shall not apply to an allowed claim to the extent attributable in whole or in part to the purchase price of personal property acquired by the debtor within 5 years of the filing of the petition, except for the purpose of applying paragraph (3) of this subsection;

''(2) if such allowed claim attributable to the purchase price is secured only by the personal property so acquired, the value of the personal property and the amount of the allowed secured claim shall be the sum of the unpaid principal balance of the purchase price and accrued and unpaid interest and charges at the contract rate;

''(3) if such allowed claim attributable to the purchase price is secured by the personal property so acquired and other property, the value of the security may be determined under subsection (a), but the value of the security and the amount of the allowed secured claim shall be not less than the unpaid principal balance of the purchase price of the personal property acquired and unpaid interest and charges at the contract rate; and

''(4) in any subsequent case under this title that is filed by or against the debtor in the 2-year period beginning on the date the petition is filed in the original case, the value of the personal property and the amount of the allowed secured claim shall be deemed to be not less than the amount provided under paragraphs (2) and (3).''.

SEC. 125. FAIR VALUATION OF COLLATERAL.

Section 506(a) of title 11, United States Code, is amended by adding at the end the following: ''In the case of an individual debtor under chapters 7 and 13, such value with respect to personal property securing an allowed claim shall be determined based on the replacement value of such property as of the date of filing the petition without deduction for costs of sale or marketing. With respect to property acquired for personal, family, or household purpose, replacement value shall mean the price a retail merchant would charge for property of that kind considering the age and condition of the property at the time value is determined.''.

SEC. 126. EXEMPTIONS.

Section 522(b)(2)(A) of title 11, United States Code, is amended—

(1) by striking ''180'' and inserting ''730''; and

(2) by striking '', or for a longer portion of such 180-day period than in any other place''.

SEC. 127. LIMITATION.

Section 522 of title 11, United States Code, is amended—

(1) in subsection (b)(2)(A) by inserting ''subject to subsection (n),'' before ''any property''; and

(2) by adding at the end the following:

''(n) For purposes of subsection (b)(2)(A) and notwithstanding subsection (a), the value of an interest in—

''(1) real or personal property that the debtor or a dependent of the debtor uses as a residence;

''(2) a cooperative that owns property that the debtor or a dependent of the debtor uses as a residence; or

''(3) a burial plot for the debtor or a dependent of the debtor;

shall be reduced to the extent such value is attributable to any portion of any property that the debtor disposed of in the 730-day period ending of the date of the filing of the petition, with the intent to hinder, delay, or defraud a creditor and that the debtor could not exempt, or that portion that the debtor could not exempt, under subsection (b) if on such date the debtor had held the property so disposed of.''.

SEC. 128. ROLLING STOCK EQUIPMENT.

(a) IN GENERAL.—Section 1168 of title 11, United States Code, is amended to read as follows:

''§ 1168. Rolling stock equipment.

''(a)(1) The right of a secured party with a security interest in or of a lessor or conditional vendor of equipment described in paragraph (2) to take possession of such equipment in compliance with an equipment security agreement, lease, or conditional sale contract, and to enforce any of its other rights or remedies under such security agreement, lease, or conditional sale contract, to sell, lease, or otherwise retain or dispose of such equipment, is not limited or otherwise affected by any other provision of this title or by any power of the court, except that the right to take possession and enforce those other rights and remedies shall be subject to section 362 of this title, if—

''(A) before the date that is 60 days after the date of commencement of a case under this chapter, the trustee, subject to the court's approval, agrees to perform all obligations of the debtor under such security agreement, lease, or conditional sale contract; and

''(B) any default, other than a default of a kind described in section 365(b)(2) of this title, under such security agreement, lease, or conditional sale contract—

''(i) that occurs before the date of commencement of the case and is an event of default therewith is cured before the expiration of such 60-day period;

''(ii) that occurs or becomes an event of default after the date of commencement of the case and before the expiration of such 60-day period is cured before the later of—

''(I) the date that is 30 days after the date of the default or event of the default; or

''(II) the expiration of such 60-day period; and

''(iii) that occurs on or after the expiration of such 60-day period is cured in accordance with the terms of such security agreement, lease, or conditional sale contract, if cure is permitted under that agreement, lease, or conditional sale contract.

''(2) The equipment described in this paragraph—

''(A) is rolling stock equipment or accessories used on rolling stock equipment, including superstructures or racks, that is subject to a security interest granted by, leased to, or conditionally sold to a debtor; and

''(B) includes all records and documents relating to such equipment that are required, under the terms of the security agreement, lease, or conditional sale contract, that is to be surrendered or returned by the debtor in connection with the surrender or return of such equipment.

''(3) Paragraph (1) applies to a secured party, lessor, or conditional vendor acting in its own behalf or acting as trustee or otherwise in behalf of another party.

''(b) The trustee and the secured party, lessor, or conditional vendor whose right to take possession is protected under subsection (a) may agree, subject to the court's approval, to extend the 60-day period specified in subsection (a)(1).

''(c)(1) In any case under this chapter, the trustee shall immediately surrender and return to a secured party, lessor, or conditional vendor, described in subsection (a)(1), equipment described in subsection (a)(2), if at any time after the date of commencement of the case under this chapter such secured party, lessor, or conditional vendor is entitled pursuant to subsection (a)(1) to take possession of such equipment and makes a written demand for such possession of the trustee.

''(2) At such time as the trustee is required under paragraph (1) to surrender and return equipment described in subsection (a)(2), any lease of such equipment, and any security agreement or conditional sale contract relating to such equipment, if such security agreement or conditional sale contract is an executory contract, shall be deemed rejected.

''(d) With respect to equipment first placed in service on or prior to October 22, 1994, for purposes of this section—

''(1) the term 'lease' includes any written agreement with respect to which the lessor and the debtor, as lessee, have expressed in the agreement or in a substantially contemporaneous writing that the agreement is to be treated as a lease for Federal income tax purposes; and

''(2) the term 'security interest' means a purchase-money equipment security interest.

''(e) With respect to equipment first placed in service after October 22, 1994, for purposes of this section, the term 'rolling stock equipment' includes rolling stock equipment that is substantially rebuilt and accessories used on such equipment.''.

(b) AIRCRAFT EQUIPMENT AND VESSELS.—Section 1110 of title 11, United States Code, is amended to read as follows:

''§ 1110. Aircraft equipment and vessels

''(a)(1) Except as provided in paragraph (2) and subject to subsection (b), the right of a secured party with a security interest in equipment described in paragraph (3), or of a lessor or conditional vendor of such equipment, to take possession of such equipment in compliance with a security agreement, lease, or conditional sale contract, and to enforce any of its other rights or remedies, under such security agreement, lease, or conditional sale contract, to sell, lease, or otherwise retain or dispose of such equipment, is not limited or otherwise affected by any other provision of this title or by any power of the court.

''(2) The right to take possession and to enforce the other rights and remedies described in paragraph (1) shall be subject to section 362 of this title if—

''(A) before the date that is 60 days after the date of the order for relief under this chapter, the trustee, subject to the approval of the court, agrees to perform all obligations of the debtor under such security agreement, lease, or conditional sale contract; and

''(B) any default, other than a default of a kind specified in section 365(b)(2) of this title, under such security agreement, lease, or conditional sale contract—

''(i) that occurs before the date of the order is cured before the expiration of such 60-day period;

''(ii) that occurs after the date of the order and before the expiration of such 60-day period is cured before the later of—

''(I) the date that is 30 days after the date of the default; or

''(II) the expiration of such 60-day period; and

''(iii) that occurs on or after the expiration of such 60-day period is cured in compliance with the terms of such security agreement, lease, or conditional sale contract, if a cure is permitted under that agreement, lease, or contract.

''(3) The equipment described in this paragraph—

''(A) is—

''(i) an aircraft, aircraft engine, propeller, appliance, or spare part (as defined in section 40102 of title 49) that is subject to a security interest granted by, leased to, or conditionally sold to a debtor that, at the time such transaction is entered into, holds an air carrier operating certificate issued pursuant to chapter 447 of title 49 for aircraft capable of carrying 10 or more individuals or 6,000 pounds or more of cargo; or

''(ii) a documented vessel (as defined in section 30101(1) of title 46) that is subject to a security interest granted by, leased to, or conditionally sold to a debtor that is a water carrier that, at the time such transaction is entered into, holds a certificate of public convenience and necessity or permit issued by the Department of Transportation; and

''(B) includes all records and documents relating to such equipment that are required, under the terms of the security agreement, lease, or conditional sale contract, to be surrendered or returned by the debtor in connection with the surrender or return of such equipment.

''(4) Paragraph (1) applies to a secured party, lessor, or conditional vendor acting in its own behalf or acting as trustee or otherwise in behalf of another party.

''(b) The trustee and the secured party, lessor, or conditional vendor whose right to take possession is protected under subsection (a) may agree, subject to the approval of the court, to extend the 60-day period specified in subsection (a)(1).

''(c)(1) In any case under this chapter, the trustee shall immediately surrender and return to a secured party, lessor, or conditional vendor, described in subsection (a)(1), equipment described in subsection (a)(3), if at any time after the date of the order for relief under this chapter such secured party, lessor, or conditional vendor is entitled pursuant to subsection (a)(1) to take possession of such equipment and makes a written demand for such possession to the trustee.

''(2) At such time as the trustee is required under paragraph (1) to surrender and return equipment described in subsection (a)(3), any lease of such equipment, and any security agreement or conditional sale contract relating to such equipment, if such security agreement or conditional sale contract is an executory contract, shall be deemed rejected.

''(d) With respect to equipment first placed in service on or before October 22, 1994, for purposes of this section—

''(1) the term 'lease' includes any written agreement with respect to which the lessor and the debtor, as lessee, have expressed in the agreement or in a substantially contemporaneous writing that the agreement is to be treated as a lease for Federal income tax purposes; and

''(2) the term 'security interest' means a purchase-money equipment security interest.''.

SEC. 129. DISCHARGE UNDER CHAPTER 13.

Section 1328(a) of title 11, United States Code, is amended by striking paragraphs (1) through (3) and inserting the following:

''(1) provided for under section 1322(b)(5) of this title;

''(2) of the kind specified in paragraph (2), (4), (3)(B), (5), (8), or (9) of section 523(a) of this title;

''(3) for restitution, or a criminal fine, included in a sentence on the debtor's conviction of a crime; or

''(4) for restitution, or damages, awarded in a civil action against the debtor as a result of willful or malicious injury by the debtor that caused personal injury to an individual or the death of an individual.''.

SEC. 130. BANKRUPTCY JUDGESHIPS.

(a) SHORT TITLE.—This section may be cited as the ''Bankruptcy Judgeship Act of 1998''.

(b) TEMPORARY JUDGESHIPS.—

(1) APPOINTMENTS.—The following judgeship positions shall be filled in the manner prescribed in section 152(a)(1) of title 28, United States Code, for the appointment of bankruptcy judges provided for in section 152(a)(2) of such title:

(A) One additional bankruptcy judgeship for the eastern district of California.

(B) Four additional bankruptcy judgeships for the central district of California.

(C) One additional bankruptcy judgeship for the southern district of Florida.

(D) Two additional bankruptcy judgeships for the district of Maryland.

(E) One additional bankruptcy judgeship for the eastern district of Michigan.

(F) One additional bankruptcy judgeship for the southern district of Mississippi.

(G) One additional bankruptcy judgeship for the district of New Jersey.

(H) One additional bankruptcy judgeship for the eastern district of New York.

(I) One additional bankruptcy judgeship for the northern district of New York.

(J) One additional bankruptcy judgeship for the southern district of New York.

(K) One additional bankruptcy judgeship for the eastern district of Pennsylvania.

(L) One additional bankruptcy judgeship for the middle district of Pennsylvania.

(M) One additional bankruptcy judgeship for the western district of Tennessee.

(N) One additional bankruptcy judgeship for the eastern district of Virginia.

(2) VACANCIES.—The first vacancy occurring in the office of a bankruptcy judge in each of the judicial districts set forth in paragraph (1) that—

(A) results from the death, retirement, resignation, or removal of a bankruptcy judge; and

(B) occurs 5 years or more after the appointment date of a bankruptcy judge appointed under paragraph (1);

shall not be filled.

(c) EXTENSIONS.—

(1) IN GENERAL.—The temporary bankruptcy judgeship positions authorized for the northern district of Alabama, the district of Delaware, the district of Puerto Rico, the district of South Carolina, and the eastern district of Tennessee under section 3(a) (1), (3), (7), (8), and (9) of the Bankruptcy Judgeship Act of 1992 (28 U.S.C. 152 note) are extended until the first vacancy occurring in the office of a bankruptcy judge in the applicable district resulting from the death, retirement, resignation, or removal of a bankruptcy judge and occurring—

(A) 8 years or more after November 8, 1993, with respect to the northern district of Alabama;

(B) 10 years or more after October 28, 1993, with respect to the district of Delaware;

(C) 8 years or more after August 29, 1994, with respect to the district of Puerto Rico;

(D) 8 years or more after June 27, 1994, with respect to the district of South Carolina; and

(E) 8 years or more after November 23, 1993, with respect to the eastern district of Tennessee.

(2) APPLICABILITY OF OTHER PROVISIONS.—All other provisions of section 3 of the Bankruptcy Judgeship Act of 1992 remain applicable to such temporary judgeship position.

(d) TECHNICAL AMENDMENT.—The first sentence of section 152(a)(1) of title 28, United States Code, is amended to read as follows: ''Each bankruptcy judge to be appointed for a judicial district as provided in paragraph (2) shall be appointed by the United States court of appeals for the circuit in which such district is located.''.

(e) TRAVEL EXPENSES OF BANKRUPTCY JUDGES.—Section 156 of title 28, United States Code, is amended by adding at the end the following new subsection:

''(g)(1) In this subsection, the term 'travel expenses'—

''(A) means the expenses incurred by a bankruptcy judge for travel that is not directly related to any case assigned to such bankruptcy judge; and

''(B) shall not include the travel expenses of a bankruptcy judge if—

''(i) the payment for the travel expenses is paid by such bankruptcy judge from the personal funds of such bankruptcy judge; and

''(ii) such bankruptcy judge does not receive funds (including reimbursement) from the United States or any other person or entity for the payment of such travel expenses.

''(2) Each bankruptcy judge shall annually submit the information required under paragraph (3) to the chief bankruptcy judge for the district in which the bankruptcy judge is assigned.

''(3)(A) Each chief bankruptcy judge shall submit an annual report to the Director of the Administrative Office of the United States Courts on the travel expenses of each bankruptcy judge assigned to the applicable district (including the travel expenses of the chief bankruptcy judge of such district).

''(B) The annual report under this paragraph shall include—

''(i) the travel expenses of each bankruptcy judge, with the name of the bankruptcy judge to whom the travel expenses apply;

''(ii) a description of the subject matter and purpose of the travel relating to each travel expense identified under clause (i), with the name of the bankruptcy judge to whom the travel applies; and

''(iii) the number of days of each travel described under clause (ii), with the name of the bankruptcy judge to whom the travel applies.

''(4)(A) The Director of the Administrative Office of the United States Courts shall—

''(i) consolidate the reports submitted under paragraph (3) into a single report; and

''(ii) annually submit such consolidated report to Congress.

''(B) The consolidated report submitted under this paragraph shall include the specific information required under paragraph (3)(B), including the name of each bankruptcy judge with respect to clauses (i), (ii), and (iii) of paragraph (3)(B).''.

SEC. 131. ADDITIONAL AMENDMENTS TO TITLE 11, UNITED STATES CODE.

(a) Section 507(a) of title 11, United States Code, is amended by inserting after paragraph (9) the following:

''(10) Tenth, allowed claims for death or personal injuries resulting from the operation of a motor vehicle or vessel if such operation was unlawful because the debtor was intoxicated from using alcohol, a drug or another substance.''.

(b) Section 523(a)(9) of title 11, United States Code, is amended by inserting ''or vessel'' after ''vehicle''.

SEC. 132. AMENDMENT TO SECTION 1325 OF TITLE 11, UNITED STATES CODE.

Section 1325(b)(2) of title 11, United States Code, is amended by inserting after ''received by the debtor'', ''(other than child support payments, foster care payments, or disability payments for a dependent child made in accordance with applicable nonbankruptcy law and which is reasonably necessary to be expended)''.

SEC. 133. APPLICATION OF THE CODEBTOR STAY ONLY WHEN THE STAY PROTECTS THE DEBTOR.

Section 1301(b) of title 11, United States Code, is amended—

(1) by inserting ''(1)'' after ''(b)''; and

(2) by adding at the end the following:

''(2)(A) Notwithstanding subsection (c) and except as provided in subparagraph (B), in any case in which the debtor did not receive the consideration for the claim held by a creditor, the stay provided by subsection (a) shall apply to that creditor for a period not to exceed 30 days beginning on the date of the order for relief, to the extent the creditor proceeds against—

''(i) the individual that received that consideration; or

''(ii) property not in the possession of the debtor that secures that claim.

''(B) Notwithstanding subparagraph (A), the stay provided by subsection (a) shall apply in any case in which the debtor is primarily obligated to pay the creditor in whole or in part with respect to a claim described in subparagraph (A) under a legally binding separation or property settlement agreement or divorce or dissolution decree with respect to—

''(i) an individual described in subparagraph (A)(i); or

''(ii) property described in subparagraph (A)(ii).

''(3) Notwithstanding subsection (c), the stay provided by subsection (a) shall terminate as of the date of confirmation of the plan, in any case in which the plan of the debtor provides that the debtor's interest in personal property subject to a lease with respect to which the debtor is the lessee will be surrendered or abandoned or no payments will be made under the plan on account of the debtor's obligations under the lease.''.

SEC. 134. ADEQUATE PROTECTION FOR INVESTORS.

(a) DEFINITION.—Section 101 of title 11, United States Code, is amended by inserting after paragraph (48) the following:

''(48A) 'securities self regulatory organization' means either a securities association registered with the Securities and Exchange Commission pursuant to section 15A of the Securities Exchange Act of 1934 or a national securities exchange registered with the Securities and Exchange Commission pursuant to section 6 of the Securities Exchange Act of 1934;''.

(b) AUTOMATIC STAY.—Section 362(b) of title 11, United States Code, as amended by section 120, is amended—

(1) in paragraph (19) by striking ''or'' at the end;

(2) in paragraph (20) by striking the period at the end and a inserting ''; or''; and

(3) by inserting after paragraph (20) the following:

''(21) under subsection (a), of the commencement or continuation of an investigation or action by a securities self regulatory organization to enforce such organization's regulatory power; of the enforcement of an order or decision, other than for monetary sanctions, obtained in an action by the securities self regulatory organization to enforce such organization's regulatory power; or of any act taken by the securities self regulatory organization to delist, delete, or refuse to permit quotation of any stock that does not meet applicable regulatory requirements.''.

SEC. 135. LIMITATION ON LUXURY GOODS.

Section 523(a)(2)(C) of title 11, United States Code, is amended to read as follows:

''(C)(i) for purposes of subparagraph (A), consumer debts owed to a single creditor and aggregating more than $250 for 'luxury goods or services' incurred by an individual debtor on or within 90 days before the order for relief under this title, or cash advances aggregating more than $250 that are extensions of consumer credit under an open end credit plan obtained by an individual debtor on or within 90 days before the order for relief under this title, are presumed to be nondischargeable; and

''(ii) for purposes of this subparagraph—

''(I) the term 'luxury goods or services' does not include goods or services reasonably necessary for the support or maintenance of the debtor or a dependent of the debtor; and

''(II) the term 'an extension of consumer credit under an open end credit plan' has the same meaning such term has for purposes of the Consumer Credit Protection Act;''.

SEC. 136. GIVING DEBTORS THE ABILITY TO KEEP LEASED PERSONAL PROPERTY BY ASSUMPTION.

Section 365 of title 11, United States Code, is amended by adding at the end the following:

''(p)(1) If a lease of personal property is rejected or not timely assumed by the trustee under subsection (d), the leased property is no longer property of the estate and the stay under section 362(a) of this title is automatically terminated.

''(2) In the case of an individual under chapter 7, the debtor may notify the creditor in writing that the debtor desires to assume the lease. Upon being so notified, the creditor may, at its option, notify the debtor that it is willing to have the lease assumed by the debtor and may condition such assumption on cure of any outstanding default on terms set by the contract. If within 30 days of such notice the debtor notifies the lessor in writing that the lease is assumed, the liability under the lease will be assumed by the debtor and not by the estate. The stay under section 362 of this title and the injunction under section 524(a)(2) of this title shall not be violated by notification of the debtor and negotiation of cure under this subsection.

''(3) In a case under chapter 11 of this title in which the debtor is an individual and in a case under chapter 13 of this title, if the debtor is the lessee with respect to personal property and the lease is not assumed in the plan confirmed by the court, the lease is deemed rejected as of the conclusion of the hearing on confirmation. If the lease is rejected, the stay under section 362 of this title and any stay under section 1301 is automatically terminated with respect to the property subject to the lease.''.

SEC. 137. ADEQUATE PROTECTION OF LESSORS AND PURCHASE MONEY SECURED CREDITORS.

(a) IN GENERAL.—Chapter 13 of title 11, United States Code, is amended by adding after section 1307 the following:

''§1307A. Adequate protection in chapter 13 cases

''(a)(1)(A) On or before the date that is 30 days after the filing of a case under this chapter, the debtor shall make cash payments in an amount determined under paragraph (2)(A), to—

''(i) any lessor of personal property; and

''(ii) any creditor holding a claim secured by personal property to the extent that the claim is attributable to the purchase of that property by the debtor.

''(B) The debtor or the plan shall continue making the adequate protection payments until the earlier of the date on which—

''(i) the creditor begins to receive actual payments under the plan; or

''(ii) the debtor relinquishes possession of the property referred to in subparagraph (A) to—

''(I) the lessor or creditor; or

''(II) any third party acting under claim of right, as applicable.

''(2) The payments referred to in paragraph (1)(A) shall be the contract amount.

''(b)(1) Subject to the limitations under paragraph (2), the court may, after notice and hearing, change the amount and timing of the dates of payment of payments made under subsection (a).

''(2)(A) The payments referred to in paragraph (1) shall be payable not less frequently than monthly.

''(B) The amount of payments referred to in paragraph (1) shall not be less than the amount of any weekly, biweekly, monthly, or other periodic payment schedules as payable under the contract between the debtor and creditor.

''(c) Notwithstanding section 1326(b), the payments referred to in subsection (a)(1)(A) shall be continued in addition to plan payments under a confirmed plan until actual payments to the creditor begin under that plan, if the confirmed plan provides—

''(1) for payments to a creditor or lessor described in subsection (a)(1); and

''(2) for the deferral of payments to such creditor or lessor under the plan until the payment of amounts described in section 1326(b).

''(d) Notwithstanding sections 362, 542, and 543, a lessor or creditor described in subsection (a) may retain possession of property described in that subsection that was obtained in accordance with applicable law before the date of filing of the petition until the first payment under subsection (a)(1)(A) is received by the lessor or creditor.

''(e) On or before 60 days after the filling of a case under this chapter, a debtor retaining possession of personal property subject to a lease or securing a claim attributable in whole or in part to the purchase price of such property shall provide each creditor or lessor reasonable evidence of the maintenance of any required insurance coverage with respect to the use or ownership of such property and continue to do so for so long as the debtor retains possession of such property.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 13 of title 11, United States Code, is amended by inserting after the item relating to section 1307 the following:

''1307A. Adequate protection in chapter 13 cases.''.

SEC. 139. AUTOMATIC STAY.

Section 362(b) of title 11, United States Code, as amended by sections 120 and 134, is amended—

(1) in paragraph (20), by striking ''or'' at the end;

(2) in paragraph (21), by striking the period at the end and inserting a semicolon; and

(3) by inserting after paragraph (21) the following:

''(22) under subsection (a) of any transfer that is not avoidable under section 544 of this title and that is not avoidable under section 549 of this title;

''(23) under subsection (a)(3), of the continuation of any eviction, unlawful detainer action, or similar proceeding by a lessor against a debtor involving residential real property in which the debtor resides as a tenant under a rental agreement and the debtor has not paid rent to the lessor pursuant to the terms of the lease agreement or applicable State law after the commencement and during the course of the case;

''(24) under subsection (a)(3), of the commencement or continuation of any eviction, unlawful detainer action, or similar proceeding by a lessor against a debtor involving residential real property in which the debtor resides as a tenant under a rental agreement that has terminated pursuant to the lease agreement or applicable State law;

''(25) under subsection (a)(3), of any eviction, unlawful detainer action, or similar proceeding, if the debtor has previously filed within the last year and failed to pay post-petition rent during the course of that case; or

''(26) under subsection (a)(3), of eviction actions based on endangerment to property or person or the use of illegal drugs.''.

SEC. 140. EXTEND PERIOD BETWEEN BANKRUPTCY DISCHARGES.

Title 11, United States Code, is amended—

(1) in section 727(a)(8) by striking ''six'' and inserting ''8''; and

(2) in section 1328 by adding at the end the following:

''(f) Notwithstanding subsections (a) and (b), the court shall not grant a discharge of all debts provided for by the plan or disallowed under section 502 of this title if the debtor has received a discharge in any case filed under this title within 5 years of the order for relief under this chapter.''.

SEC. 141. DEFINITION OF DOMESTIC SUPPORT OBLIGATION.

Section 101 of title 11, United States Code, is amended—

(1) by striking paragraph (12A); and

(2) by inserting after paragraph (14) the following:

(14A) 'domestic support obligation' means a debt that accrues before or after the entry of an order for relief under this title that is—

''(A) owed to or recoverable by—

''(i) a spouse, former spouse, or child of the debtor or that child's legal guardian; or

''(ii) a governmental unit;

''(B) in the nature of alimony, maintenance, or support (including assistance provided by a governmental unit) of such spouse, former spouse, or child, without regard to whether such debt is expressly so designated;

''(C) established or subject to establishment before or after entry of an order for relief under this title, by reason of applicable provisions of—

''(i) a separation agreement, divorce decree, or property settlement agreement;

''(ii) an order of a court of record; or

''(iii) a determination made in accordance with applicable nonbankruptcy law by a governmental unit; and

''(D) not assigned to a nongovernmental entity, unless that obligation is assigned voluntarily by the spouse, former spouse, child, or parent solely for the purpose of collecting the debt.''.

SEC. 142. PRIORITIES FOR CLAIMS FOR DOMESTIC SUPPORT OBLIGATIONS.

Section 507(a) of title 11, United States Code, is amended—

(1) by striking paragraph (7);

(2) by redesignating paragraphs (1) through (6) as paragraphs (2) through (7), respectively;

(3) in paragraph (2), as redesignated, by striking ''First'' and inserting ''Second'';

(4) in paragraph (3), as redesignated, by striking ''Second'' and inserting ''Third'';

(5) in paragraph (4), as redesignated, by striking ''Third'' and inserting ''Fourth'';

(6) in paragraph (5), as redesignated, by striking ''Fourth'' and inserting ''Fifth'';

(7) in paragraph (6), as redesignated, by striking ''Fifth'' and inserting ''Sixth'';

(8) in paragraph (7), as redesignated, by striking ''Sixth'' and inserting ''Seventh''; and

(9) by inserting before paragraph (2), as redesignated, the following:

''(1) First, allowed claims for domestic support obligations to be paid in the following order on the condition that funds received under this paragraph by a governmental unit in a case under this title be applied:

''(A) Claims that, as of the date of entry of the order for relief, are owed directly to a spouse, former spouse, or child of the debtor, or the parent of such child, without regard to whether the claim is filed by the spouse, former spouse, child, or parent, or is filed by a governmental unit on behalf of that person.

''(B) Claims that, as of the date of entry of the order for relief, are assigned by a spouse, former spouse, child of the debtor, or the parent of that child to a governmental unit or are owed directly to a governmental unit under applicable nonbankruptcy law.''.

SEC. 143. REQUIREMENTS TO OBTAIN CONFIRMATION AND DISCHARGE IN CASES INVOLVING DOMESTIC SUPPORT OBLIGATIONS.

Title 11, United States Code, is amended—

(1) in section 1129(a), by adding at the end the following:

''(14) If the debtor is required by a judicial or administrative order or statute to pay a domestic support obligation, the debtor has paid all amounts payable under such order or statute for such obligation that become payable after the date on which the petition is filed.'';

(2) in section 1325(a)—

(A) in paragraph (5), by striking ''and'' at the end;

(B) in paragraph (6), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(7) if the debtor is required by a judicial or administrative order or statute to pay a domestic support obligation, the debtor has paid all amounts payable under such order for such obligation that become payable after the date on which the petition is filed.''; and

(3) in section 1328(a), as amended by section 129, in the matter preceding paragraph (1), by inserting '', and with respect to a debtor who is required by a judicial or administrative order to pay a domestic support obligation, certifies that all amounts payable under such order or statute that are due on or before the date of the certification (including amounts due before or after the petition was filed) have been paid'' after ''completion by the debtor of all payments under the plan''.

SEC. 144. EXCEPTIONS TO AUTOMATIC STAY IN DOMESTIC SUPPORT OBLIGATION PROCEEDINGS.

Section 362(b) of title 11, United States Code, as amended by sections 120, 134, and 139, is amended—

(1) by striking paragraph (2) and inserting the following:

''(2) under subsection (a)—

''(A) of the commencement or continuation of an action or proceeding for—

''(i) the establishment of paternity as a part of an effort to collect domestic support obligations; or

''(ii) the establishment or modification of an order for domestic support obligations; or

''(B) the collection of a domestic support obligation from property that is not property of the estate;'';

(2) in paragraph (25), by striking ''or'' at the end;

(3) in paragraph (26), by striking the period at the end and inserting a semicolon; and

(4) by inserting after paragraph (26) the following:

''(27) under subsection (a) with respect to the withholding of income pursuant to an order as specified in section 466(b) of the Social Security Act (42 U.S.C. 666(b)); or

''(28) under subsection (a) with respect to—

''(A) the withholding, suspension, or restriction of drivers' licenses, professional and occupational licenses, and recreational licenses pursuant to State law, as specified in section 466(a)(16) of the Social Security Act (42 U.S.C. 666(a)(16)) or with respect to the reporting of overdue support owed by an absent parent to any consumer reporting agency as specified in section 466(a)(7) of the Social Security Act (42 U.S.C. 666(a)(7));

''(B) the interception of tax refunds, as specified in sections 464 and 466(a)(3) of the Social Security Act (42 U.S.C. 664 and 666(a)(3)); or

''(C) the enforcement of medical obligations as specified under title IV of the Social Security Act (42 U.S.C. 601 et seq.).''.

SEC. 145. NONDISCHARGEABILITY OF CERTAIN DEBTS FOR ALIMONY, MAINTENANCE, AND SUPPORT.

Section 523 of title 11, United States Code, is amended—

(1) in subsection (a), by striking paragraph (5) and inserting the following:

''(5) for a domestic support obligation;'';

(2) in subsection (c), by striking ''(6), or (15)'' and inserting ''or (6)''; and

(3) in paragraph (15), by striking ''governmental unit'' and all through the end of the paragraph and inserting a semicolon.

SEC. 146. CONTINUED LIABILITY OF PROPERTY.

Section 522 of title 11, United States Code, is amended—

(1) in subsection (c), by striking paragraph (1) and inserting the following:

''(1) a debt of a kind specified in paragraph (1) or (5) of section 523(a) (in which case, notwithstanding any provision of applicable nonbankruptcy law to the contrary, such property shall be liable for a debt of a kind specified in section 523(a)(5);''; and

(2) in subsection (f)(1)(A), by striking the dash and all that follows through the end of the subparagraph and inserting ''of a kind that is specified in section 523(a)(5); or''.

SEC. 147. PROTECTION OF DOMESTIC SUPPORT CLAIMS AGAINST PREFERENTIAL TRANSFER MOTIONS.

Section 547(c)(7) of title 11, United States Code, is amended to read as follows:

''(7) to the extent such transfer was a bona fide payment of a debt for a domestic support obligation; or''.

SEC. 148. DEFINITION OF HOUSEHOLD GOODS AND ANTIQUES.

Section 522(f)(1)(B) of title 11, United States Code, is amended as follows:

(1) by inserting ''(i)'' after ''(B)''; and

(2) by striking ''(i)'' and inserting ''(aa)''; and

(3) by striking ''(ii)'' and inserting ''(bb)'';

(4) by striking ''(iii)'' and inserting ''(cc)'';

(5) by adding at the end thereof the following:

''(ii) 'household goods' shall mean for the purposes of this subparagraph (B) clothing; furniture; appliances; one radio; one television; one VCR; linens; china; crockery; kitchenware; educational materials and educational equipment primarily for the use of minor dependent children of the debtor, but only one personal computer only if used primarily for the education or entertainment of such minor children; medical equipment and supplies; furniture exclusively for the use of minor children, elderly or disabled dependents of the debtor; and personal effects (including wedding rings and the toys and hobby equipment of minor dependent children) of the debtor and his or her dependents: Provided, That the following are not included within the scope of the term 'household goods':

''(aa) works of art (unless by or of the debtor or his or her dependents);

''(bb) electronic entertainment equipment (except one television, one radio, and one VCR);

''(cc) items acquired as antiques;

''(dd) jewelry (except wedding rings);

''(ee) a computer (except as otherwise provided for in this section), motor vehicle (including a tractor or lawn tractor), boat, or a motorized recreational device, conveyance, vehicle, watercraft, or aircraft.''.

SEC. 149. NONDISCHARGEABLE DEBTS.

Section 523(a) of title 11, United States Code, is amended by inserting after paragraph (14) the following:

''(14A) incurred to pay a debt that is nondischargeable by reason of section 727, 1141, 1228(a), 1228(b), or 1328(b), or any other provision of this subsection, if the debtor incurred the debt to pay such a nondischargeable debt with the intent to discharge in bankruptcy the newly-created debt, except that all debts incurred to pay nondischargeable debts, without regard to intent, are nondischargeable if incurred within 90 days of the filing of the petition;''.

TITLE II—DISCOURAGING BANKRUPTCY ABUSE

SEC. 201. REENACTMENT OF CHAPTER 12.

(a) REENACTMENT.—Chapter 12 of title 11 of the United States Code, as in effect on September 30, 1998, is hereby reenacted.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1998.

SEC. 202. MEETINGS OF CREDITORS AND EQUITY SECURITY HOLDERS.

Section 341 of title 11, United States Code, is amended by adding at the end the following:

''(e) Notwithstanding subsections (a) and (b), the court, on the request of a party in interest and after notice and a hearing, for cause may order that the United States trustee not convene a meeting of creditors or equity security holders if the debtor has filed a plan as to which the debtor solicited acceptances prior to the commencement of the case.''.

SEC. 203. PROTECTION OF RETIREMENT SAVINGS IN BANKRUPTCY.

(a) IN GENERAL.—Section 522 of title 11, United States Code, is amended—

(1) in subsection (b)—

(A) in paragraph (2)—

(i) by striking ''(2)(A) any property'' and inserting:

''(3) Property listed in this paragraph is—

''(A) any property'';

(ii) in subparagraph (A), by striking ''and'' at the end;

(iii) in subparagraph (B), by striking the period at the end and inserting ''; and''; and

(iv) by adding at the end the following:

''(C) retirement funds to the extent that those funds are in a fund or account that is exempt from taxation under section 401, 403, 408, 408A, 414, 457, or 501(a) of the Internal Revenue Code of 1986.'';

(B) by striking paragraph (1) and inserting:

''(2) Property listed in this paragraph is property that is specified under subsection (d), unless the State law that is applicable to the debtor under paragraph (3)(A) specifically does not so authorize.'';

(C) in the matter preceding paragraph (2)—

(i) by striking ''(b)'' and inserting ''(b)(1)'';

(ii) by striking ''paragraph (2)'' both places it appears and inserting ''paragraph (3)'';

(iii) by striking ''paragraph (1)'' each place it appears and inserting ''paragraph (2)''; and

(iv) by striking ''Such property is—''; and

(D) by adding at the end of the subsection the following:

''(4) For purposes of paragraph (3)(C), the following shall apply:

''(A) If the retirement funds are in a retirement fund that has received a favorable determination pursuant to section 7805 of the Internal Revenue Code of 1986, and that determination is in effect as of the date of the commencement of the case under section 301, 302, or 303 of this title, those funds shall be presumed to be exempt from the estate.

''(B) If the retirement funds are in a retirement fund that has not received a favorable determination pursuant to such section 7805, those funds are exempt from the estate if the debtor demonstrates that—

''(i) no prior determination to the contrary has been made by a court or the Internal Revenue Service; and

''(ii) the retirement fund is in substantial compliance with the applicable requirements of the Internal Revenue Code of 1986.

''(C) A direct transfer of retirement funds from 1 fund or account that is exempt from taxation under section 401, 403, 408, 408A, 414, 457, or 501(a) of the Internal Revenue Code of 1986, pursuant to section 401(a)(31) of the Internal Revenue Code of 1986, or otherwise, shall not cease to qualify for exemption under paragraph (3)(C) by reason of that direct transfer.

''(D)(i) Any distribution that qualifies as an eligible rollover distribution within the meaning of section 402(c) of the Internal Revenue Code of 1986 or that is described in clause (ii) shall not cease to qualify for exemption under paragraph (3)(C) by reason of that distribution.

''(ii) A distribution described in this clause is an amount that—

''(I) has been distributed from a fund or account that is exempt from taxation under section 401, 403, 408, 408A, 414, 457, or 501(a) of the Internal Revenue Code of 1986; and

''(II) to the extent allowed by law, is deposited in such a fund or account not later than 60 days after the distribution of that amount.''; and

(2) in subsection (d)—

(A) in the matter preceding paragraph (1), by striking ''subsection (b)(1)'' and inserting ''subsection (b)(2)''; and

(B) by adding at the end the following:

''(12) Retirement funds to the extent that those funds are in a fund or account that is exempt from taxation under section 401, 403, 408, 408A, 414, 457, or 501(a) of the Internal Revenue Code of 1986.''.

(b) AUTOMATIC STAY.—Section 362(b) of title 11, United States Code, as amended by sections 120, 134, 139, and 144 is amended—

(1) in paragraph (27), by striking ''or'' at the end;

(2) in paragraph (28), by striking the period and inserting ''; or'';

(3) by inserting after paragraph (28) the following:

''(29) under subsection (a), of withholding of income from a debtor's wages and collection of amounts withheld, pursuant to the debtor's agreement authorizing that withholding and collection for the benefit of a pension, profit-sharing, stock bonus, or other plan established under section 401, 403, 408, 408A, 414, 457, or 501(a) of the Internal Revenue Code of 1986 that is sponsored by the employer of the debtor, or an affiliate, successor, or predecessor of such employer—

''(A) to the extent that the amounts withheld and collected are used solely for payments relating to a loan from a plan that satisfies the requirements of section 408(b)(1) of the Employee Retirement Income Security Act of 1974 or is subject to section 72(p) of the Internal Revenue Code of 1986; or

''(B) in the case of a loan from a thrift savings plan described in subchapter III of title 5, that satisfies the requirements of section 8433(g) of such title.''; and

(4) by adding at the end of the flush material following paragraph (19) the following: ''Paragraph (19) does not apply to any amount owed to a plan referred to in that paragraph that is incurred under a loan made during the 1-year period preceding the filing of a petition. Nothing in paragraph (19) may be construed to provide that any loan made under a governmental plan under section 414(d), or a contract or account under section 403(b), of the Internal Revenue Code of 1986 constitutes a claim or a debt under this title.''.

(c) EXCEPTIONS TO DISCHARGE.—Section 523(a) of title 11, United States Code, is amended—

(1) by striking ''or'' at the end of paragraph (17);

(2) by striking the period at the end of paragraph (18) and inserting ''; or''; and

(3) by adding at the end the following:

''(19) owed to a pension, profit-sharing, stock bonus, or other plan established under section 401, 403, 408, 408A, 414, 457, or 501(c) of the Internal Revenue Code of 1986, pursuant to—

''(A) a loan permitted under section 408(b)(1) of the Employee Retirement Income Security Act of 1974) or subject to section 72(p) of the Internal Revenue Code of 1986; or

''(B) a loan from the thrift savings plan described in subchapter III of title 5, that satisfies the requirements of section 8433(g) of such title. Paragraph (19) does not apply to any amount owed to a plan referred to in that paragraph that is incurred under a loan made during the 1-year period preceding the filing of a petition. Nothing in paragraph (19) may be construed to provide that any loan made under a governmental plan under section 414(d), or a contract or account under section 403(b), of the Internal Revenue Code of 1986 constitutes a claim or a debt under this title.''.

(d) PLAN CONTENTS.—Section 1322 of title 11, United States Code, is amended by adding at the end the following:

''(f) A plan may not materially alter the terms of a loan described in section 362(b)(19) of this title.''.

SEC. 204. PROTECTION OF REFINANCE OF SECURITY INTEREST.

Subparagraphs (A), (B), and (C) of section 547(e)(2) of title 11, United States Code, are amended by striking ''10'' each place it appears and inserting ''30''.

SEC. 205. EXECUTORY CONTRACTS AND UNEXPIRED LEASES.

Section 365(d)(4) of title 11, United States Code, is amended to read as follows:

''(4)(A) Subject to subparagraph (B), in any case under any chapter of this title, an unexpired lease of nonresidential real property under which the debtor is the lessee shall be deemed rejected and the trustee shall immediately surrender that nonresidential real property to the lessor if the trustee does not assume or reject the unexpired lease by the earlier of—

''(i) the date that is 180 days after the date of the order for relief; or

''(ii) the date of the entry of an order confirming a plan.

''(B) The court may extend the period determined under subparagraph (A) only upon a motion of the lessor.''.

SEC. 206. CREDITORS AND EQUITY SECURITY HOLDERS COMMITTEES.

Section 1102(a)(2) of title 11, United States Code, is amended by inserting before the first sentence the following: ''On its own motion or on request of a party in interest, and after notice and hearing, the court may order a change in the membership of a committee appointed under this subsection, if the court determines that the change is necessary to ensure adequate representation of creditors or equity security holders.''.

SEC. 207. AMENDMENT TO SECTION 546 OF TITLE 11, UNITED STATES CODE.

Section 546 of title 11, United States Code, is amended by inserting at the end thereof:

''(I) Notwithstanding section 545 (2) and (3) of this title, the trustee may not avoid a warehouseman's lien for storage, transportation or other costs incidental to the storage and handling of goods, as provided by section 7–209 of the Uniform Commercial Code.''.

SEC. 208. LIMITATION.

Section 546(c)(1)(B) of title 11, United States Code, is amended by striking ''20'' and inserting ''45''.

SEC. 209. AMENDMENT TO SECTION 330(a) OF TITLE 11, UNITED STATES CODE.

Section 330(a) of title 11, United States Code, is amended—

(1) in subsection (3)(A) after the word ''awarded'', by inserting ''to an examiner, chapter 11 trustee, or professional person''; and

(2) by adding at the end of subsection (3)(A) the following:

''(3)(B) In determining the amount of reasonable compensation to be awarded a trustee, the court shall treat such compensation as a commission based on the results achieved.''.

SEC. 210. POSTPETITION DISCLOSURE AND SOLICITATION.

Section 1125 of title 11, United States Code, is amended by adding at the end the following:

''(g) Notwithstanding subsection (b), an acceptance or rejection of the plan may be solicited from a holder of a claim or interest if such solicitation complies with applicable nonbankruptcy law and if such holder was solicited before the commencement of the case in a manner complying with applicable nonbankruptcy law.''.

SEC. 211. PREFERENCES.

Section 547(c) of title 11, United States Code, is amended—

(1) by amending paragraph (2) to read as follows:

''(2) to the extent that such transfer was in payment of a debt incurred by the debtor in the ordinary course of business or financial affairs of the debtor and the transferee, and such transfer was—

''(A) made in the ordinary course of business or financial affairs of the debtor and the transferee; or

''(B) made according to ordinary business terms;'';

(2) in paragraph (7) by striking ''or'' at the end;

(3) in paragraph (8) by striking the period at the end and inserting ''; or''; and

(4) by adding at the end the following:

''(9) if, in a case filed by a debtor whose debts are not primarily consumer debts, the aggregate value of all property that constitutes or is affected by such transfer is less than $5000.''.

SEC. 212. VENUE OF CERTAIN PROCEEDINGS.

Section 1409(b) of title 28, United States Code, is amended by inserting '', or a nonconsumer debt against a noninsider of less than $10,000,'' after ''$5,000''.

SEC. 213. PERIOD FOR FILING PLAN UNDER CHAPTER 11.

Section 1121(d) of title 11, United States Code, is amended—

(1) by striking ''On'' and inserting ''(1) Subject to paragraph (1), on''; and

(2) by adding at the end the following:

''(2)(A) Such 120-day period may not be extended beyond a date that is 18 months after the date of the order for relief under this chapter.

''(B) Such 180-day period may not be extended beyond a date that is 20 months after the date of the order for relief under this chapter.''.

SEC. 214. FEES ARISING FROM CERTAIN OWNERSHIP INTERESTS.

Section 523(a)(16) of title 11, United States Code, is amended—

(1) by striking ''dwelling'' the first place it appears;

(2) by striking ''ownership or'' and inserting ''ownership,'';

(3) by striking ''housing'' the first place it appears; and

(4) by striking ''but only'' and all that follows through ''such period,'', and inserting ''or a lot in a homeowners association, for as long as the

debtor or the trustee has a legal, equitable, or possessory ownership interest in such unit, such corporation, or such lot, and until such time as the debtor or trustee has surrendered any legal, equitable or possessory interest in such unit, such corporation, or such lot,''.

SEC. 215. CLAIMS RELATING TO INSURANCE DEPOSITS IN CASES ANCILLARY TO FOREIGN PROCEEDINGS.

Section 304 of title 11, United States Code, is amended to read as follows:

''§ 304. Cases ancillary to foreign proceedings

''(a) For purposes of this section—

''(1) the term 'domestic insurance company' means a domestic insurance company, as such term is used in section 109(b)(2);

''(2) the term 'foreign insurance company' means a foreign insurance company, as such term is used in section 109(b)(3);

''(3) the term 'United States claimant' means a beneficiary of any deposit referred to in subsection (b) or any multibeneficiary trust referred to in subsection (b);

''(4) the term 'United States creditor' means, with respect to a foreign insurance company—

''(i) a United States claimant; or

''(ii) any business entity that operates in the United States and that is a creditor; and

''(5) the term 'United States policyholder' means a holder of an insurance policy issued in the United States.

''(b) The court may not grant relief under chapter 15 of this title with respect to any deposit, escrow, trust fund, or other security required or permitted under any applicable State insurance law or regulation for the benefit of claim holders in the United States.''.

SEC. 215. DEFAULTS BASED ON NONMONETARY OBLIGATIONS.

(a) EXECUTORY CONTRACTS AND UNEXPIRED LEASES.—Section 365 of title 11, United States Code, is amended—

(1) in subsection (b)—

(A) in paragraph (1)(A) by striking the semicolon at the end and inserting the following:

''other than a default that is a breach of a provision relating to—

''(i) the satisfaction of any provision (other than a penalty rate or penalty provision) relating to a default arising from any failure to perform nonmonetary obligations under an unexpired lease of real property (excluding executory contracts that transfer a right or interest under a filed or issued patent, copyright, trademark, trade dress, or trade secret), if it is impossible for the trustee to cure such default by performing nonmonetary acts at and after the time of assumption; or

''(ii) the satisfaction of any provision (other than a penalty rate or penalty provision) relating to a default arising from any failure to perform nonmonetary obligations under an executory contract, if it is impossible for the trustee to cure such default by performing nonmonetary acts at and after the time of assumption and if the court determines, based on the equities of the case, that this subparagraph should not apply with respect to such default;''; and

(B) by amending paragraph (2)(D) to read as follows:

''(D) the satisfaction of any penalty rate or penalty provision relating to a default arising from a failure to perform nonmonetary obligations under an executory contract (excluding executory contracts that transfer a right or interest under a filed or issued patent, copyright, trademark, trade dress, or trade secret) or under an unexpired lease of real or personal property.'';

(2) in subsection (c)—

(A) in paragraph (2) by adding ''or'' at the end;

(B) in paragraph (3) by striking ''; or'' at the end and inserting a period; and

(C) by striking paragraph (4);

(3) in subsection (d)—

(A) by striking paragraphs (5) through (9); and

(B) by redesignating paragraph (10) as paragraph(5); and

(4) in subsection (f)(1) by striking ''; except that'' and all that follows through the end of the paragraph and inserting a period.

(b) IMPAIRMENT OF CLAIMS OR INTERESTS.—Section 1124(2) of title 11, United States Code, is amended—

(1) in subparagraph (A) by inserting ''or of a kind that section 365(b)(1)(A) of this title expressly does not require to be cured'' before the semicolon at the end;

(2) in subparagraph (C) by striking ''and'' at the end;

(3) by redesignating subparagraph (D) as subparagraph (E); and

(4) by inserting after subparagraph (C) the following:

''(D) if such claim or such interest arises from any failure to perform a nonmonetary obligation, compensates the holder of such claim or such interest (other than the debtor or an insider) for any actual pecuniary loss incurred by such holder as a result of such failure; and''.

TITLE III—GENERAL BUSINESS BANKRUPTCY PROVISIONS

SEC. 301. DEFINITION OF DISINTERESTED PERSON.

Section 101(14) of title 11, United States Code, is amended to read as follows:

''(14) 'disinterested person' means a person that—

''(A) is not a creditor, an equity security holder, or an insider;

''(B) is not and was not, within 2 years before the date of the filing of the petition, a director, officer, or employee of the debtor; and

''(C) does not have an interest materially adverse to the interest of the estate or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the debtor, or for any other reason;''.

SEC. 302. MISCELLANEOUS IMPROVEMENTS.

(a) WHO MAY BE A DEBTOR.—Section 109 of title 11, United States Code, is amended by adding at the end the following:

''(h)(1) Subject to paragraphs (2) and (3) and notwithstanding any other provision of this section, an individual may not be a debtor under this title unless that individual has, during the 90-day period preceding the date of filing of the petition of that individual, received credit counseling, including, at a minimum, participation in an individual or group briefing that outlined the opportunities for available credit counseling and assisted that individual in performing an initial budget analysis, through a credit counseling program (offered through an approved credit counseling service described in section 111(a)).

''(2)(A) Paragraph (1) shall not apply with respect to a debtor who resides in a district for which the United States trustee or bankruptcy administrator of the bankruptcy court of that district determines that the approved credit counseling services for that district are not reasonably able to provide adequate services to the additional individuals who would otherwise seek credit counseling from those programs by reason of the requirements of paragraph (1).

''(B) Each United States trustee or bankruptcy administrator that makes a determination described in subparagraph (A) shall review that determination not later than one year after the date of that determination, and not less frequently than every year thereafter.

''(3)(A) Subject to subparagraph (B), the requirements of paragraph (1) shall not apply with respect to a debtor who submits to the court a certification that—

''(i) describes exigent circumstances that merit a waiver of the requirements of paragraph (1);

''(ii) states that the debtor requested credit counseling services from an approved credit counseling service, but was unable to obtain the services referred to in paragraph (1) during the 5-day period beginning on the date on which the debtor made that request; and

''(iii) is satisfactory to the court.

''(B) With respect to a debtor, an exemption under subparagraph (A) shall cease to apply to that debtor on the date on which the debtor meets the requirements of paragraph (1), but in no case may the exemption apply to that debtor after the date that is 30 days after the debtor files a petition.''.

(b) CHAPTER 7 DISCHARGE.—Section 727(a) of title 11, United States Code, is amended—

(1) in paragraph (9), by striking ''or'' at the end;

(2) in paragraph (10), by striking the period and inserting ''; or''; and

(3) by adding at the end the following:

''(11) after the filing of the petition, the debtor failed to complete an instructional course concerning personal financial management described in section 111.''.

(c) CHAPTER 13 DISCHARGE.—Section 1328 of title 11, United States Code, is amended by adding at the end the following:

''(f) The court shall not grant a discharge under this section to a debtor, unless after filing a petition the debtor has completed an instructional course concerning personal financial management described in section 111.

''(g) Subsection (f) shall not apply with respect to a debtor who resides in a district for which the United States trustee or bankruptcy administrator of the bankruptcy court of that district determines that the approved instructional courses are not adequate to service the additional individuals who would be required to complete the instructional course by reason of the requirements of this section.

''(h) Each United States trustee or bankruptcy administrator that makes a determination described in subsection (g) shall review that determination not later than 1 year after the date of that determination, and not less frequently than every year thereafter.

(d) DEBTOR'S DUTIES.—Section 521 of title 11, United States Code, as amended by sections 121, 604, and 122, is amended by adding at the end the following:

''(d) In addition to the requirements under subsection (a), an individual debtor shall file with the court—

''(1) a certificate from the credit counseling service that provided the debtor services under section 109(h); and

''(2) a copy of the debt repayment plan, if any, developed under section 109(h) through the credit counseling service referred to in paragraph (1).''.

(e) EXCEPTIONS TO DISCHARGE.—Section 523(d) of title 11, United States Code, as amended by section 202 of this Act, is amended by striking paragraph (3)(A)(i) and inserting the following:

''(i) within the applicable period of time prescribed under section 109(h), the debtor received credit counseling through a credit counseling program in accordance with section 109(h); and''.

(f) GENERAL PROVISIONS.—

(1) IN GENERAL.—Chapter 1 of title 11, United States Code, is amended by adding at the end the following:

''§ 111. Credit counseling services; financial management instructional courses

''(a) The clerk of each district shall maintain a list of credit counseling services that provide 1 or more programs described in section 109(h) and a list of instructional courses concerning personal financial management that have been approved by—

''(1) the United States trustee; or

''(2) the bankruptcy administrator for the district.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 1 of title 11, United States Code, is amended by adding at the end the following:

''111. Credit counseling services; financial management instructional courses.''.

(g) DEFINITIONS.—Section 101 of title 11, United States Code, as amended by section 317 of this Act, is amended—

(1) by inserting after paragraph (13) the following:

''(13A) 'debtor's principal residence'—

''(A) means a residential structure, including incidental property, without regard to whether that structure is attached to real property; and

''(B) includes an individual condominium or cooperative unit;''; and

(2) by inserting after paragraph (27A), as added by section 318 of this Act, the following:

''(27B) 'incidental property' means, with respect to a debtor's principal residence—

''(A) property commonly conveyed with a principal residence in the area where the real estate is located;

''(B) all easements, rights, appurtenances, fixtures, rents, royalties, mineral rights, oil or gas rights or profits, water rights, escrow funds, or insurance proceeds; and

''(C) all replacements or additions;''.

(h) LIMITATION.—Section 362 of title 11, United States Code, is amended by adding at the end the following:

''(j) If 1 case commenced under chapter 7, 11, or 13 of this title is dismissed due to the creation of a debt repayment plan, then for purposes of section 362(c)(3) of this title the subsequent case commenced under any such chapter shall not be presumed to be filed not in good faith.''.

SEC. 303. EXTENSIONS.

Section 302(d)(3) of the Bankruptcy, Judges, United States Trustees, and Family Farmer Bankruptcy Act of 1986 (28 U.S.C. 581 note) is amended—

(1) in subparagraph (A), in the matter following clause (ii), by striking ''or October 1, 2002, whichever occurs first''; and

(2) in subparagraph (F)—

(A) in clause (i)—

(i) in subclause (II), by striking ''or October 1, 2002, whichever occurs first''; and

(ii) in the matter following subclause (II), by striking ''October 1, 2003, or''; and

(B) in clause (ii), in the matter following subclause (II)—

(i) by striking ''before October 1, 2003, or''; and

(ii) by striking '', whichever occurs first''.

TITLE IV—SMALL BUSINESS BANKRUPTCY PROVISIONS

SEC. 401. FLEXIBLE RULES FOR DISCLOSURE STATEMENT AND PLAN.

Section 1125(f) of title 11, United States Code, is amended to read as follows:

''(f) Notwithstanding subsection (b), in a small business case—

''(1) in determining whether a disclosure statement provides adequate information, the court shall consider the complexity of the case, the benefit of additional information to creditors and other parties in interest, and the cost of providing additional information;

''(2) the court may determine that the plan itself provides adequate information and that a separate disclosure statement is not necessary;

''(3) the court may approve a disclosure statement submitted on standard forms approved by the court or adopted pursuant to section 2075 of title 28; and

''(4)(A) the court may conditionally approve a disclosure statement subject to final approval after notice and a hearing;

''(B) acceptances and rejections of a plan may be solicited based on a conditionally approved disclosure statement if the debtor provides adequate information to each holder of a claim or interest that is solicited, but a conditionally approved disclosure statement shall be mailed not less than 20 days before the date of the hearing on confirmation of the plan; and

''(C) the hearing on the disclosure statement may be combined with the hearing on confirmation of a plan.''.

SEC. 402. DEFINITIONS.

(a) DEFINITIONS.—Section 101 of title 11, United States Code, is amended by striking paragraph (51C) and inserting the following:

''(51C) 'small business case' means a case filed under chapter 11 of this title in which the debtor is a small business debtor;

''(51D) 'small business debtor' means—

''(A) a person (including affiliates of such person that are also debtors under this title) that has aggregate noncontingent, liquidated secured and unsecured debts as of the date of the petition or the order for relief in an amount not more than $4,000,000 (excluding debts owed to 1 or more affiliates or insiders) a case in which the United States trustee has appointed under section 1102(a)(1) of this title a committee of unsecured creditors that 'the court has determined' is sufficiently active and representative to provide effective oversight of the debtor, except that if a group of affiliated debtors has aggregate noncontingent liquidated secured and unsecured debts greater than $4,000,000 (excluding debt owed to 1 or more affiliates or insiders), then no member of such group is a small business debtor;''.

(b) EFFECT OF DISCHARGE.—Section 524 of title 11, United States Code, as amended by section 402, is amended by adding at the end the following:

''(k)(1) An individual who is injured by the willful failure of a creditor to substantially comply with the requirements specified in subsections (c) and (d), or by any willful violation of the injunction operating under subsection (a)(2), shall be entitled to recover—

''(A) the greater of—

''(i) the amount of actual damages; or

''(ii) $1,000; and

''(B) costs and attorneys' fees.

''(2) An action to recover for a violation specified in paragraph (1) may not be brought as a class action.''.

(c) CONFORMING AMENDMENT.—Section 1102(a)(3) of title 11, United States Code, is amended by inserting ''debtor'' after ''small business''.

SEC. 403. STANDARD FORM DISCLOSURE STATEMENT AND PLAN.

The Advisory Committee on Bankruptcy Rules of the Judicial Conference of the United States shall, within a reasonable period of time after the date of the enactment of this Act, propose for adoption standard form disclosure statements and plans of reorganization for small business debtors (as defined in section 101 of title 11, United States Code, as amended by this Act), designed to achieve a practical balance between—

(1) the reasonable needs of the courts, the United States trustee, creditors, and other parties in interest for reasonably complete information; and

(2) economy and simplicity for debtors.

SEC. 404. UNIFORM NATIONAL REPORTING REQUIREMENTS.

(a) REPORTING REQUIRED.—(1) Title 11 of the United States Code is amended by inserting after section 307 the following:

''§308. Debtor reporting requirements

''A small business debtor shall file periodic financial and other reports containing information including—

''(1) the debtor's profitability, that is, approximately how much money the debtor has been earning or losing during current and recent fiscal periods;

''(2) reasonable approximations of the debtor's projected cash receipts and cash disbursements over a reasonable period;

''(3) comparisons of actual cash receipts and disbursements with projections in prior reports;

''(4) whether the debtor is—

''(A) in compliance in all material respects with postpetition requirements imposed by this title and the Federal Rules of Bankruptcy Procedure; and

''(B) timely filing tax returns and paying taxes and other administrative claims when due, and, if not, what the failures are and how, at what cost, and when the debtor intends to remedy such failures; and

''(5) such other matters as are in the best interests of the debtor and creditors, and in the public interest in fair and efficient procedures under chapter 11 of this title.''.

(2) The table of sections of chapter 3 of title 11, United States Code, is amended by inserting after the item relating to section 307 the following:

''308. Debtor reporting requirements.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect 60 days after the date on which rules are prescribed pursuant to section 2075, title 28, United States Code to establish forms to be used to comply with section 308 of title 11, United States Code, as added by subsection (a).

SEC. 405. UNIFORM REPORTING RULES AND FORMS FOR SMALL BUSINESS CASES.

(a) PROPOSAL OF RULES AND FORMS.—The Advisory Committee on Bankruptcy Rules of the Judicial Conference of the United States shall propose for adoption amended Federal Rules of Bankruptcy Procedure and Official Bankruptcy Forms to be used by small business debtors to file periodic financial and other reports containing information, including information relating to—

(1) the debtor's profitability;

(2) the debtor's cash receipts and disbursements; and

(3) whether the debtor is timely filing tax returns and paying taxes and other administrative claims when due.

(b) PURPOSE.—The rules and forms proposed under subsection (a) shall be designed to achieve a practical balance between—

(1) the reasonable needs of the bankruptcy court, the United States trustee, creditors, and other parties in interest for reasonably complete information;

(2) the small business debtor's interest that required reports be easy and inexpensive to complete; and

(3) the interest of all parties that the required reports help the small business debtor to understand its financial condition and plan its future.

SEC. 406. DUTIES IN SMALL BUSINESS CASES.

(a) DUTIES IN CHAPTER 11 CASES.—Title 11 of the United States Code is amended by inserting after section 1114 the following:

''§1115. Duties of trustee or debtor in possession in small business cases

''In a small business case, a trustee or the debtor in possession, in addition to the duties provided in this title and as otherwise required by law, shall—

''(1) append to the voluntary petition or, in an involuntary case, file within 3 days after the date of the order for relief—

''(A) its most recent balance sheet, statement of operations, cash-flow statement, Federal income tax return; or

''(B) a statement made under penalty of perjury that no balance sheet, statement of operations, or cash-flow statement has been prepared and no Federal tax return has been filed;

''(2) attend, through its senior management personnel and counsel, meetings scheduled by the court or the United States trustee, including initial debtor interviews, scheduling conferences, and meetings of creditors convened under section 341 of this title unless the court waives this requirement after notice and hearing, upon a finding of extraordinary and compelling circumstances;

''(3) timely file all schedules and statements of financial affairs, unless the court, after notice and a hearing, grants an extension, which shall not extend such time period to a date later than 30 days after the date of the order for relief, absent extraordinary and compelling circumstances;

''(4) file all postpetition financial and other reports required by the Federal Rules of Bankruptcy Procedure or by local rule of the district court;

''(5) subject to section 363(c)(2) of this title, maintain insurance customary and appropriate to the industry;

''(6)(A) timely file tax returns;

''(B) subject to section 363(c)(2) of this title, timely pay all administrative expense tax claims, except those being contested by appropriate proceedings being diligently prosecuted; and

''(C) subject to section 363(c)(2) of this title, establish 1 or more separate deposit accounts not later than 10 business days after the date of order for relief (or as soon thereafter as possible if all banks contacted decline the business) and deposit therein, not later than 1 business day after receipt thereof, all taxes payable for periods beginning after the date the case is commenced that are collected or withheld by the debtor for governmental units unless the court waives this requirement after notice and hearing, upon a finding of extraordinary and compelling circumstances; and

''(7) allow the United States trustee, or its designated representative, to inspect the debtor's business premises, books, and records at reasonable times, after reasonable prior written notice, unless notice is waived by the debtor.''.

(b) TECHNICAL AMENDMENT.—The table of sections of chapter 11, United States Code, is amended by inserting after the item relating to section 1114 the following:

''1115. Duties of trustee or debtor in possession in small business cases.''.

SEC. 407. PLAN FILING AND CONFIRMATION DEADLINES.

Section 1121(e) of title 11, United States Code, is amended to read as follows:

''(e) In a small business case—

''(1) only the debtor may file a plan until after 90 days after the date of the order for relief, unless shortened on request of a party in interest made during the 90-day period, or unless extended as provided by this subsection, after notice and hearing the court, for cause, orders otherwise;

''(2) the plan, and any necessary disclosure statement, shall be filed not later than 90 days after the date of the order for relief; and

''(3) the time periods specified in paragraphs (1) and (2), and the time fixed in section 1129(e) of this title, within which the plan shall be confirmed may be extended only if—

''(A) the debtor, after providing notice to parties in interest (including the United States trustee), demonstrates by a preponderance of the evidence that it is more likely than not that the court will confirm a plan within a reasonable time;

''(B) a new deadline is imposed at the time the extension is granted; and

''(C) the order extending time is signed before the existing deadline has expired.''.

SEC. 408. PLAN CONFIRMATION DEADLINE.

Section 1129 of title 11, United States Code, is amended by adding at the end the following:

''(e) In a small business case, the plan shall be confirmed not later than 150 days after the date of the order for relief unless such 150-day period is extended as provided in section 1121(e)(3) of this title.''.

SEC. 409. PROHIBITION AGAINST EXTENSION OF TIME.

Section 105(d) of title 11, United States Code, is amended—

(1) in paragraph (2)(B)(vi) by striking the period at the end and inserting ''; and''; and

(2) by adding at the end the following:

''(3) in a small business case, not extend the time periods specified in sections 1121(e) and 1129(e) of this title except as provided in section 1121(e)(3) of this title.''.

SEC. 410. DUTIES OF THE UNITED STATES TRUSTEE.

(a) DUTIES OF THE UNITED STATES TRUSTEE.—Section 586(a) of title 28, United States Code, is amended—

(1) in paragraph (3)—

(A) in subparagraph (G) by striking ''and'' at the end;

(B) by redesignating subparagraph (H) as subparagraph (I); and

(C) by inserting after subparagraph (G) the following:

''(H) in small business cases (as defined in section 101 of title 11), performing the additional duties specified in title 11 pertaining to such cases;'';

(2) in paragraph (6) by striking ''and'' at the end;

(3) in paragraph (7) by striking the period at the end and inserting ''; and''; and

(4) by inserting after paragraph (7) the following:

''(8) in each of such small business cases—

''(A) conduct an initial debtor interview as soon as practicable after the entry of order for relief but before the first meeting scheduled under section 341(a) of title 11 at which time the United States trustee shall begin to investigate the debtor's viability, inquire about the debtor's business plan, explain the debtor's obligations to file monthly operating reports and other required reports, attempt to develop an agreed scheduling order, and inform the debtor of other obligations;

''(B) when determined to be appropriate and advisable, visit the appropriate business premises of the debtor and ascertain the state of the debtor's books and records and verify that the debtor has filed its tax returns; and

''(C) review and monitor diligently the debtor's activities, to identify as promptly as possible whether the debtor will be unable to confirm a plan; and

''(9) in cases in which the United States trustee finds material grounds for any relief under section 1112 of title 11, the United States trustee shall apply promptly to the court for relief.''.

SEC. 411. SCHEDULING CONFERENCES.

Section 105(d) of title 11, United States Code, is amended—

(1) in the matter preceding paragraph (1) by striking '', may'';

(2) by amending paragraph (1) to read as follows:

''(1) shall hold such status conferences as are necessary to further the expeditious and economical resolution of the case; and''; and

(3) in paragraph (2) by striking ''unless inconsistent with another provision of this title or with applicable Federal Rules of Bankruptcy Procedure,'' and inserting ''may''.

SEC. 412. SERIAL FILER PROVISIONS.

Section 362 of title 11, United States Code, is amended—

(1) in subsection (i) as so redesignated by section 124—

(A) by striking ''An'' and inserting ''(1) Except as provided in paragraph (2), an''; and

(B) by adding at the end the following:

''(2) If such violation is based on an action taken by an entity in the good-faith belief that subsection (h) applies to the debtor, then recovery under paragraph (1) against such entity shall be limited to actual damages.''; and

(2) by inserting after subsection (i), as redesignated by section 124, the following:

''(j) The filing of a petition under chapter 11 of this title operates as a stay of the acts described in subsection (a) only in an involuntary case involving no collusion by the debtor with creditors and in which the debtor—

''(1) is a debtor in a small business case pending at the time the petition is filed;

''(2) was a debtor in a small business case which was dismissed for any reason by an order that became final in the 2-year period ending on the date of the order for relief entered with respect to the petition;

''(3) was a debtor in a small business case in which a plan was confirmed in the 2-year period ending on the date of the order for relief entered with respect to the petition; or

''(4) is an entity that has succeeded to substantially all of the assets or business of a small business debtor described in subparagraph (A), (B), or (C); unless the debtor proves, by a preponderance of the evidence, that the filing of such petition resulted from circumstances beyond the control of the debtor not foreseeable at the time the case then pending was filed; and that it is more likely than not that the court will confirm a feasible plan, but not a liquidating plan, within a reasonable time.''.

SEC. 413. EXPANDED GROUNDS FOR DISMISSAL OR CONVERSION AND APPOINTMENT OF TRUSTEE.

(a) EXPANDED GROUNDS FOR DISMISSAL OR CONVERSION.—Section 1112(b) of title 11, United States Code, is amended to read as follows:

''(b)(1) Except as provided in paragraph (2), in subsection (c), and in section 1104(a)(3) of this title, on request of a party in interest, and after notice and a hearing, the court shall convert a case under this chapter to a case under chapter 7 of this title or dismiss a case under this chapter, whichever is in the best interest of creditors and the estate, if the movant establishes cause.

''(2) The relief provided in paragraph (1) shall not be granted if the debtor or another party in interest objects and establishes, by a preponderance of the evidence that—

''(A) it is more likely than not that a plan will be confirmed within a time as fixed by this title or by order of the court entered pursuant to section 1121(e)(3), or within a reasonable time if no time has been fixed; and

''(B) if the reason is an act or omission of the debtor that—

''(i) there exists a reasonable justification for the act or omission; and

''(ii) the act or omission will be cured within a reasonable time fixed by the court not to exceed 30 days after the court decides the motion, unless the movant expressly consents to a continuance for a specific period of time, or compelling circumstances beyond the control of the debtor justify an extension.

''(3) For purposes of this subsection, cause includes—

''(A) substantial or continuing loss to or diminution of the estate;

''(B) gross mismanagement of the estate;

''(C) failure to maintain appropriate insurance;

''(D) unauthorized use of cash collateral harmful to 1 or more creditors;

''(E) failure to comply with an order of the court;

''(F) failure timely to satisfy any filing or reporting requirement established by this title or by any rule applicable to a case under this chapter;

''(G) failure to attend the meeting of creditors convened under section 341(a) of this title or an examination ordered under rule 2004 of the Federal Rules of Bankruptcy Procedure;

''(H) failure timely to provide information or attend meetings reasonably requested by the United States trustee;

''(I) failure timely to pay taxes due after the date of the order for relief or to file tax returns due after the order for relief;

''(J) failure to file a disclosure statement, or to file or confirm a plan, within the time fixed by this title or by order of the court;

''(K) failure to pay any fees or charges required under chapter 123 of title 28;

''(L) revocation of an order of confirmation under section 1144 of this title;

''(M) inability to effectuate substantial consummation of a confirmed plan;

''(N) material default by the debtor with respect to a confirmed plan; and

''(O) termination of a plan by reason of the occurrence of a condition specified in the plan.

''(4) The court shall commence the hearing on any motion under this subsection not later than 30 days after filing of the motion, and shall decide the motion within 15 days after commencement of the hearing, unless the movant expressly consents to a continuance for a specific period of time or compelling circumstances prevent the court from meeting the time limits established by this paragraph.''.

(b) ADDITIONAL GROUNDS FOR APPOINTMENT OF TRUSTEE.—Section 1104(a) of title 11, United States Code, is amended—

(1) in paragraph (1) by striking ''or'' at the end;

(2) in paragraph (2) by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(3) if grounds exist to convert or dismiss the case under section 1112 of this title, but the court determines that the appointment of a trustee is in the best interests of creditors and the estate.''.

SEC. 414. STUDY OF OPERATION OF TITLE 11 OF THE UNITED STATES CODE WITH RESPECT TO SMALL BUSINESSES.

Not later than 2 years after the date of the enactment of this Act, the Administrator of the Small Business Administration, in consultation with the Attorney General, the Director of the Administrative Office of United States Trustees, and the Director of the Administrative Office of the United States Courts, shall—

(1) conduct a study to determine—

(A) the internal and external factors that cause small businesses, especially sole proprietorships, to become debtors in cases under title 11 of the United States Code and that cause certain small businesses to successfully complete cases under chapter 11 of such title; and

(B) how Federal laws relating to bankruptcy may be made more effective and efficient in assisting small businesses to remain viable; and

(2) submit to the President pro tempore of the Senate and the Speaker of the House of Representatives a report summarizing that study.

SEC. 415. PAYMENT OF INTEREST.

Section 362(d)(3) of title 11, United States Code, is amended—

(1) by inserting ''or 30 days after the court determines that the debtor is subject to this paragraph, whichever is later'' after ''90-day period)''; and

(2) by amending subparagraph (B) to read as follows:

''(B) the debtor has commenced monthly payments (which payments may, in the debtor's sole discretion, notwithstanding section 363(c)(2) of this title, be made from rents or other income generated before or after the commencement of the case by or from the property) to each creditor whose claim is secured by such real estate (other than a claim secured by a judgment lien or by an unmatured statutory lien), which payments are in an amount equal to interest at the then-applicable nondefault contract rate of interest on the value of the creditor's interest in the real estate; or''.

TITLE V—MUNICIPAL BANKRUPTCY PROVISIONS

SEC. 501. PETITION AND PROCEEDINGS RELATED TO PETITION.

(a) TECHNICAL AMENDMENT RELATING TO MUNICIPALITIES.—Section 921(d) of title 11, United States Code, is amended by inserting ''notwithstanding section 301(b)'' before the period at the end.

(b) CONFORMING AMENDMENT.—Section 301 of title 11, United States Code, is amended—

(1) by inserting ''(a)'' before ''A voluntary''; and

(2) by amending the last sentence to read as follows:

''(b) The commencement of a voluntary case under a chapter of this title constitutes an order for relief under such chapter.''.

SEC. 502. APPLICABILITY OF OTHER SECTIONS TO CHAPTER 9.

Section 901 of title 11, United States Code, is amended—

(1) by inserting ''555, 556,'' after ''553,''; and

(2) by inserting ''559, 560,'' after ''557,''.

TITLE VI—STREAMLINING THE BANKRUPTCY SYSTEM

SEC. 601. CREDITOR REPRESENTATION AT FIRST MEETING OF CREDITORS.

Section 341(c) of title 11, United States Code, is amended by inserting after the first sentence the following: ''Notwithstanding any local court rule, provision of a State constitution, any other Federal or State law that is not a bankruptcy law, or other requirement that representation at the meeting of creditors under subsection (a) be by an attorney, a creditor holding a consumer debt or any representative of the creditor (which may include an entity or an employee of an entity and may be a representative for more than one creditor) shall be permitted to appear at and participate in the meeting of creditors in a case under chapter 7 or 13, either alone or in conjunction with an attorney for the creditor. Nothing in this subsection shall be construed to require any creditor to be represented by an attorney at any meeting of creditors.''.

SEC. 602. AUDIT PROCEDURES.

(a) AMENDMENTS.—Section 586 of title 28, United States Code, is amended—

(1) in subsection (a) by amending striking paragraph (6) to read as follows:

''(6) make such reports as the Attorney General directs, including the results of audits performed under subsection (f); and''; and

(2) by adding at the end the following:

''(f)(1)(A) The Attorney General shall establish procedures to determine the accuracy, veracity, and completeness of petitions, schedules, and other information which the debtor is required to provide under sections 521 and 1322 of title 11, and, if applicable, section 111 of title 11, in individual cases filed under chapter 7 or 13 of such title. Such audits shall be in accordance with generally accepted auditing standards and performed by independent certified public accountants or independent licensed public accountants.

''(B) Those procedures shall—

''(i) establish a method of selecting appropriate qualified persons to contract to perform those audits;

''(ii) establish a method of randomly selecting cases to be audited, except that not less than 1 out of every 250 cases in each Federal judicial district shall be selected for audit;

''(iii) require audits for schedules of income and expenses which reflect greater than average variances from the statistical norm of the district in which the schedules were filed; and

''(iv) establish procedures for providing, not less frequently than annually, public information concerning the aggregate results of such audits including the percentage of cases, by district, in which a material misstatement of income or expenditures is reported.

''(2) The United States trustee for each district is authorized to contract with auditors to perform audits in cases designated by the United States trustee according to the procedures established under paragraph (1).

''(3)(A) The report of each audit conducted under this subsection shall be filed with the court and transmitted to the United States trustee. Each report shall clearly and conspicuously specify any material misstatement of income or expenditures or of assets identified by the person performing the audit. In any case where a material misstatement of income or expenditures or of assets has been reported, the clerk of the bankruptcy court shall give notice of the misstatement to the creditors in the case.

''(B) If a material misstatement of income or expenditures or of assets is reported, the United States trustee shall—

''(i) report the material misstatement, if appropriate, to the United States Attorney pursuant to section 3057 of title 18, United States Code; and

''(ii) if advisable, take appropriate action, including but not limited to commencing an adversary proceeding to revoke the debtor's discharge pursuant to section 727(d) of title 11, United States Code.''.

(b) AMENDMENTS TO SECTION 521 OF TITLE 11, U.S.C.—Section 521(a) of title 11, United States Code, as amended by section 604, is amended in paragraphs (3) and (4) by adding ''or an auditor appointed pursuant to section 586 of title 28, United States Code'' after ''serving in the case''.

(c) AMENDMENTS TO SECTION 727 OF TITLE 11, U.S.C.—Section 727(d) of title 11, United States Code, is amended—

(1) by deleting ''or'' at the end of paragraph (2);

(2) by substituting ''; or'' for the period at the end of paragraph (3); and

(3) by adding the following at the end the following:

''(4) the debtor has failed to explain satisfactorily—

''(A) a material misstatement in an audit performed pursuant to section 586(f) of title 28, United States Code; or

''(B) a failure to make available for inspection all necessary accounts, papers, documents, financial records, files, and all other papers, things, or property belonging to the debtor that are requested for an audit conducted pursuant to section 586(f) of title 28, United States Code.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect 18 months after the date of enactment of this Act.

SEC. 603. GIVING CREDITORS FAIR NOTICE IN CHAPTER 7 AND 13 CASES.

(a) NOTICE.—Section 342 of title 11, United States Code, is amended—

(1) in subsection (c)—

(A) by striking '', but the failure of such notice to contain such information shall not invalidate the legal effect of such notice''; and

(B) by adding the following at the end:

''If the credit agreement between the debtor and the creditor or the last communication before the filing of the petition in a voluntary case from the creditor to a debtor who is an individual states an account number of the debtor which is the current account number of the debtor with respect to any debt held by the creditor against the debtor, the debtor shall include such account number in any notice to the creditor required to be given under this title. If the creditor has specified to the debtor an address at which the creditor wishes to receive correspondence regarding the debtor's account, any notice to the creditor required to be given by the debtor under this title shall be given at such address. For the purposes of this section, 'notice' shall include, but shall not be limited to, any correspondence from the debtor to the creditor after the commencement of the case, any statement of the debtor's intention under section 521(a)(2) of this title, notice of the commencement of any proceeding in the case to which the creditor is a party, and any notice of the hearing under section 1324 of this title.'';

(2) by adding at the end the following:

''(d) At any time, a creditor in a case of an individual debtor under chapter 7 or 13 may file with the court and serve on the debtor a notice of the address to be used to notify the creditor in that case. Five days after receipt of such notice, if the court or the debtor is required to give the creditor notice, such notice shall be given at that address.

''(e) An entity may file with the court a notice stating its address for notice in cases under chapters 7 and 13. After 30 days following the filing of such notice, any notice in any case filed under chapter 7 or 13 given by the court shall be to that address unless specific notice is given under subsection (d) with respect to a particular case.

''(f) Notice given to a creditor other than as provided in this section shall not be effective notice until it has been brought to the attention of the creditor. If the creditor has designated a person or department to be responsible for receiving notices concerning bankruptcy cases and has established reasonable procedures so that bankruptcy notices received by the creditor will be delivered to such department or person, notice will not be brought to the attention of the creditor until received by such person or department. No sanction under section 362(h) of this title or any other sanction which a court may

impose on account of violations of the stay under section 362(a) of this title or failure to comply with section 542 or 543 of this title may be imposed on any action of the creditor unless the action takes place after the creditor has received notice of the commencement of the case effective under this section.''.

(b) DEBTOR'S DUTIES.—Section 521 of title 11, United States Code, as amended by sections 121, 604, 122, 301, and 302, is amended—

(1) by inserting ''(a)'' before ''The debtor shall—'';

(2) by striking paragraph (1) and inserting the following:

''(1) file—

''(A) a list of creditors; and

''(B) unless the court orders otherwise—

''(i) a schedule of assets and liabilities;

''(ii) a schedule of current income and current expenditures;

''(iii) a statement of the debtor's financial affairs and, if applicable, a certificate—

''(I) of an attorney whose name is on the petition as the attorney for the debtor or any bankruptcy petition preparer signing the petition pursuant to section 110(b)(1) of this title indicating that such attorney or bankruptcy petition preparer delivered to the debtor any notice required by section 342(b) of this title; or

''(II) if no attorney for the debtor is indicated and no bankruptcy petition preparer signed the petition, of the debtor that such notice was obtained and read by the debtor;

''(iv) copies of any Federal tax returns, including any schedules or attachments, filed by the debtor for the 3-year period preceding the order for relief;

''(v) copies of all payment advices or other evidence of payment, if any, received by the debtor from any employer of the debtor in the period 60 days prior to the filing of the petition;

''(vi) a statement of the amount of projected monthly net income, itemized to show how calculated; and

''(vii) a statement disclosing any reasonably anticipated increase in income or expenditures over the 12-month period following the date of filing;''; and

(3) by adding at the end the following:

''(e)(1) At any time, a creditor, in the case of an individual under chapter 7 or 13, may file with the court notice that the creditor requests the petition, schedules, and a statement of affairs filed by the debtor in the case and the court shall make those documents available to the creditor who requests those documents.

''(2) At any time, a creditor in a case under chapter 13 may file with the court notice that the creditor requests the plan filed by the debtor in the case, and the court shall make such plan available to the creditor who requests such plan at a reasonable cost and not later than 5 days after such request.

''(f) An individual debtor in a case under chapter 7 or 13 shall file with the court—

''(1) at the time filed with the taxing authority, all tax returns, including any schedules or attachments, with respect to the period from the commencement of the case until such time as the case is closed;

''(2) at the time filed with the taxing authority, all tax returns, including any schedules or attachments, that were not filed with the taxing authority when the schedules under subsection (a)(1) were filed with respect to the period that is 3 years before the order for relief;

''(3) any amendments to any of the tax returns, including schedules or attachments, described in paragraph (1) or (2); and

''(4) in a case under chapter 13, a statement subject to the penalties of perjury by the debtor of the debtor's income and expenditures in the preceding tax year and monthly income, that shows how the amounts are calculated—

''(A) beginning on the date that is the later of 90 days after the close of the debtor's tax year or 1 year after the order for relief, unless a plan has been confirmed; and

''(B) thereafter, on or before the date that is 45 days before each anniversary of the confirmation of the plan until the case is closed.

''(d)(1) A statement referred to in subsection (c)(4) shall disclose—

''(A) the amount and sources of income of the debtor;

''(B) the identity of any persons responsible with the debtor for the support of any dependents of the debtor; and

''(C) the identity of any persons who contributed, and the amount contributed, to the household in which the debtor resides.

''(2) The tax returns, amendments, and statement of income and expenditures described in paragraph (1) shall be available to the United States trustee, any bankruptcy administrator, any trustee, and any party in interest for inspection and copying, subject to the requirements of subsection (e).

''(g)(1) Not later than 30 days after the date of enactment of the Consumer Bankruptcy Reform Act of 1998, the Director of the Administrative Office of the United States Courts shall establish procedures for safeguarding the confidentiality of any tax information required to be provided under this section.

''(2) The procedures under paragraph (1) shall include restrictions on creditor access to tax information that is required to be provided under this section.

''(3) Not later than 1 year after the date of enactment of the Consumer Bankruptcy Reform Act of 1998, the Director of the Administrative Office of the United States Courts shall prepare, and submit to Congress a report that—

''(A) assesses the effectiveness of the procedures under paragraph (1); and

''(B) if appropriate, includes proposed legislation—

''(i) to further protect the confidentiality of tax information; and

''(ii) to provide penalties for the improper use by any person of the tax information required to be provided under this section.

''(h) If requested by the United States trustee or a trustee serving in the case, the debtor provide a document that establishes the identity of the debtor, including a driver's license, passport, or other document that contains a photograph of the debtor and such other personal identifying information relating to the debtor that establishes the identity of the debtor.''.

SEC. 604. DISMISSAL FOR FAILURE TO TIMELY FILE SCHEDULES OR PROVIDE REQUIRED INFORMATION.

Section 521 of title 11, United States Code, is amended—

(1) by inserting ''(a)'' before ''The debtor''; and

(2) by adding at the end the following:

''(b)(1) Notwithstanding section 707(a) of this title, and subject to paragraph (2), if an individual debtor in a voluntary case under chapter 7 or 13 fails to file all of the information required under subsection (a)(1) within 45 days after the filing of the petition commencing the case, the case shall be automatically dismissed effective on the 46th day after the filing of the petition.

''(2) With respect to a case described in paragraph (1), any party in interest may request the court to enter an order dismissing the case. The court shall, if so requested, enter an order of dismissal not later than 5 days after such request.

''(3) Upon request of the debtor made within 45 days after the filing of the petition commencing a case described in paragraph (1), the court may allow the debtor an additional period of not to exceed 45 days to file the information required under subsection (a)(1) if the court finds justification for extending the period for the filing.''.

SEC. 605. ADEQUATE TIME TO PREPARE FOR HEARING ON CONFIRMATION OF THE PLAN.

(a) HEARING.—Section 1324 of title 11, United States Code, is amended—

(1) by striking ''After'' and inserting the following:

''(a) Except as provided in subsection (b) and after''; and

(2) by adding at the end the following:

''(b) The hearing on confirmation of the plan may be held not earlier than 20 days, and not later than 45 days, after the meeting of creditors under section 341(a) of this title.''.

(b) FILING OF PLAN.—Section 1321 of title 11, United States Code, is amended to read as follows:

''§ 1321. Filing of plan

''The debtor shall file a plan not later than 90 days after the order for relief under this chapter, except that the court may extend such period if the need for an extension is attributable to circumstances for which the debtor should not justly be held accountable.''.

SEC. 606. CHAPTER 13 PLANS TO HAVE A 5-YEAR DURATION IN CERTAIN CASES.

Title 11, United States Code, is amended—

(1) by amending section 1322(d) to read as follows:

''(d) If the current monthly total income of the debtor and in a joint case, the debtor and the debtor's spouse combined, is not less than the highest national median family income reported for a family of equal or lesser size or, in the case of a household of 1 person, not less than the national median household income for 1 earner, the plan may not provide for payments over a period that is longer than 5 years. If the current monthly total income of the debtor or in a joint case, the debtor and the debtor's spouse combined, is less than the highest national median family income reported for a family of equal or lesser size, or in the case of a household of 1 person less than the national median household income for 1 earner, the plan may not provide for payments over a period that is longer than 3 years, unless the court, for cause, approves a longer period, but the court may not approve a period that is longer than 5 years.''; and

(2) in section 1329—

(A) by striking in subsection (c) ''three years'' and inserting ''the applicable commitment period under section 1325(b)(1)(B)(ii)''; and

(B) by inserting at the end of subsection (c) the following:

''The duration period shall be 5 years if the current monthly total income of the debtor, and in a joint case, the debtor and the debtor's spouse combined, is not less than the highest national median family income reported for a family of equal or lesser size or, in the case of a household of 1 person, not less than the national median household income for 1 earner, as of the date of the modification and shall be 3 years if the current monthly total income is less than the highest national median family income reported for a family of equal or lesser size or, in the case of a household of 1 person, less than the national median household income for 1 earner as of the date of the modification.''.

SEC. 607. SENSE OF THE CONGRESS REGARDING EXPANSION OF RULE 9011 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE.

It is the sense of the Congress that rule 9011 of the Federal Rules of Bankruptcy Procedure (11 U.S.C. App) should be modified to include a requirement that all documents (including schedules), signed and unsigned, submitted to the court or to a trustee by debtors who represent themselves and debtors who are represented by an attorney be submitted only after the debtor or the debtor's attorney has made reasonable inquiry to verify that the information contained in such documents is well grounded in fact, and is warranted by existing law or a good-faith argument for the extension, modification, or reversal of existing law.

SEC. 608. ELIMINATION OF CERTAIN FEES PAYABLE IN CHAPTER 11 BANKRUPTCY CASES.

(a) AMENDMENTS.—Section 1930(a)(6) of title 28, United States Code, is amended—

(1) in the 1st sentence by striking ''until the case is converted or dismissed, whichever occurs first''; and

(2) in the 2d sentence—

(A) by striking ''The'' and inserting ''Until the plan is confirmed or the case is converted (whichever occurs first) the''; and

(B) by striking ''less than $300,000;'' and inserting ''less than $300,000. Until the case is converted, dismissed, or closed (whichever occurs first and without regard to confirmation of the plan) the fee shall be''.

(b) DELAYED EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1999.

SEC. 609. STUDY OF BANKRUPTCY IMPACT OF CREDIT EXTENDED TO DEPENDENT STUDENTS.

Not later than 1 year after the date of the enactment of this Act, the Comptroller General of the United States shall—

(1) conduct a study regarding the impact that the extension of credit to individuals who are—

(A) claimed as dependents for purposes of the Internal Revenue Code of 1986; and

(B) enrolled in post-secondary educational institutions,

has on the rate of cases filed under title 11 of the United States Code; and

(2) submit to the Speaker of the House of Representatives and the President pro tempore of the Senate a report summarizing such study.

SEC. 610. PROMPT RELIEF FROM STAY IN INDIVIDUAL CASES.

Section 362(e) of title 11, United States Code, is amended—

(1) by inserting ''(1)'' after ''(e)''; and

(2) by adding at the end the following:

''(2) Notwithstanding paragraph (1), in the case of an individual filing under chapter 7, 11, or 13, the stay under subsection (a) shall terminate on the date that is 60 days after a request is made by a party in interest under subsection (d), unless—

''(A) a final decision is rendered by the court during the 60-day period beginning on the date of the request; or

''(B) that 60-day period is extended—

''(i) by agreement of all parties in interest; or

''(ii) by the court for such specific period of time as the court finds is required by for good cause as described in findings made by the court.''.

SEC. 611. STOPPING ABUSIVE CONVERSIONS FROM CHAPTER 13.

Section 348(f)(1) of title 11, United States Code, is amended—

(1) in subparagraph (A), by striking ''and'' at the end;

(2) in subparagraph (B)—

(A) by striking ''in the converted case, with allowed secured claims'' and inserting ''only in a case converted to chapter 11 or 12 but not in a case converted to chapter 7, with allowed secured claims in cases under chapters 11 and 12''; and

(B) by striking the period and inserting ''; and''; and

(3) by adding at the end the following:

''(C) with respect to cases converted from chapter 13—

''(i) the claim of any creditor holding security as of the date of the petition shall continue to be secured by that security unless the full amount of such claim determined under applicable nonbankruptcy law has been paid in full as of the date of conversion, notwithstanding any valuation or determination of the amount of an allowed secured claim made for the purposes of the chapter 13 proceeding; and

''(ii) unless a prebankruptcy default has been fully cured pursuant to the plan at the time of conversion, in any proceeding under this title or otherwise, the default shall have the effect given under applicable nonbankruptcy law.''.

TITLE VII—BANKRUPTCY DATA

SEC. 701. IMPROVED BANKRUPTCY STATISTICS.

(a) AMENDMENT.—Chapter 6 of part I of title 28, United States Code, is amended by adding at the end the following:

''§ 159. Bankruptcy statistics

''(a) The clerk of each district shall compile statistics regarding individual debtors with primarily consumer debts seeking relief under chapters 7, 11, and 13 of title 11. Those statistics shall be in a form prescribed by the Director of the Administrative Office of the United States Courts (referred to in this section as the 'Office').

''(b) The Director shall—

''(1) compile the statistics referred to in subsection (a);

''(2) make the statistics available to the public; and

''(3) not later than October 31, 1998, and annually thereafter, prepare, and submit to Congress a report concerning the information collected under subsection (a) that contains an analysis of the information.

''(c) The compilation required under subsection (b) shall—

''(1) be itemized, by chapter, with respect to title 11;

''(2) be presented in the aggregate and for each district; and

''(3) include information concerning—

''(A) the total assets and total liabilities of the debtors described in subsection (a), and in each category of assets and liabilities, as reported in the schedules prescribed pursuant to section 2075 of this title and filed by those debtors;

''(B) the current total monthly income, projected monthly net income, and average income and average expenses of those debtors as reported on the schedules and statements that each such debtor files under sections 111, 521, and 1322 of title 11;

''(C) the aggregate amount of debt discharged in the reporting period, determined as the difference between the total amount of debt and obligations of a debtor reported on the schedules and the amount of such debt reported in categories which are predominantly nondischargeable;

''(D) the average period of time between the filing of the petition and the closing of the case;

''(E) for the reporting period—

''(i) the number of cases in which a reaffirmation was filed; and

''(ii)(I) the total number of reaffirmations filed;

''(II) of those cases in which a reaffirmation was filed, the number in which the debtor was not represented by an attorney; and

''(III) of those cases, the number of cases in which the reaffirmation was approved by the court;

''(F) with respect to cases filed under chapter 13 of title 11, for the reporting period—

''(i)(I) the number of cases in which a final order was entered determining the value of property securing a claim in an amount less than the amount of the claim; and

''(II) the number of final orders determining the value of property securing a claim issued;

''(ii) the number of cases dismissed for failure to make payments under the plan; and

''(iii) the number of cases in which the debtor filed another case within the 6 years previous to the filing;

''(G) the number of cases in which creditors were fined for misconduct and any amount of punitive damages awarded by the court for creditor misconduct; and

''(H) the number of cases in which sanctions under rule 9011 of the Federal Rules of Bankruptcy Procedure were imposed against debtor's counsel and damages awarded under such Rule.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 6 of title 28, United States Code, is amended by adding at the end the following:

''159. Bankruptcy statistics.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect 18 months after the date of enactment of this Act.

SEC. 702. UNIFORM RULES FOR THE COLLECTION OF BANKRUPTCY DATA.

(a) AMENDMENT.—Title 28 of the United States Code is amended by inserting after section 589a the following:

''§ 589b. Bankruptcy data

''(a) RULES.—The Attorney General shall, within a reasonable time after the effective date of this section, issue rules requiring uniform forms for (and from time to time thereafter to appropriately modify and approve)—

''(1) final reports by trustees in cases under chapters 7, 12, and 13 of title 11; and

''(2) periodic reports by debtors in possession or trustees, as the case may be, in cases under chapter 11 of title 11.

''(b) REPORTS.—All reports referred to in subsection (a) shall be designed (and the requirements as to place and manner of filing shall be established) so as to facilitate compilation of data and maximum possible access of the public, both by physical inspection at 1 or more central filing locations, and by electronic access through the Internet or other appropriate media.

''(c) REQUIRED INFORMATION.—The information required to be filed in the reports referred to in subsection (b) shall be that which is in the best interests of debtors and creditors, and in the public interest in reasonable and adequate information to evaluate the efficiency and practicality of the Federal bankruptcy system. In issuing rules proposing the forms referred to in subsection (a), the Attorney General shall strike the best achievable practical balance between—

''(1) the reasonable needs of the public for information about the operational results of the Federal bankruptcy system; and

''(2) economy, simplicity, and lack of undue burden on persons with a duty to file reports.

''(d) FINAL REPORTS.—Final reports proposed for adoption by trustees under chapters 7, 12, and 13 of title 11 shall, in addition to such other matters as are required by law or as the Attorney General in the discretion of the Attorney General, shall propose, include with respect to a case under such title—

''(1) information about the length of time the case was pending;

''(2) assets abandoned;

''(3) assets exempted;

''(4) receipts and disbursements of the estate;

''(5) expenses of administration;

''(6) claims asserted;

''(7) claims allowed; and

''(8) distributions to claimants and claims discharged without payment,

in each case by appropriate category and, in cases under chapters 12 and 13 of title 11, date of confirmation of the plan, each modification thereto, and defaults by the debtor in performance under the plan.

''(e) PERIODIC REPORTS.—Periodic reports proposed for adoption by trustees or debtors in possession under chapter 11 of title 11 shall, in addition to such other matters as are required by law or as the Attorney General, in the discretion of the Attorney General, shall propose, include—

''(1) information about the standard industry classification, published by the Department of Commerce, for the businesses conducted by the debtor;

''(2) length of time the case has been pending;

''(3) number of full-time employees as at the date of the order for relief and at end of each reporting period since the case was filed;

''(4) cash receipts, cash disbursements and profitability of the debtor for the most recent period and cumulatively since the date of the order for relief;

''(5) compliance with title 11, whether or not tax returns and tax payments since the date of the order for relief have been timely filed and made;

''(6) all professional fees approved by the court in the case for the most recent period and

cumulatively since the date of the order for relief (separately reported, in for the professional fees incurred by or on behalf of the debtor, between those that would have been incurred absent a bankruptcy case and those not); and

''(7) plans of reorganization filed and confirmed and, with respect thereto, by class, the recoveries of the holders, expressed in aggregate dollar values and, in the case of claims, as a percentage of total claims of the class allowed.''.

(b) TECHNICAL AMENDMENT.—The table of sections of chapter 39 of title 28, United States Code, is amended by adding at the end the following:

''589b. Bankruptcy data.''.

SEC. 703. SENSE OF THE CONGRESS REGARDING AVAILABILITY OF BANKRUPTCY DATA.

It is the sense of the Congress that—

(1) the national policy of the United States should be that all data held by bankruptcy clerks in electronic form, to the extent such data reflects only public records (as defined in section 107 of title 11 of the United States Code), should be released in a usable electronic form in bulk to the public subject to such appropriate privacy concerns and safeguards as the Judicial Conference of the United States may determine; and

(2) there should be established a bankruptcy data system in which—

(A) a single set of data definitions and forms are used to collect data nationwide; and

(B) data for any particular bankruptcy case are aggregated in the same electronic record.

TITLE VIII—BANKRUPTCY TAX PROVISIONS

SEC. 801. TREATMENT OF CERTAIN LIENS.

(a) TREATMENT OF CERTAIN LIENS.—Section 724 of title 11, United States Code, is amended—

(1) in subsection (b), in the matter preceding paragraph (1), by inserting ''(other than to the extent that there is a properly perfected unavoidable tax lien arising in connection with an ad valorem tax on real or personal property of the estate)'' after ''under this title'';

(2) in subsection (b)(2), after ''507(a)(1)'', insert ''(except that such expenses, other than claims for wages, salaries, or commissions which arise after the filing of a petition, shall be limited to expenses incurred under chapter 7 of this title and shall not include expenses incurred under chapter 11 of this title)''; and

(3) by adding at the end the following:

''(e) Before subordinating a tax lien on real or personal property of the estate, the trustee shall—

''(1) exhaust the unencumbered assets of the estate; and

''(2) in a manner consistent with section 506(c) of this title, recover from property securing an allowed secured claim the reasonable, necessary costs and expenses of preserving or disposing of that property.

''(f) Notwithstanding the exclusion of ad valorem tax liens set forth in this section and subject to the requirements of subsection (e)—

''(1) claims for wages, salaries, and commissions that are entitled to priority under section 507(a)(3) of this title; or

''(2) claims for contributions to an employee benefit plan entitled to priority under section 507(a)(4) of this title,

may be paid from property of the estate which secures a tax lien, or the proceeds of such property.''.

(b) DETERMINATION OF TAX LIABILITY.—Section 505(a)(2) of title 11, United States Code, is amended—

(1) in subparagraph (A), by striking ''or'' at the end;

(2) in subparagraph (B), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(C) the amount or legality of any amount arising in connection with an ad valorem tax on real or personal property of the estate, if the applicable period for contesting or redetermining that amount under any law (other than a bankruptcy law) has expired.''.

SEC. 802. EFFECTIVE NOTICE TO GOVERNMENT.

(a) EFFECTIVE NOTICE TO GOVERNMENTAL UNITS.—Section 342 of title 11, United States Code, is amended by adding at the end the following:

''(d) If a debtor lists a governmental unit as a creditor in a list or schedule, any notice required to be given by the debtor under this title, any rule, any applicable law, or any order of the court, shall identify the department, agency, or instrumentality through which the debtor is indebted. The debtor shall identify (with information such as a taxpayer identification number, loan, account or contract number, or real estate parcel number, where applicable), and describe the underlying basis for the governmental unit's claim. If the debtor's liability to a governmental unit arises from a debt or obligation owed or incurred by another individual, entity, or organization, or under a different name, the debtor shall identify such individual, entity, organization, or name.

''(e) The clerk shall keep and update quarterly, in the form and manner as the Director of the Administrative Office of the United States Courts prescribes, and make available to debtors, a register in which a governmental unit may designate a safe harbor mailing address for service of notice in cases pending in the district. A governmental unit may file a statement with the clerk designating a safe harbor address to which notices are to be sent, unless such governmental unit files a notice of change of address.''.

(b) ADOPTION OF RULES PROVIDING NOTICE.—The Advisory Committee on Bankruptcy Rules of the Judicial Conference shall, within a reasonable period of time after the date of the enactment of this Act, propose for adoption enhanced rules for providing notice to State, Federal, and local government units that have regulatory authority over the debtor or which may be creditors in the debtor's case. Such rules shall be reasonably calculated to ensure that notice will reach the representatives of the governmental unit, or subdivision thereof, who will be the proper persons authorized to act upon the notice. At a minimum, the rules should require that the debtor—

(1) identify in the schedules and the notice, the subdivision, agency, or entity in respect of which such notice should be received;

(2) provide sufficient information (such as case captions, permit numbers, taxpayer identification numbers, or similar identifying information) to permit the governmental unit or subdivision thereof, entitled to receive such notice, to identify the debtor or the person or entity on behalf of which the debtor is providing notice where the debtor may be a successor in interest or may not be the same as the person or entity which incurred the debt or obligation; and

(3) identify, in appropriate schedules, served together with the notice, the property in respect of which the claim or regulatory obligation may have arisen, if any, the nature of such claim or regulatory obligation and the purpose for which notice is being given.

(c) EFFECT OF FAILURE OF NOTICE.—Section 342 of title 11, United States Code, as amended by subsection (a), is amended by adding at the end the following:

''(f) A notice that does not comply with subsections (d) and (e) shall not be effective unless the debtor demonstrates, by clear and convincing evidence, that timely notice was given in a manner reasonably calculated to satisfy the requirements of this section was given, and that—

''(1) either the notice was timely sent to the safe harbor address provided in the register maintained by the clerk of the district in which the case was pending for such purposes; or

''(2) no safe harbor address was provided in such list for the governmental unit and that an officer of the governmental unit who is responsible for the matter or claim had actual knowledge of the case in sufficient time to act.''.

SEC. 803. NOTICE OF REQUEST FOR A DETERMINATION OF TAXES.

Section 505(b) of title 11, United States Code, is amended by striking ''Unless'' at the beginning of the second sentence thereof and inserting ''If the request is made substantially in the manner designated by the governmental unit and unless''.

SEC. 804. RATE OF INTEREST ON TAX CLAIMS.

Chapter 5 of title 11, United States Code, is amended by adding at the end the following:

''§ 511. Rate of interest on tax claims

''If any provision of this title requires the payment of interest on a tax claim or requires the payment of interest to enable a creditor to receive the present value of the allowed amount of a tax claim, the rate of interest shall be as follows:

''(1) In the case of ad valorem tax claims, whether secured or unsecured, other unsecured tax claims where interest is required to be paid under section 726(a)(5) of this title, secured tax claims, and administrative tax claims paid under section 503(b)(1) of this title, the rate shall be determined under applicable nonbankruptcy law.

''(2) In the case of all other tax claims, the minimum rate of interest shall be the Federal short-term rate rounded to the nearest full percent, determined under section 1274(d) of the Internal Revenue Code of 1986, plus 3 percentage points

''(A) In the case of claims for Federal income taxes, such rate shall be subject to any adjustment that may be required under section 6621(d) of the Internal Revenue Code of 1986.

''(B) In the case of taxes paid under a confirmed plan or reorganization, such rate shall be determined as of the calendar month in which the plan is confirmed.''.

SEC. 805. TOLLING OF PRIORITY OF TAX CLAIM TIME PERIODS.

Section 507(a)(9)(A) of title 11, United States Code, as so redesignated, is amended—

(1) in clause (i) by inserting after ''petition'' and before the semicolon '', plus any time, plus 6 months, during which the stay of proceedings was in effect in a prior case under this title''; and

(2) amend clause (ii) to read as follows:

''(ii) assessed within 240 days before the date of the filing of the petition, exclusive of—

''(I) any time plus 30 days during which an offer in compromise with respect of such tax, was pending or in effect during such 240-day period;

''(II) any time plus 30 days during which an installment agreement with respect of such tax was pending or in effect during such 240-day period, up to 1 year; and

''(III) any time plus 6 months during which a stay of proceedings against collections was in effect in a prior case under this title during such 240-day period.''.

SEC. 806. PRIORITY PROPERTY TAXES INCURRED.

Section 507(a)(8)(B) of title 11, United States Code, is amended by striking ''assessed'' and inserting ''incurred''.

SEC. 807. CHAPTER 13 DISCHARGE OF FRAUDULENT AND OTHER TAXES.

Section 1328(a)(2) of title 11, United States Code, is amended by inserting ''(1),'' after ''paragraph''.

SEC. 808. CHAPTER 11 DISCHARGE OF FRAUDULENT TAXES.

Section 1141(d) of title 11, United States Code, as amended by section 119A, is amended by adding at the end the following:

''(6) Notwithstanding the provisions of paragraph (1), the confirmation of a plan does not discharge a debtor which is a corporation from any debt for a tax or customs duty with respect to which the debtor made a fraudulent return or

willfully attempted in any manner to evade or defeat such tax.''.

SEC. 809. STAY OF TAX PROCEEDINGS.

(a) SECTION 362 STAY LIMITED TO PREPETITION TAXES.—Section 362(a)(8) of title 11, United States Code, is amended by striking the period at the end and inserting '', in respect of a tax liability for a taxable period ending before the order for relief.''.

(b) APPEAL OF TAX COURT DECISIONS PERMITTED.—Section 362(b)(9) of title 11, United States Code, is amended—

(1) in subparagraph (C) by striking ''or'' at the end;

(2) in subparagraph (D) by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(E) the appeal of a decision by a court or administrative tribunal which determines a tax liability of the debtor without regard to whether such determination was made prepetition or postpetition.''.

SEC. 810. PERIODIC PAYMENT OF TAXES IN CHAPTER 11 CASES.

Section 1129(a)(9) of title 11, United States Code, is amended—

(1) in subparagraph (B) by striking ''and'' at the end; and

(2) in subparagraph (C)—

(A) by striking ''deferred cash payments, over a period not exceeding six years after the date of assessment of such claim,'' and inserting ''regular installment payments in cash, but in no case with a balloon provision, and no more than three months apart, beginning no later than the effective date of the plan and ending on the earlier of five years after the petition date or the last date payments are to be made under the plan to unsecured creditors,'';

(B) by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(D) with respect to a secured claim which would be described in section 507(a)(8) of this title but for its secured status, the holder of such claim will receive on account of such claim cash payments of not less than is required in subparagraph (C) and over a period no greater than is required in such subparagraph.''.

SEC. 811. AVOIDANCE OF STATUTORY TAX LIENS PROHIBITED.

Section 545(2) of title 11, United States Code, is amended by striking the semicolon at the end and inserting '', except where such purchaser is a purchaser described in section 6323 of the Internal Revenue Code of 1986 or similar provision of State or local law;''.

SEC. 812. PAYMENT OF TAXES IN THE CONDUCT OF BUSINESS.

(a) PAYMENT OF TAXES REQUIRED.—Section 960 of title 28, United States Code, is amended—

(1) by inserting ''(a)'' before ''Any''; and

(2) by adding at the end the following:

''(b) Such taxes shall be paid when due in the conduct of such business unless—

''(1) the tax is a property tax secured by a lien against property that is abandoned within a reasonable time after the lien attaches, by the trustee of a bankruptcy estate, pursuant to section 554 of title 11; or

''(2) payment of the tax is excused under a specific provision of title 11.

''(c) In a case pending under chapter 7 of title 11, payment of a tax may be deferred until final distribution is made under section 726 of title 11 if—

''(1) the tax was not incurred by a trustee duly appointed under chapter 7 of title 11; or

''(2) before the due date of the tax, the court has made a finding of probable insufficiency of funds of the estate to pay in full the administrative expenses allowed under section 503(b) of title 11 that have the same priority in distribution under section 726(b) of title 11 as such tax.''.

(b) PAYMENT OF AD VALOREM TAXES REQUIRED.—Section 503(b)(1)(B) of title 11, United States Code, is amended in clause (i) by inserting after ''estate,'' and before ''except'' the following: ''whether secured or unsecured, including property taxes for which liability is in rem only, in personam or both,''.

(c) REQUEST FOR PAYMENT OF ADMINISTRATIVE EXPENSE TAXES ELIMINATED.—Section 503(b)(1) of title 11, United States Code, is amended by adding at the end the following:

''(D) notwithstanding the requirements of subsection (a) of this section, a governmental unit shall not be required to file a request for the payment of a claim described in subparagraph (B) or (C);''.

(d) PAYMENT OF TAXES AND FEES AS SECURED CLAIMS.—Section 506 of title 11, United States Code, is amended—

(1) in subsection (b) by inserting ''or State statute'' after ''agreement''; and

(2) in subsection (c) by inserting '', including the payment of all ad valorem property taxes in respect of the property'' before the period at the end.

SEC. 813. TARDILY FILED PRIORITY TAX CLAIMS.

Section 726(a)(1) of title 11, United States Code, is amended by striking ''before the date on which the trustee commences distribution under this section'' and inserting ''on or before the earlier of 10 days after the mailing to creditors of the summary of the trustee's final report or the date on which the trustee commences final distribution under this section''.

SEC. 814. INCOME TAX RETURNS PREPARED BY TAX AUTHORITIES.

Section 523(a)(1)(B) of title 11, United States Code, is amended—

(1) by inserting ''or equivalent report or notice,'' after ''a return,'';

(2) in clause (i)—

(A) by inserting ''or given'' after ''filed''; and

(B) by striking ''or'' at the end;

(3) in clause (ii)—

(A) by inserting ''or given'' after ''filed''; and

(B) by inserting '', report, or notice'' after ''return''; and

(4) by adding at the end the following:

''(iii) for purposes of this subsection, a return—

''(I) must satisfy the requirements of applicable nonbankruptcy law, and includes a return prepared pursuant to section 6020(a) of the Internal Revenue Code of 1986, or similar State or local law, or a written stipulation to a judgment entered by a nonbankruptcy tribunal, but does not include a return made pursuant to section 6020(b) of the Internal Revenue Code of 1986, or similar State or local law; and

''(II) must have been filed in a manner permitted by applicable nonbankruptcy law; or''.

SEC. 815. DISCHARGE OF THE ESTATE'S LIABILITY FOR UNPAID TAXES.

Section 505(b) of title 11, United States Code, is amended in the second sentence by inserting ''the estate,'' after ''misrepresentation,''.

SEC. 816. REQUIREMENT TO FILE TAX RETURNS TO CONFIRM CHAPTER 13 PLANS.

(a) FILING OF PREPETITION TAX RETURNS REQUIRED FOR PLAN CONFIRMATION.—Section 1325(a) of title 11, United States Code, as amended by section 143, is amended—

(1) in paragraph (6) by striking ''and'' at the end;

(2) in paragraph (7) by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(8) if the debtor has filed all Federal, State, and local tax returns as required by section 1308 of this title.''.

(b) ADDITIONAL TIME PERMITTED FOR FILING TAX RETURNS.—(1) Chapter 13 of title 11, United States Code, as amended by section 137, is amended by adding at the end the following:

''§ 1308. Filing of prepetition tax returns

''(a) On or before the day prior to the day on which the first meeting of the creditors is convened under section 341(a) of this title, the debtor shall have filed with appropriate tax authorities all tax returns for all taxable periods ending in the 3-year period ending on the date of filing of the petition.

''(b) If the tax returns required by subsection (a) have not been filed by the date on which the first meeting of creditors is convened under section 341(a) of this title, the trustee may continue such meeting for a reasonable period of time, to allow the debtor additional time to file any unfiled returns, but such additional time shall be no more than—

''(1) for returns that are past due as of the date of the filing of the petition, 120 days from such date;

''(2) for returns which are not past due as of the date of the filing of the petition, the later of 120 days from such date or the due date for such returns under the last automatic extension of time for filing such returns to which the debtor is entitled, and for which request has been timely made, according to applicable nonbankruptcy law; and

''(3) upon notice and hearing, and order entered before the lapse of any deadline fixed according to this subsection, where the debtor demonstrates, by clear and convincing evidence, that the failure to file the returns as required is because of circumstances beyond the control of the debtor, the court may extend the deadlines set by the trustee as provided in this subsection for—

''(A) a period of no more than 30 days for returns described in paragraph (1) of this subsection; and

''(B) for no more than the period of time ending on the applicable extended due date for the returns described in paragraph (2).

''(c) For purposes of this section only, a return includes a return prepared pursuant to section 6020 (a) or (b) of the Internal Revenue Code of 1986 or similar State or local law, or a written stipulation to a judgment entered by a nonbankruptcy tribunal.''.

(2) The table of sections of chapter 13 of title 11, United States Code, is amended by inserting after the item relating to section 1307 the following:

''1308. Filing of prepetition tax returns.''.

(c) DISMISSAL OR CONVERSION ON FAILURE TO COMPLY.—Section 1307 of title 11, United States Code, is amended—

(1) by redesignating subsections (e) and (f) as subsections (f) and (g), respectively; and

(2) by inserting after subsection (d) the following:

''(e) Upon the failure of the debtor to file tax returns under section 1308 of this title, on request of a party in interest or the United States trustee and after notice and a hearing, the court shall dismiss a case or convert a case under this chapter to a case under chapter 7 of this title, whichever is in the best interests of creditors and the estate.''.

(d) TIMELY FILED CLAIMS.—Section 502(b)(9) of title 11, United States Code, is amended by striking the period at the end and inserting '', and except that in a case under chapter 13 of this title, a claim of a governmental unit for a tax in respect of a return filed under section 1308 of this title shall be timely if it is filed on or before 60 days after such return or returns were filed as required.''.

(e) RULES FOR OBJECTIONS TO CLAIMS AND TO CONFIRMATION.—It is the sense of the Congress that the Advisory Committee on Bankruptcy Rules of the Judicial Conference should, within a reasonable period of time after the date of the enactment of this Act, propose for adoption amended Federal Rules of Bankruptcy Procedure which provide that—

(1) notwithstanding the provisions of Rule 3015(f), in cases under chapter 13 of title 11, United States Code, a governmental unit may object to the confirmation of a plan on or before 60 days after the debtor files all tax returns required under sections 1308 and 1325(a)(7) of title 11, United States Code; and

(2) in addition to the provisions of Rule 3007, in a case under chapter 13 of title 11, United States Code, no objection to a tax in respect of a return required to be filed under such section 1308 shall be filed until such return has been filed as required.

SEC. 817. STANDARDS FOR TAX DISCLOSURE.

Section 1125(a) of title 11, United States Code, is amended in paragraph (1)—

(1) by inserting after ''records,'' the following: ''including a full discussion of the potential material Federal, State, and local tax consequences of the plan to the debtor, any successor to the debtor, and a hypothetical investor domiciled in the State in which the debtor resides or has its principal place of business typical of the holders of claims or interests in the case,'';

(2) by inserting ''such'' after ''enable''; and

(3) by striking ''reasonable'' where it appears after ''hypothetical'' and by striking ''typical of holders of claims or interests'' after ''investor''.

SEC. 818. SETOFF OF TAX REFUNDS.

Section 362(b) of title 11, United States Code, as amended by sections 120, 134, 139, and 203, is amended—

(1) in paragraph (29) by striking ''or'';

(2) in paragraph (29) by striking the period at the end and inserting ''; or''; and

(3) by inserting after paragraph (29) the following:

''(30) under subsection (a) of the setoff of an income tax refund, by a governmental unit, in respect of a taxable period which ended before the order for relief against an income tax liability for a taxable period which also ended before the order for relief, unless—

''(A) prior to such setoff, an action to determine the amount or legality of such tax liability under section 505(a) was commenced; or

''(B) where the setoff of an income tax refund is not permitted because of a pending action to determine the amount or legality of a tax liability, the governmental unit may hold the refund pending the resolution of the action.''.

TITLE IX—ANCILLARY AND OTHER CROSS-BORDER CASES

SEC. 901. AMENDMENT TO ADD CHAPTER 15 TO TITLE 11, UNITED STATES CODE.

(a) IN GENERAL.—Title 11, United States Code, is amended by inserting after chapter 13 the following:

''CHAPTER 15—ANCILLARY AND OTHER CROSS-BORDER CASES

''Sec.
''1501. Purpose and scope of application.
''SUBCHAPTER I—GENERAL PROVISIONS
''1502. Definitions.
''1503. International obligations of the United States.
''1504. Commencement of ancillary case.
''1505. Authorization to act in a foreign country.
''1506. Public policy exception.
''1507. Additional assistance.
''1508. Interpretation.
''SUBCHAPTER II—ACCESS OF FOREIGN REPRESENTATIVES AND CREDITORS TO THE COURT
''1509. Right of direct access.
''1510. Limited jurisdiction.
''1511. Commencement of case under section 301 or 303.
''1512. Participation of a foreign representative in a case under this title.
''1513. Access of foreign creditors to a case under this title.
''1514. Notification to foreign creditors concerning a case under this title.
''SUBCHAPTER III—RECOGNITION OF A FOREIGN PROCEEDING AND RELIEF
''1515. Application for recognition of a foreign proceeding.
''1516. Presumptions concerning recognition.
''1517. Order recognizing a foreign proceeding.
''1518. Subsequent information.
''1519. Relief that may be granted upon petition for recognition of a foreign proceeding.
''1520. Effects of recognition of a foreign main proceeding.
''1521. Relief that may be granted upon recognition of a foreign proceeding.
''1522. Protection of creditors and other interested persons.
''1523. Actions to avoid acts detrimental to creditors.
''1524. Intervention by a foreign representative.
''SUBCHAPTER IV—COOPERATION WITH FOREIGN COURTS AND FOREIGN REPRESENTATIVES
''1525. Cooperation and direct communication between the court and foreign courts or foreign representatives.
''1526. Cooperation and direct communication between the trustee and foreign courts or foreign representatives.
''1527. Forms of cooperation.
''SUBCHAPTER V—CONCURRENT PROCEEDINGS
''1528. Commencement of a case under this title after recognition of a foreign main proceeding.
''1529. Coordination of a case under this title and a foreign proceeding.
''1530. Coordination of more than 1 foreign proceeding.
''1531. Presumption of insolvency based on recognition of a foreign main proceeding.
''1532. Rule of payment in concurrent proceedings.

''§ 1501. Purpose and scope of application

''(a) The purpose of this of chapter is to incorporate the Model Law on Cross-Border Insolvency so as to provide effective mechanisms for dealing with cases of cross-border insolvency with the objectives of—

''(1) cooperation between—

''(A) United States courts, United States Trustees, trustees, examiners, debtors, and debtors in possession; and

''(B) the courts and other competent authorities of foreign countries involved in cross-border insolvency cases;

''(2) greater legal certainty for trade and investment;

''(3) fair and efficient administration of cross-border insolvencies that protects the interests of all creditors, and other interested entities, including the debtor;

''(4) protection and maximization of the value of the debtor's assets; and

''(5) facilitation of the rescue of financially troubled businesses, thereby protecting investment and preserving employment.

''(b) This chapter applies where—

''(1) assistance is sought in the United States by a foreign court or a foreign representative in connection with a foreign proceeding;

''(2) assistance is sought in a foreign country in connection with a case under this title;

''(3) a foreign proceeding and a case under this title with respect to the same debtor are taking place concurrently; or

''(4) creditors or other interested persons in a foreign country have an interest in requesting the commencement of, or participating in, a case or proceeding under this title.

''(c) This chapter does not apply to—

''(1) a proceeding concerning an entity identified by exclusion in subsection 109(b);

''(2) an individual, or to an individual and such individual's spouse, who have debts within the limits specified in section 109(e) and who are citizens of the United States or aliens lawfully admitted for permanent residence in the United States; or

''(3) an entity subject to a proceeding under the Securities Investor Protection Act, a stockbroker subject to subchapter III of chapter 7 of this title, or a commodity broker subject to subchapter IV of chapter 7 of this title.

''SUBCHAPTER I—GENERAL PROVISIONS

''§ 1502. Definitions

''For the purposes of this chapter, the term—

''(1) 'debtor' means an entity that is the subject of a foreign proceeding;

''(2) 'establishment' means any place of operations where the debtor carries out a nontransitory economic activity;

''(3) 'foreign court' means a judicial or other authority competent to control or supervise a foreign proceeding;

''(4) 'foreign main proceeding' means a foreign proceeding taking place in the country where the debtor has the center of its main interests;

''(5) 'foreign nonmain proceeding' means a foreign proceeding, other than a foreign main proceeding, taking place in a country where the debtor has an establishment;

''(6) 'trustee' includes a trustee, a debtor in possession in a case under any chapter of this title, or a debtor under chapter 9 of this title; and

''(7) 'within the territorial jurisdiction of the United States' when used with reference to property of a debtor refers to tangible property located within the territory of the United States and intangible property deemed under applicable nonbankruptcy law to be located within that territory, including any property subject to attachment or garnishment that may properly be seized or garnished by an action in a Federal or State court in the United States.

''§ 1503. International obligations of the United States

''To the extent that this chapter conflicts with an obligation of the United States arising out of any treaty or other form of agreement to which it is a party with 1 or more other countries, the requirements of the treaty or agreement prevail.

''§ 1504. Commencement of ancillary case

''A case under this chapter is commenced by the filing of a petition for recognition of a foreign proceeding under section 1515.

''§ 1505. Authorization to act in a foreign country

''A trustee or another entity, including an examiner, may be authorized by the court to act in a foreign country on behalf of an estate created under section 541. An entity authorized to act under this section may act in any way permitted by the applicable foreign law.

''§ 1506. Public policy exception

''Nothing in this chapter prevents the court from refusing to take an action governed by this chapter if the action would be manifestly contrary to the public policy of the United States.

''§ 1507. Additional assistance

''(a) Subject to the specific limitations stated elsewhere in this chapter the court, upon recognition of a foreign proceeding, to provide additional assistance to a foreign representative under this title or under other laws of the United States.

''(b) In determining whether to provide additional assistance under this title or under other laws of the United States, the court shall consider whether such additional assistance, consistent with the principles of comity, will reasonably assure—

''(1) just treatment of all holders of claims against or interests in the debtor's property;

''(2) protection of claim holders in the United States against prejudice and inconvenience in the processing of claims in such foreign proceeding;

''(3) prevention of preferential or fraudulent dispositions of property of the debtor;

''(4) distribution of proceeds of the debtor's property substantially in accordance with the order prescribed by this title; and

''(5) if appropriate, the provision of an opportunity for a fresh start for the individual that such foreign proceeding concerns.

''§ 1508. Interpretation

''In interpreting this chapter, the court shall consider its international origin, and the need

to promote an application of this chapter that is consistent with the application of similar statutes adopted by foreign jurisdictions.

''SUBCHAPTER II—ACCESS OF FOREIGN REPRESENTATIVES AND CREDITORS TO THE COURT

''§ 1509. Right of direct access

''(a) A foreign representative is entitled to commence a case under section 1504 by filing a petition for recognition under section 1515, and upon recognition, to apply directly to other Federal and State courts for appropriate relief in those courts.

''(b) Upon recognition, and subject to section 1510, a foreign representative has the capacity to sue and be sued, and shall be subject to the laws of the United States of general applicability.

''(c) Subject to section 1510 of this title, a foreign representative is subject to laws of general application.

''(d) Recognition under this chapter is prerequisite to the granting of comity or cooperation to a foreign representative in any State or Federal court in the United States. Any request for comity or cooperation by a foreign representative in any court shall be accompanied by a sworn statement setting forth whether recognition under section 1515 has been sought and the status of any such petition.

''(e) Upon denial of recognition under this chapter, the court may issue appropriate orders necessary to prevent an attempt to obtain comity or cooperation from courts in the United States without such recognition.

''§ 1510. Limited jurisdiction

''The sole fact that a foreign representative files a petition under section 1515 does not subject the foreign representative to the jurisdiction of any court in the United States for any other purpose.

''§ 1511. Commencement of case under section 301 or 303

''(a) Upon recognition, a foreign representative may commence—

''(1) an involuntary case under section 303; or

''(2) a voluntary case under section 301 or 302, if the foreign proceeding is a foreign main proceeding.

''(b) The petition commencing a case under subsection (a) must be accompanied by a statement describing the petition for recognition and its current status. The court where the petition for recognition has been filed must be advised of the foreign representative's intent to commence a case under subsection (a) prior to such commencement.

''§ 1512. Participation of a foreign representative in a case under this title

''Upon recognition of a foreign proceeding, the foreign representative in that proceeding is entitled to participate as a party in interest in a case regarding the debtor under this title.

''§ 1513. Access of foreign creditors to a case under this title

''(a) Foreign creditors have the same rights regarding the commencement of, and participation in, a case under this title as domestic creditors.

''(b)(1) Subsection (a) does not change or codify present law as to the priority of claims under section 507 or 726 of this title, except that the claim of a foreign creditor under those sections shall not be given a lower priority than that of general unsecured claims without priority solely because the holder of such claim is a foreign creditor.

''(2)(A) Subsection (a) and paragraph (1) do not change or codify present law as to the allowability of foreign revenue claims or other foreign public law claims in a proceeding under this title.

''(B) Allowance and priority as to a foreign tax claim or other foreign public law claim shall be governed by any applicable tax treaty of the United States, under the conditions and circumstances specified therein.

''§ 1514. Notification to foreign creditors concerning a case under this title

''(a) Whenever in a case under this title notice is to be given to creditors generally or to any class or category of creditors, such notice shall also be given to the known creditors generally, or to creditors in the notified class or category, that do not have addresses in the United States. The court may order that appropriate steps be taken with a view to notifying any creditor whose address is not yet known.

''(b) Such notification to creditors with foreign addresses described in subsection (a) shall be given individually, unless the court considers that, under the circumstances, some other form of notification would be more appropriate. No letters rogatory or other similar formality is required.

''(c) When a notification of commencement of a case is to be given to foreign creditors, the notification shall—

''(1) indicate the time period for filing proofs of claim and specify the place for their filing;

''(2) indicate whether secured creditors need to file their proofs of claim; and

''(3) contain any other information required to be included in such a notification to creditors pursuant to this title and the orders of the court.

''(d) Any rule of procedure or order of the court as to notice or the filing of a claim shall provide such additional time to creditors with foreign addresses as is reasonable under the circumstances.

''SUBCHAPTER III—RECOGNITION OF A FOREIGN PROCEEDING AND RELIEF

''§ 1515. Application for recognition of a foreign proceeding

''(a) A foreign representative applies to the court for recognition of the foreign proceeding in which the foreign representative has been appointed by filing a petition for recognition.

''(b) A petition for recognition shall be accompanied by—

''(1) a certified copy of the decision commencing the foreign proceeding and appointing the foreign representative;

''(2) a certificate from the foreign court affirming the existence of the foreign proceeding and of the appointment of the foreign representative; or

''(3) in the absence of evidence referred to in paragraphs (1) and (2), any other evidence acceptable to the court of the existence of the foreign proceeding and of the appointment of the foreign representative.

''(c) A petition for recognition shall also be accompanied by a statement identifying all foreign proceedings with respect to the debtor that are known to the foreign representative.

''(d) The documents referred to in paragraphs (1) and (2) of subsection (b) must be translated into English. The court may require a translation into English of additional documents.

''§ 1516. Presumptions concerning recognition

''(a) If the decision or certificate referred to in section 1515(b) indicates that the foreign proceeding is a foreign proceeding as defined in section 101 and that the person or body is a foreign representative as defined in section 101, the court is entitled to so presume.

''(b) The court is entitled to presume that documents submitted in support of the petition for recognition are authentic, whether or not they have been legalized.

''(c) In the absence of evidence to the contrary, the debtor's registered office, or habitual residence in the case of an individual, is presumed to be the center of the debtor's main interests.

''§ 1517. Order recognizing a foreign proceeding

''(a) Subject to section 1506, after notice and a hearing an order recognizing a foreign proceeding shall be entered if—

''(1) the foreign proceeding is a foreign main proceeding or foreign nonmain proceeding within the meaning of section 1502;

''(2) the foreign representative applying for recognition is a person or body as defined in section 101; and

''(3) the petition meets the requirements of section 1515.

''(b) The foreign proceeding shall be recognized—

''(1) as a foreign main proceeding if it is taking place in the country where the debtor has the center of its main interests; or

''(2) as a foreign nonmain proceeding if the debtor has an establishment within the meaning of section 1502 in the foreign country where the proceeding is pending.

''(c) A petition for recognition of a foreign proceeding shall be decided upon at the earliest possible time. Entry of an order recognizing a foreign proceeding shall constitute recognition under this chapter.

''(d) The provisions of this subchapter do not prevent modification or termination of recognition if it is shown that the grounds for granting it were fully or partially lacking or have ceased to exist, but in considering such action the court shall give due weight to possible prejudice to parties that have relied upon the granting of recognition. The case under this chapter may be closed in the manner prescribed for a case under section 350.

''§ 1518. Subsequent information

''From the time of filing the petition for recognition of the foreign proceeding, the foreign representative shall file with the court promptly a notice of change of status concerning—

''(1) any substantial change in the status of the foreign proceeding or the status of the foreign representative's appointment; and

''(2) any other foreign proceeding regarding the debtor that becomes known to the foreign representative.

''§ 1519. Relief that may be granted upon petition for recognition of a foreign proceeding

''(a) From the time of filing a petition for recognition until the petition is decided upon, the court may, at the request of the foreign representative, where relief is urgently needed to protect the assets of the debtor or the interests of the creditors, grant relief of a provisional nature, including—

''(1) staying execution against the debtor's assets;

''(2) entrusting the administration or realization of all or part of the debtor's assets located in the United States to the foreign representative or another person authorized by the court, including an examiner, in order to protect and preserve the value of assets that, by their nature or because of other circumstances, are perishable, susceptible to devaluation or otherwise in jeopardy; and

''(3) any relief referred to in paragraph (3), (4), or (7) of section 1521(a).

''(b) Unless extended under section 1521(a)(6), the relief granted under this section terminates when the petition for recognition is decided upon.

''(c) It is a ground for denial of relief under this section that such relief would interfere with the administration of a foreign main proceeding.

''(d) The court may not enjoin a police or regulatory act of a governmental unit, including a criminal action or proceeding, under this section.

''(e) The standards, procedures, and limitations applicable to an injunction shall apply to relief under this section.

''§ 1520. Effects of recognition of a foreign main proceeding

''(a) Upon recognition of a foreign proceeding that is a foreign main proceeding—

''(1) section 362 applies with respect to the debtor and that property of the debtor that is within the territorial jurisdiction of the United States;

''(2) a transfer, an encumbrance, or any other disposition of an interest of the debtor in property within the territorial jurisdiction of the

United States is restrained as and to the extent that is provided for property of an estate under sections 363, 549, and 552; and

''(3) unless the court orders otherwise, the foreign representative may operate the debtor's business and may exercise the powers of a trustee under section 549, subject to sections 363 and 552.

''(b) The scope, and the modification or termination, of the stay and restraints referred to in subsection (a) are subject to the exceptions and limitations provided in subsections (b), (c), and (d) of section 362, subsections (b) and (c) of section 363, and sections 552, 555 through 557, 559, and 560.

''(c) Subsection (a) does not affect the right to commence individual actions or proceedings in a foreign country to the extent necessary to preserve a claim against the debtor.

''(d) Subsection (a) does not affect the right of a foreign representative or an entity to file a petition commencing a case under this title or the right of any party to file claims or take other proper actions in such a case.

''§ 1521. Relief that may be granted upon recognition of a foreign proceeding

''(a) Upon recognition of a foreign proceeding, whether main or nonmain, where necessary to effectuate the purpose of this chapter and to protect the assets of the debtor or the interests of the creditors, the court may, at the request of the foreign representative, grant any appropriate relief, including—

''(1) staying the commencement or continuation of individual actions or individual proceedings concerning the debtor's assets, rights, obligations or liabilities to the extent they have not been stayed under section 1520(a);

''(2) staying execution against the debtor's assets to the extent it has not been stayed under section 1520(a);

''(3) suspending the right to transfer, encumber or otherwise dispose of any assets of the debtor to the extent this right has not been suspended under section 1520(a);

''(4) providing for the examination of witnesses, the taking of evidence or the delivery of information concerning the debtor's assets, affairs, rights, obligations or liabilities;

''(5) entrusting the administration or realization of all or part of the debtor's assets within the territorial jurisdiction of the United States to the foreign representative or another person, including an examiner, authorized by the court;

''(6) extending relief granted under section 1519(a); and

''(7) granting any additional relief that may be available to a trustee, except for relief available under sections 522, 544, 545, 547, 548, 550, and 724(a).

''(b) Upon recognition of a foreign proceeding, whether main or nonmain, the court may, at the request of the foreign representative, entrust the distribution of all or part of the debtor's assets located in the United States to the foreign representative or another person, including an examiner, authorized by the court, provided that the court is satisfied that the interests of creditors in the United States are sufficiently protected.

''(c) In granting relief under this section to a representative of a foreign nonmain proceeding, the court must be satisfied that the relief relates to assets that, under the law of the United States, should be administered in the foreign nonmain proceeding or concerns information required in that proceeding.

''(d) The court may not enjoin a police or regulatory act of a governmental unit, including a criminal action or proceeding, under this section.

''(e) The standards, procedures, and limitations applicable to an injunction shall apply to relief under paragraphs (1), (2), (3), and (6) of subsection (a).

''§ 1522. Protection of creditors and other interested persons

''(a) The court may grant relief under section 1519 or 1521, or may modify or terminate relief under subsection (c), only if the interests of the creditors and other interested entities, including the debtor, are sufficiently protected.

''(b) The court may subject relief granted under section 1519 or 1521, or the operation of the debtor's business under section 1520(a)(2) of this title, to conditions it considers appropriate, including the giving of security or the filing of a bond.

''(c) The court may, at the request of the foreign representative or an entity affected by relief granted under section 1519 or 1521, or at its own motion, modify or terminate such relief.

''(d) Section 1104(d) shall apply to the appointment of an examiner under this chapter. Any examiner shall comply with the qualification requirements imposed on a trustee by section 322.

''§ 1523. Actions to avoid acts detrimental to creditors

''(a) Upon recognition of a foreign proceeding, the foreign representative has standing in a case concerning the debtor pending under another chapter of this title to initiate actions under sections 522, 544, 545, 547, 548, 550, and 724(a).

''(b) When the foreign proceeding is a foreign nonmain proceeding, the court must be satisfied that an action under subsection (a) relates to assets that, under United States law, should be administered in the foreign nonmain proceeding.

''§ 1524. Intervention by a foreign representative

''Upon recognition of a foreign proceeding, the foreign representative may intervene in any proceedings in a State or Federal court in the United States in which the debtor is a party.

''SUBCHAPTER IV—COOPERATION WITH FOREIGN COURTS AND FOREIGN REPRESENTATIVES

''§ 1525. Cooperation and direct communication between the court and foreign courts or foreign representatives

''(a) Consistent with section 1501, the court shall cooperate to the maximum extent possible with foreign courts or foreign representatives, either directly or through the trustee.

''(b) The court is entitled to communicate directly with, or to request information or assistance directly from, foreign courts or foreign representatives, subject to the rights of parties in interest to notice and participation.

''§ 1526. Cooperation and direct communication between the trustee and foreign courts or foreign representatives

''(a) Consistent with section 1501, the trustee or other person, including an examiner, authorized by the court, shall, subject to the supervision of the court, cooperate to the maximum extent possible with foreign courts or foreign representatives.

''(b) The trustee or other person, including an examiner, authorized by the court is entitled, subject to the supervision of the court, to communicate directly with foreign courts or foreign representatives.

''§ 1527. Forms of cooperation

''Cooperation referred to in sections 1525 and 1526 may be implemented by any appropriate means, including—

''(1) appointment of a person or body, including an examiner, to act at the direction of the court;

''(2) communication of information by any means considered appropriate by the court;

''(3) coordination of the administration and supervision of the debtor's assets and affairs;

''(4) approval or implementation of agreements concerning the coordination of proceedings; and

''(5) coordination of concurrent proceedings regarding the same debtor.

''SUBCHAPTER V—CONCURRENT PROCEEDINGS

''§ 1528. Commencement of a case under this title after recognition of a foreign main proceeding

''After recognition of a foreign main proceeding, a case under another chapter of this title may be commenced only if the debtor has assets in the United States. The effects of such case shall be restricted to the assets of the debtor that are within the territorial jurisdiction of the United States and, to the extent necessary to implement cooperation and coordination under sections 1525, 1526, and 1527, to other assets of the debtor that are within the jurisdiction of the court under sections 541(a) of this title, and 1334(e) of title 28, to the extent that such other assets are not subject to the jurisdiction and control of a foreign proceeding that has been recognized under this chapter.

''§ 1529. Coordination of a case under this title and a foreign proceeding

''Where a foreign proceeding and a case under another chapter of this title are taking place concurrently regarding the same debtor, the court shall seek cooperation and coordination under sections 1525, 1526, and 1527, and the following shall apply:

''(1) When the case in the United States is taking place at the time the petition for recognition of the foreign proceeding is filed—

''(A) any relief granted under sections 1519 or 1521 must be consistent with the relief granted in the case in the United States; and

''(B) even if the foreign proceeding is recognized as a foreign main proceeding, section 1520 does not apply.

''(2) When a case in the United States under this title commences after recognition, or after the filing of the petition for recognition, of the foreign proceeding—

''(A) any relief in effect under sections 1519 or 1521 shall be reviewed by the court and shall be modified or terminated if inconsistent with the case in the United States; and

''(B) if the foreign proceeding is a foreign main proceeding, the stay and suspension referred to in section 1520(a) shall be modified or terminated if inconsistent with the relief granted in the case in the United States.

''(3) In granting, extending, or modifying relief granted to a representative of a foreign nonmain proceeding, the court must be satisfied that the relief relates to assets that, under the law of the United States, should be administered in the foreign nonmain proceeding or concerns information required in that proceeding.

''(4) In achieving cooperation and coordination under sections 1528 and 1529, the court may grant any of the relief authorized under section 305.

''§ 1530. Coordination of more than 1 foreign proceeding

''In matters referred to in section 1501, with respect to more than 1 foreign proceeding regarding the debtor, the court shall seek cooperation and coordination under sections 1525, 1526, and 1527, and the following shall apply:

''(1) Any relief granted under section 1519 or 1521 to a representative of a foreign nonmain proceeding after recognition of a foreign main proceeding must be consistent with the foreign main proceeding.

''(2) If a foreign main proceeding is recognized after recognition, or after the filing of a petition for recognition, of a foreign nonmain proceeding, any relief in effect under section 1519 or 1521 shall be reviewed by the court and shall be modified or terminated if inconsistent with the foreign main proceeding.

''(3) If, after recognition of a foreign nonmain proceeding, another foreign nonmain proceeding is recognized, the court shall grant, modify, or terminate relief for the purpose of facilitating coordination of the proceedings.

''§ 1531. Presumption of insolvency based on recognition of a foreign main proceeding

''In the absence of evidence to the contrary, recognition of a foreign main proceeding is for the purpose of commencing a proceeding under section 303, proof that the debtor is generally not paying its debts as such debts become due.

"§ 1532. Rule of payment in concurrent proceedings

''Without prejudice to secured claims or rights in rem, a creditor who has received payment with respect to its claim in a foreign proceeding pursuant to a law relating to insolvency may not receive a payment for the same claim in a case under any other chapter of this title regarding the debtor, so long as the payment to other creditors of the same class is proportionately less than the payment the creditor has already received.''.

(b) CLERICAL AMENDMENT.—The table of chapters for title 11, United States Code, is amended by inserting after the item relating to chapter 13 the following:

"15. Ancillary and Other Cross-Border Cases ..... 1501".

SEC. 902. AMENDMENTS TO OTHER CHAPTERS IN TITLE 11, UNITED STATES CODE.

(a) APPLICABILITY OF CHAPTERS.—Section 103 of title 11, United States Code, is amended—

(1) in subsection (a), by inserting before the period the following: '', and this chapter, sections 307, 304, 555 through 557, 559, and 560 apply in a case under chapter 15''; and

(2) by adding at the end the following:

''(j) Chapter 15 applies only in a case under such chapter, except that—

''(1) sections 1513 and 1514 apply in all cases under this title; and

''(2) section 1505 applies to trustees and to any other entity (including an examiner) authorized by the court under chapters 7, 11, and 12, to debtors in possession under chapters 11 and 12, and to debtors under chapter 9 who are authorized to act under section 1505.''.

(b) DEFINITIONS.—Paragraphs (23) and (24) of title 11, United States Code, are amended to read as follows:

''(23) 'foreign proceeding' means a collective judicial or administrative proceeding in a foreign country, including an interim proceeding, pursuant to a law relating to insolvency in which proceeding the assets and affairs of the debtor are subject to control or supervision by a foreign court, for the purpose of reorganization or liquidation;

''(24) 'foreign representative' means a person or body, including a person or body appointed on an interim basis, authorized in a foreign proceeding to administer the reorganization or the liquidation of the debtor's assets or affairs or to act as a representative of the foreign proceeding;''.

(c) AMENDMENTS TO TITLE 28, UNITED STATES CODE.—

(1) PROCEDURES.—Section 157(b)(2) of title 28, United States Code, is amended—

(A) in subparagraph (N), by striking ''and'' at the end;

(B) in subparagraph (O), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(P) recognition of foreign proceedings and other matters under chapter 15 of title 11.''.

(2) BANKRUPTCY CASES AND PROCEEDINGS.—Section 1334(c)(1) of title 28, United States Code, is amended by striking ''Nothing in'' and inserting ''Except with respect to a case under chapter 15 of title 11, nothing in''.

(3) DUTIES OF TRUSTEES.—Section 586(a)(3) of title 28, United States Code, is amended by inserting ''15,'' after ''chapter''.

TITLE X—FINANCIAL CONTRACT PROVISIONS

SEC. 1001. TREATMENT OF CERTAIN AGREEMENTS BY CONSERVATORS OR —RECEIVERS OF INSURED DEPOSITORY INSTITUTIONS.

(a) DEFINITION OF QUALIFIED FINANCIAL CONTRACT.—Section 11(e)(8)(D)(i) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)(D)(i)) is amended by inserting '', resolution or order'' after ''any similar agreement that the Corporation determines by regulation''.

(b) DEFINITION OF SECURITIES CONTRACT.—Section 11(e)(8)(D)(ii) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)(D)(ii)) is amended to read as follows:

''(ii) SECURITIES CONTRACT.—The term 'securities contract'—

''(I) means a contract for the purchase, sale, or loan of a security, a certificate of deposit, a mortgage loan, or any interest in a mortgage loan, a group or index of securities, certificates of deposit, or mortgage loans or interests therein (including any interest therein or based on the value thereof) or any option on any of the foregoing, including any option to purchase or sell any such security, certificate of deposit, loan, interest, group or index, or option;

''(II) does not include any purchase, sale, or repurchase obligation under a participation in a commercial mortgage loan unless the Corporation determines by regulation, resolution, or order to include any such agreement within the meaning of such term;

''(III) means any option entered into on a national securities exchange relating to foreign currencies;

''(IV) means the guarantee by or to any securities clearing agency of any settlement of cash, securities, certificates of deposit, mortgage loans or interests therein, group or index of securities, certificates of deposit, or mortgage loans or interests therein (including any interest therein or based on the value thereof) or option on any of the foregoing, including any option to purchase or sell any such security, certificate of deposit, loan, interest, group or index or option;

''(V) means any margin loan;

''(VI) means any other agreement or transaction that is similar to any agreement or transaction referred to in this clause;

''(VII) means any combination of the agreements or transactions referred to in this clause;

''(VIII) means any option to enter into any agreement or transaction referred to in this clause;

''(IX) means a master agreement that provides for an agreement or transaction referred to in subclause (I), (III), (IV), (V), (VI), (VII), or (VIII), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a securities contract under this clause, except that the master agreement shall be considered to be a securities contract under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (III), (IV), (V), (VI), (VII), or (VIII); and

''(X) means any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in this clause.''.

(c) DEFINITION OF COMMODITY CONTRACT.—Section 11(e)(8)(D)(iii) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)(D)(iii)) is amended to read as follows:

''(iii) COMMODITY CONTRACT.—The term 'commodity contract' means—

''(I) with respect to a futures commission merchant, a contract for the purchase or sale of a commodity for future delivery on, or subject to the rules of, a contract market or board of trade;

''(II) with respect to a foreign futures commission merchant, a foreign future;

''(III) with respect to a leverage transaction merchant, a leverage transaction;

''(IV) with respect to a clearing organization, a contract for the purchase or sale of a commodity for future delivery on, or subject to the rules of, a contract market or board of trade that is cleared by such clearing organization, or commodity option traded on, or subject to the rules of, a contract market or board of trade that is cleared by such clearing organization;

''(V) with respect to a commodity options dealer, a commodity option;

''(VI) any other agreement or transaction that is similar to any agreement or transaction referred to in this clause;

''(VII) any combination of the agreements or transactions referred to in this clause;

''(VIII) any option to enter into any agreement or transaction referred to in this clause;

''(IX) a master agreement that provides for an agreement or transaction referred to in subclause (I), (II), (III), (IV), (V), (VI), (VII), or (VIII), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a commodity contract under this clause, except that the master agreement shall be considered to be a commodity contract under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (II), (III), (IV), (V), (VI), (VII), or (VIII); or

''(X) a security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in this clause.''.

(d) DEFINITION OF FORWARD CONTRACT.—Section 11(e)(8)(D)(iv) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)(D)(iv)) is amended to read as follows:

''(iv) FORWARD CONTRACT.—The term 'forward contract' means—

''(I) a contract (other than a commodity contract) for the purchase, sale, or transfer of a commodity or any similar good, article, service, right, or interest which is presently or in the future becomes the subject of dealing in the forward contract trade, or product or byproduct thereof, with a maturity date more than 2 days after the date the contract is entered into, including a repurchase agreement, reverse repurchase agreement, consignment, lease, swap, hedge transaction, deposit, loan, option, allocated transaction, unallocated transaction, or any other similar agreement;

''(II) any combination of agreements or transactions referred to in subclauses (I) and (III);

''(III) any option to enter into any agreement or transaction referred to in subclause (I) or (II);

''(IV) a master agreement that provides for an agreement or transaction referred to in subclauses (I), (II), or (III), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a forward contract under this clause, except that the master agreement shall be considered to be a forward contract under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (II), or (III); or

''(V) a security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in subclause (I), (II), (III), or (IV).''.

(e) DEFINITION OF REPURCHASE AGREEMENT.—Section 11(e)(8)(D)(v) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)(D)(v)) is amended to read as follows:

''(v) REPURCHASE AGREEMENT.—The terms 'repurchase agreement' and 'reverse repurchase agreement'—

''(I) mean an agreement, including related terms, which provides for the transfer of 1 or more certificates of deposit, mortgage-related securities (as such term is defined in the Securities Exchange Act of 1934), mortgage loans, interests in mortgage-related securities or mortgage loans, eligible bankers' acceptances, qualified foreign government securities or securities that are direct obligations of, or that are fully guaranteed by, the United States or any agency of the United States against the transfer of funds by the transferee of such certificates of deposit, eligible bankers' acceptances, securities, loans, or interests with a simultaneous agreement by such transferee to transfer to the transferor thereof certificates of deposit, eligible bankers' acceptances, securities, loans, or interests as described above, at a date certain not later than 1 year after such transfers or on demand, against the transfer of funds, or any other similar agreement;

''(II) does not include any repurchase obligation under a participation in a commercial mortgage loan unless the Corporation determines by regulation, resolution, or order to include any such participation within the meaning of such term;

''(III) means any combination of agreements or transactions referred to in subclauses (I) and (IV);

''(IV) means any option to enter into any agreement or transaction referred to in subclause (I) or (III);

''(V) means a master agreement that provides for an agreement or transaction referred to in subclause (I), (III), or (IV), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a repurchase agreement under this clause, except that the master agreement shall be considered to be a repurchase agreement under this subclause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (III), or (IV); and

''(VI) means a security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in subclause (I), (III), (IV), or (V).

For purposes of this clause, the term 'qualified foreign government security' means a security that is a direct obligation of, or that is fully guaranteed by, the central government of a member of the Organization for Economic Cooperation and Development (as determined by regulation or order adopted by the appropriate Federal banking authority).''.

(f) DEFINITION OF SWAP AGREEMENT.—The Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)(D)(vi)) is amended to read as follows:

''(vi) SWAP AGREEMENT.—The term 'swap agreement' means—

''(I) any agreement, including the terms and conditions incorporated by reference in any such agreement, which is an interest rate swap, option, future, or forward agreement, including a rate floor, rate cap, rate collar, cross-currency rate swap, and basis swap; a spot, same day-tomorrow, tomorrow-next, forward, or other foreign exchange or precious metals agreement; a currency swap, option, future, or forward agreement; an equity index or equity swap, option, future, or forward agreement; a debt index or debt swap, option, future, or forward agreement; a credit spread or credit swap, option, future, or forward agreement; a commodity index or commodity swap, option, future, or forward agreement;

''(II) any agreement or transaction similar to any other agreement or transaction referred to in this clause that is presently, or in the future becomes, regularly entered into in the swap market (including terms and conditions incorporated by reference in such agreement) and that is a forward, swap, future, or option on 1 or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, or economic indices or measures of economic risk or value;

''(III) any combination of agreements or transactions referred to in this clause;

''(IV) any option to enter into any agreement or transaction referred to in this clause;

''(V) a master agreement that provides for an agreement or transaction referred to in subclause (I), (II), (III), or (IV), together with all supplements to any such master agreement, without regard to whether the master agreement contains an agreement or transaction that is not a swap agreement under this clause, except that the master agreement shall be considered to be a swap agreement under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (II), (III), or (IV); and

''(VI) any security agreement or arrangement or other credit enhancement related to any agreements or transactions referred to in subparagraph (I), (II), (III), or (IV).

Such term is applicable for purposes of this Act only and shall not be construed or applied so as to challenge or affect the characterization, definition, or treatment of any swap agreement under any other statute, regulation, or rule, including the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, the Trust Indenture Act of 1939, the Investment Company Act of 1940, the Investment Advisers Act of 1940, the Securities Investor Protection Act of 1970, the Commodity Exchange Act, and the regulations promulgated by the Securities and Exchange Commission or the Commodity Futures Trading Commission.''.

(g) DEFINITION OF TRANSFER.—Section 11(e)(8)(D)(viii) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)(D)(viii)) is amended to read as follows:

''(viii) TRANSFER.—The term 'transfer' means every mode, direct or indirect, absolute or conditional, voluntary or involuntary, of disposing of or parting with property or with an interest in property, including retention of title as a security interest and foreclosure of the depository institutions's equity of redemption.''.

(h) TREATMENT OF QUALIFIED FINANCIAL CONTRACTS.—Section 11(e)(8) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)) is amended—

(1) in subparagraph (A), by striking ''paragraph (10)'' and inserting ''paragraphs (9) and (10)'';

(2) in subparagraph (A)(i), by striking ''to cause the termination or liquidation'' and inserting ''such person has to cause the termination, liquidation, or acceleration'';

(3) by amending subparagraph (A)(ii) to read as follows:

''(ii) any right under any security agreement or arrangement or other credit enhancement related to 1 or more qualified financial contracts described in clause (i);''; and

(4) by amending subparagraph (E)(ii) to read as follows:

''(ii) any right under any security agreement or arrangement or other credit enhancement related to 1 or more qualified financial contracts described in clause (i);''.

(i) AVOIDANCE OF TRANSFERS.—Section 11(e)(8)(C)(i) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)(C)(i)) is amended by inserting ''section 5242 of the Revised Statutes (12 U.S.C. 91) or any other Federal or State law relating to the avoidance of preferential or fraudulent transfers,'' before ''the Corporation''.

SEC. 1002. AUTHORITY OF THE CORPORATION WITH RESPECT TO FAILED AND FAILING INSTITUTIONS.

(a) IN GENERAL.—Section 11(e)(8) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)) is amended—

(1) in subparagraph (E), by striking ''other than paragraph (12) of this subsection, subsection (d)(9)'' and inserting ''other than subsections (d)(9) and (e)(10)''; and

(2) by adding at the end the following new subparagraphs:

''(F) CLARIFICATION.—No provision of law shall be construed as limiting the right or power of the Corporation, or authorizing any court or agency to limit or delay, in any manner, the right or power of the Corporation to transfer any qualified financial contract in accordance with paragraphs (9) and (10) of this subsection or to disaffirm or repudiate any such contract in accordance with subsection (e)(1) of this section.

''(G) WALKAWAY CLAUSES NOT EFFECTIVE.—

''(i) IN GENERAL.—Notwithstanding the provisions of subparagraphs (A) and (E), and sections 403 and 404 of the Federal Deposit Insurance Corporation Improvement Act of 1991, no walkaway clause shall be enforceable in a qualified financial contract of an insured depository institution in default.

''(ii) WALKAWAY CLAUSE DEFINED.—For purposes of this subparagraph, the term 'walkaway clause' means a provision in a qualified financial contract that, after calculation of a value of a party's position or an amount due to or from 1 of the parties in accordance with its terms upon termination, liquidation, or acceleration of the qualified financial contract, either does not create a payment obligation of a party or extinguishes a payment obligation of a party in whole or in part solely because of such party's status as a nondefaulting party.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 11(e)(12)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(12)(A)) is amended by inserting ''or the exercise of rights or powers'' after ''the appointment''.

SEC. 1003. AMENDMENTS RELATING TO TRANSFERS OF QUALIFIED FINANCIAL CONTRACTS.

(a) TRANSFERS OF QUALIFIED FINANCIAL CONTRACTS TO FINANCIAL INSTITUTIONS.—Section 11(e)(9) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(9)) is amended to read as follows:

''(9) TRANSFER OF QUALIFIED FINANCIAL CONTRACTS.—

''(A) IN GENERAL.—In making any transfer of assets or liabilities of a depository institution in default which includes any qualified financial contract, the conservator or receiver for such depository institution shall either—

''(i) transfer to 1 financial institution, other than a financial institution for which a conservator, receiver, trustee in bankruptcy, or other legal custodian has been appointed or which is otherwise the subject of a bankruptcy or insolvency proceeding—

''(I) all qualified financial contracts between any person or any affiliate of such person and the depository institution in default;

''(II) all claims of such person or any affiliate of such person against such depository institution under any such contract (other than any claim which, under the terms of any such contract, is subordinated to the claims of general unsecured creditors of such institution);

''(III) all claims of such depository institution against such person or any affiliate of such person under any such contract; and

''(IV) all property securing or any other credit enhancement for any contract described in subclause (I) or any claim described in subclause (II) or (III) under any such contract; or

''(ii) transfer none of the qualified financial contracts, claims, property or other credit enhancement referred to in clause (i) (with respect to such person and any affiliate of such person).

''(B) TRANSFER TO FOREIGN BANK, FOREIGN FINANCIAL INSTITUTION, OR BRANCH OR AGENCY OF A FOREIGN BANK OR FINANCIAL INSTITUTION.—In transferring any qualified financial contracts and related claims and property pursuant to subparagraph (A)(i), the conservator or receiver for such depository institution shall not make such transfer to a foreign bank, financial institution organized under the laws of a foreign country, or a branch or agency of a foreign bank or financial institution unless, under the law applicable to such bank, financial institution, branch or agency, to the qualified financial contracts, and to any netting contract, any security agreement or arrangement or other credit enhancement related to 1 or more qualified financial contracts the contractual rights of the parties to such qualified financial contracts, netting contracts, security agreements or arrangements, or other credit enhancements are enforceable substantially to the same extent as permitted under this section.

''(C) TRANSFER OF CONTRACTS SUBJECT TO THE RULES OF A CLEARING ORGANIZATION.—In the event that a conservator or receiver transfers any qualified financial contract and related claims, property and credit enhancements pursuant to subparagraph (A)(i) and such contract is subject to the rules of a clearing organization, the clearing organization shall not be required to accept the transferee as a member by virtue of the transfer.

''(D) DEFINITION.—For purposes of this section, the term 'financial institution' means a

broker or dealer, a depository institution, a futures commission merchant, or any other institution as determined by the Corporation by regulation to be a financial institution.''.

(b) NOTICE TO QUALIFIED FINANCIAL CONTRACT COUNTERPARTIES.—Section 11(e)(10)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(10)(A)) is amended by amending the flush material following clause (ii) to read as follows: ''the conservator or receiver shall notify any person who is a party to any such contract of such transfer by 5:00 p.m. (eastern time) on the business day following the date of the appointment of the receiver, in the case of a receivership, or the business day following such transfer, in the case of a conservatorship.''.

(c) RIGHTS AGAINST RECEIVER AND TREATMENT OF BRIDGE BANKS.—Section 11(e)(10) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(10)) is further amended—

(1) by redesignating subparagraph (B) as subparagraph (D); and

(2) by inserting after subparagraph (A) the following new subparagraphs:

''(B) CERTAIN RIGHTS NOT ENFORCEABLE.—

''(i) RECEIVERSHIP.—A person who is a party to a qualified financial contract with an insured depository institution may not exercise any right such person has to terminate, liquidate, or net such contract under paragraph (8)(A) or section 403 or 404 of the Federal Deposit Insurance Corporation Improvement Act of 1991 solely by reason of or incidental to the appointment of a receiver for the depository institution (or the insolvency or financial condition of the depository institution for which the receiver has been appointed)—

''(I) until 5:00 p.m. (eastern time) on the business day following the date of the appointment of the receiver; or

''(II) after the person has received notice that the contract has been transferred pursuant to paragraph (9)(A).

''(ii) CONSERVATORSHIP.—A person who is a party to a qualified financial contract with an insured depository institution may not exercise any right such person has to terminate, liquidate, or net such contract under paragraph (8)(E) or sections 403 or 404 of the Federal Deposit Insurance Corporation Improvement Act of 1991, solely by reason of or incidental to the appointment of a conservator for the depository institution (or the insolvency or financial condition of the depository institution for which the conservator has been appointed).

''(iii) NOTICE.—For purposes of this subsection, the Corporation as receiver or conservator of an insured depository institution shall be deemed to have notified a person who is a party to a qualified financial contract with such depository institution if the Corporation has taken steps reasonably calculated to provide notice to such person by the time specified in subparagraph (A) of this subsection.

''(C) TREATMENT OF BRIDGE BANKS.—The following institutions shall not be considered a financial institution for which a conservator, receiver, trustee in bankruptcy, or other legal custodian has been appointed or which is otherwise the subject of a bankruptcy or insolvency proceeding for purposes of subsection (e)(9)—

''(i) a bridge bank; or

''(ii) a depository institution organized by the Corporation, for which a conservator is appointed either—

''(I) immediately upon the organization of the institution; or

''(II) at the time of a purchase and assumption transaction between such institution and the Corporation as receiver for a depository institution in default.''.

SEC. 1004. AMENDMENTS RELATING TO DISAFFIRMANCE OR REPUDIATION OF QUALIFIED FINANCIAL CONTRACTS.

Section 11(e) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)) is further amended—

(1) by redesignating paragraphs (11) through (15) as paragraphs (12) through (16), respectively; and

(2) by inserting after paragraph (10) the following new paragraph:

''(11) DISAFFIRMANCE OR REPUDIATION OF QUALIFIED FINANCIAL CONTRACTS.—In exercising the rights of disaffirmance or repudiation of a conservator or receiver with respect to any qualified financial contract to which an insured depository institution is a party, the conservator or receiver for such institution shall either—

''(A) disaffirm or repudiate all qualified financial contracts between—

''(i) any person or any affiliate of such person; and

''(ii) the depository institution in default; or

''(B) disaffirm or repudiate none of the qualified financial contracts referred to in subparagraph (A) (with respect to such person or any affiliate of such person).''.

SEC. 1005. CLARIFYING AMENDMENT RELATING TO MASTER AGREEMENTS.

Section 11(e)(8)(D)(vii) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)(D)(vii)) is amended to read as follows:

''(vii) TREATMENT OF MASTER AGREEMENT AS 1 AGREEMENT.—Any master agreement for any contract or agreement described in any preceding clause of this subparagraph (or any master agreement for such master agreement or agreements), together with all supplements to such master agreement, shall be treated as a single agreement and a single qualified financial contract. If a master agreement contains provisions relating to agreements or transactions that are not themselves qualified financial contracts, the master agreement shall be deemed to be a qualified financial contract only with respect to those transactions that are themselves qualified financial contracts.''.

SEC. 1006. FEDERAL DEPOSIT INSURANCE CORPORATION IMPROVEMENT ACT OF 1991.

(a) DEFINITIONS.—Section 402 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 4402) is amended—

(1) in paragraph (6)—

(A) by redesignating subparagraphs (B) through (D) as subparagraphs (C) through (E), respectively;

(B) by inserting after subparagraph (A) the following new subparagraph:

''(B) an uninsured national bank or an uninsured State bank that is a member of the Federal Reserve System if the national bank or State member bank is not eligible to make application to become an insured bank under section 5 of the Federal Deposit Insurance Act;''; and

(C) by amending subparagraph (C) (as redesignated) to read as follows:

''(C) a branch or agency of a foreign bank, a foreign bank and any branch or agency of the foreign bank, or the foreign bank that established the branch or agency, as those terms are defined in section 1(b) of the International Banking Act of 1978;'';

(2) in paragraph (11), by adding before the period ''and any other clearing organization with which such clearing organization has a netting contract'';

(3) by amending paragraph (14)(A)(i) to read as follows:

''(i) means a contract or agreement between 2 or more financial institutions, clearing organizations, or members that provides for netting present or future payment obligations or payment entitlements (including liquidation or closeout values relating to such obligations or entitlements) among the parties to the agreement; and''; and

(4) by adding at the end the following new paragraph:

''(15) PAYMENT.—The term 'payment' means a payment of United States dollars, another currency, or a composite currency, and a noncash delivery, including a payment or delivery to liquidate an unmatured obligation.''.

(b) ENFORCEABILITY OF BILATERAL NETTING CONTRACTS.—Section 403 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 4403) is amended—

(1) by amending subsection (a) to read as follows:

''(a) GENERAL RULE.—Notwithstanding any other provision of State or Federal law (other than paragraphs (8)(E), (8)(F), and (10)(B) of section 11(e) of the Federal Deposit Insurance Act or any order authorized under section 5(b)(2) of the Securities Investor Protection Act of 1970, the covered contractual payment obligations and the covered contractual payment entitlements between any 2 financial institutions shall be netted in accordance with, and subject to the conditions of, the terms of any applicable netting contract (except as provided in section 561(b)(2) of title 11).''; and

(2) by adding at the end the following new subsection:

''(f) ENFORCEABILITY OF SECURITY AGREEMENTS.—The provisions of any security agreement or arrangement or other credit enhancement related to 1 or more netting contracts between any 2 financial institutions shall be enforceable in accordance with their terms (except as provided in section 561(b)(2) of title 11) and shall not be stayed, avoided, or otherwise limited by any State or Federal law (other than paragraphs (8)(E), (8)(F), and (10)(B) of section 11(e) of the Federal Deposit Insurance Act and section 5(b)(2) of the Securities Investor Protection Act of 1970).''.

(c) ENFORCEABILITY OF CLEARING ORGANIZATION NETTING CONTRACTS.—Section 404 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 4404) is amended—

(1) by amending subsection (a) to read as follows:

''(a) GENERAL RULE.—Notwithstanding any other provision of State or Federal law (other than paragraphs (8)(E), (8)(F), and (10)(B) of section 11(e) of the Federal Deposit Insurance Act and any order authorized under section 5(b)(2) of the Securities Investor Protection Act of 1970, the covered contractual payment obligations and the covered contractual payment entitlements of a member of a clearing organization to and from all other members of a clearing organization shall be netted in accordance with and subject to the conditions of any applicable netting contract (except as provided in section 561(b)(2) of title 11, United States Code).''; and

(2) by adding at the end the following new subsection:

''(h) ENFORCEABILITY OF SECURITY AGREEMENTS.—The provisions of any security agreement or arrangement or other credit enhancement related to 1 or more netting contracts between any 2 members of a clearing organization shall be enforceable in accordance with their terms (except as provided in section 561(b)(2) of title 11, United States Code) and shall not be stayed, avoided, or otherwise limited by any State or Federal law other than paragraphs (8)(E), (8)(F), and (10)(B) of section 11(e) of the Federal Deposit Insurance Act and section 5(b)(2) of the Securities Investor Protection Act of 1970.''.

(d) ENFORCEABILITY OF CONTRACTS WITH UNINSURED NATIONAL BANKS AND UNINSURED FEDERAL BRANCHES AND AGENCIES.—The Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 4401 et seq.) is amended—

(1) by redesignating section 407 as section 408; and

(2) by adding after section 406 the following new section:

''SEC. 407. TREATMENT OF CONTRACTS WITH UNINSURED NATIONAL BANKS AND UNINSURED FEDERAL BRANCHES AND AGENCIES.

''(a) IN GENERAL.—Notwithstanding any other provision of law, paragraphs (8), (9), (10), and (11) of section 11(e) of the Federal Deposit Insurance Act shall apply to an uninsured national bank or uninsured Federal branch or Federal agency except—

''(1) any reference to the 'Corporation as receiver' or 'the receiver or the Corporation' shall

refer to the receiver of an uninsured national bank or uninsured Federal branch or Federal agency appointed by the Comptroller of the Currency;

''(2) any reference to the 'Corporation' (other than in section 11(e)(8)(D) of such Act), the 'Corporation, whether acting as such or as conservator or receiver', a 'receiver', or a 'conservator' shall refer to the receiver or conservator of an uninsured national bank or uninsured Federal branch or Federal agency appointed by the Comptroller of the Currency; and

''(3) any reference to an 'insured depository institution' or 'depository institution' shall refer to an uninsured national bank or an uninsured Federal branch or Federal agency.

''(b) LIABILITY.—The liability of a receiver or conservator of an uninsured national bank or uninsured Federal branch or agency shall be determined in the same manner and subject to the same limitations that apply to receivers and conservators of insured depository institutions under section 11(e) of the Federal Deposit Insurance Act.

''(c) REGULATORY AUTHORITY.—

''(1) IN GENERAL.—The Comptroller of the Currency, in consultation with the Federal Deposit Insurance Corporation, may promulgate regulations to implement this section.

''(2) SPECIFIC REQUIREMENT.—In promulgating regulations to implement this section, the Comptroller of the Currency shall ensure that the regulations generally are consistent with the regulations and policies of the Federal Deposit Insurance Corporation adopted pursuant to the Federal Deposit Insurance Act.

''(d) DEFINITIONS.—For purposes of this section, the terms 'Federal branch', 'Federal agency', and 'foreign bank' have the same meaning as in section 1(b) of the International Banking Act.''.

SEC. 1007. BANKRUPTCY CODE AMENDMENTS.

(a) DEFINITIONS OF FORWARD CONTRACT, REPURCHASE AGREEMENT, SECURITIES CLEARING AGENCY, SWAP AGREEMENT, COMMODITY CONTRACT, AND SECURITIES CONTRACT.—Title 11, United States Code, is amended—

(1) in section 101—

(A) in paragraph (25)—

(i) by striking ''means a contract'' and inserting ''means—

''(A) a contract'';

(ii) by striking '', or any combination thereof or option thereon;'' and inserting '', or any other similar agreement;''; and

(iii) by adding at the end the following:

''(B) a combination of agreements or transactions referred to in subparagraphs (A) and (C);

''(C) an option to enter into an agreement or transaction referred to in subparagraph (A) or (B);

''(D) a master netting agreement that provides for an agreement or transaction referred to in subparagraph (A), (B), or (C), together with all supplements to such master netting agreement, without regard to whether such master netting agreement provides for an agreement or transaction that is not a forward contract under this paragraph, except that such master netting agreement shall be considered to be a forward contract under this paragraph only with respect to each agreement or transaction under such master netting agreement that is referred to in subparagraph (A), (B) or (C); or

''(E) a security agreement or arrangement, or other credit enhancement, directly pertaining to a contract, option, agreement, or transaction referred to in subparagraph (A), (B), (C), or (D), but not to exceed the actual value of such contract, option, agreement, or transaction on the date of the filing of the petition;'';

(B) by amending paragraph (47) to read as follows:

''(47) 'repurchase agreement' and 'reverse repurchase agreement'—

''(A) mean—

''(i) an agreement, including related terms, which provides for the transfer of—

''(I) a certificate of deposit, mortgage-related security (as defined in the Securities Exchange Act of 1934), mortgage loan, interest in a mortgage-related security or mortgage loan, eligible bankers' acceptance, qualified foreign government security; or

''(II) security that is a direct obligation of, or that is fully guaranteed by, the United States or an agency of the United States against the transfer of funds by the transferee of such certificate of deposit, eligible bankers' acceptance, security, loan, or interest;

with a simultaneous agreement by such transferee to transfer to the transferor thereof a certificate of deposit, eligible bankers' acceptance, security, loan, or interest of the kind described in subclause (I) or (II), at a date certain not later than 1 year after the transferor's transfer or on demand, against the transfer of funds;

''(ii) a combination of agreements or transactions referred to in clauses (i) and (iii);

''(iii) an option to enter into an agreement or transaction referred to in clause (i) or (ii);

''(iv) a master netting agreement that provides for an agreement or transaction referred to in clause (i), (ii), or (iii), together with all supplements to such master netting agreement, without regard to whether such master netting agreement provides for an agreement or transaction that is not a repurchase agreement under this subparagraph, except that such master netting agreement shall be considered to be a repurchase agreement under this subparagraph only with respect to each agreement or transaction under such master netting agreement that is referred to in clause (i), (ii), or (iii); or

''(v) a security agreement or arrangement, or other credit enhancement, directly pertaining to a contract referred to in clause (i), (ii), (iii), or (iv), but not to exceed the actual value of such contract on the date of the filing of the petition; and

''(B) do not include a repurchase obligation under a participation in a commercial mortgage loan;

and, for purposes of this paragraph, the term 'qualified foreign government security' means a security that is a direct obligation of, or that is fully guaranteed by, the central government of a member of the Organization for Economic Cooperation and Development;'';

(C) in paragraph (48) by inserting ''or exempt from such registration under such section pursuant to an order of the Securities and Exchange Commission'' after ''1934''; and

(D) by amending paragraph (53B) to read as follows:

''(53B) 'swap agreement' means—

''(A) an agreement, including the terms and conditions incorporated by reference in such agreement, that is—

''(i) an interest rate swap, option, future, or forward agreement, including a rate floor, rate cap, rate collar, cross-currency rate swap, and basis swap;

''(ii) a spot, same day-tomorrow, tomorrow-next, forward, or other foreign exchange or precious metals agreement;

''(iii) a currency swap, option, future, or forward agreement;

''(iv) an equity index or an equity swap, option, future, or forward agreement;

''(v) a debt index or a debt swap, option, future, or forward agreement;

''(vi) a credit spread or a credit swap, option, future, or forward agreement; or

''(vii) a commodity index or a commodity swap, option, future, or forward agreement;

''(B) an agreement or transaction similar to an agreement or transaction referred to in this paragraph that—

''(i) is currently, or in the future becomes, regularly entered into in the swap market (including terms and conditions incorporated by reference therein); and

''(ii) is a forward, swap, future, or option on a rate, currency, commodity, equity security, or other equity instrument, on a debt security or other debt instrument, or on an economic index or measure of economic risk or value;

''(C) a combination of agreements or transactions referred to in this paragraph;

''(D) an option to enter into an agreement or transaction referred to in this paragraph;

''(E) a master netting agreement that provides for an agreement or transaction referred to in subparagraph (A), (B), (C), or (D), together with all supplements to such master netting agreement and without regard to whether such master netting agreement contains an agreement or transaction described in any such subparagraph, but only with respect to each agreement or transaction referred to in any such subparagraph that is under such master netting agreement; or

''(F) is applicable for purposes of this title only and shall not be construed or applied so as to challenge or affect the characterization, definition, or treatment of any swap agreement under any other statute, regulation, or rule, including the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, the Trust Indenture Act of 1939, the Investment Company Act of 1940, the Investment Advisers Act of 1940, the Securities Investor Protection Act of 1970, the Commodity Exchange Act, and the regulations prescribed by the Securities and Exchange Commission or the Commodity Futures Trading Commission.'';

(2) by amending section 741(7) to read as follows:

''(7) 'securities contract'—

''(A) means—

''(i) a contract for the purchase, sale, or loan of a security, a mortgage loan or an interest in a mortgage loan, a group or index of securities, or mortgage loans or interests therein (including an interest therein or based on the value thereof), or option on any of the foregoing, including an option to purchase or sell any of the foregoing;

''(ii) an option entered into on a national securities exchange relating to foreign currencies;

''(iii) the guarantee by or to a securities clearing agency of a settlement of cash, securities, mortgage loans or interests therein, group or index of securities, or mortgage loans or interests therein (including any interest therein or based on the value thereof), or option on any of the foregoing, including an option to purchase or sell any of the foregoing;

''(iv) a margin loan;

''(v) any other agreement or transaction that is similar to an agreement or transaction referred to in this subparagraph;

''(vi) a combination of the agreements or transactions referred to in this subparagraph;

''(vii) an option to enter into an agreement or transaction referred to in this subparagraph;

''(viii) a master netting agreement that provides for an agreement or transaction referred to in clause (i), (ii), (iii), (iv), (v), (vi), or (vii), together with all supplements to such master netting agreement, without regard to whether such master netting agreement provides for an agreement or transaction that is not a securities contract under this subparagraph, except that such master netting agreement shall be considered to be a securities contract under this subparagraph only with respect to each agreement or transaction under such master netting agreement that is referred to in clause (i), (ii), (iii), (iv), (v), (vi), or (vii); or

''(ix) a security agreement or arrangement, or other credit enhancement, directly pertaining to a contract referred to in this subparagraph, but not to exceed the actual value of such contract on the date of the filing of the petition; and

''(B) does not include a purchase, sale, or repurchase obligation under a participation in a commercial mortgage loan;''; and

(3) in section 761(4)—

(A) by striking ''or'' at the end of subparagraph (D); and

(B) by adding at the end the following:

''(F) any other agreement or transaction that is similar to an agreement or transaction referred to in this paragraph;

''(G) a combination of the agreements or transactions referred to in this paragraph;

''(H) an option to enter into an agreement or transaction referred to in this paragraph;

''(I) a master netting agreement that provides for an agreement or transaction referred to in subparagraph (A), (B), (C), (D), (E), (F), (G), or (H), together with all supplements to such master netting agreement, without regard to whether such master netting agreement provides for an agreement or transaction that is not a commodity contract under this paragraph, except that such master netting agreement shall be considered to be a commodity contract under this paragraph only with respect to each agreement or transaction under such master netting agreement that is referred to in subparagraph (A), (B), (C), (D), (E), (F), (G), or (H); or

''(J) a security agreement or arrangement, or other credit enhancement, directly pertaining to a contract referred to in this paragraph, but not to exceed the actual value of such contract on the date of the filing of the petition;''.

(b) DEFINITIONS OF FINANCIAL INSTITUTION, FINANCIAL PARTICIPANT, AND FORWARD CONTRACT MERCHANT.—Section 101 of title 11, United States Code, is amended—

(1) by amending paragraph (22) to read as follows:

''(22) 'financial institution' means—

''(A) a Federal reserve bank, or an entity that is a commercial or savings bank, industrial savings bank, savings and loan association, trust company, or receiver or conservator for such entity and, when such Federal reserve bank, receiver, or conservator or entity is acting as agent or custodian for a customer in connection with a securities contract, as defined in section 741 of this title, such customer; or

''(B) in connection with a securities contract, as defined in section 741 of this title, an investment company registered under the Investment Company Act of 1940;'';

(2) by inserting after paragraph (22) the following:

''(22A) 'financial participant' means an entity that is a party to a securities contract, commodity contract or forward contract, or on the date of the filing of the petition, has a commodity contract (as defined in section 761 of this title) with the debtor or any other entity (other than an affiliate) of a total gross dollar value of at least $1,000,000,000 in notional or actual principal amount outstanding on any day during the previous 15-month period, or has gross mark-to-market positions of at least $100,000,000 (aggregated across counterparties) in any such agreement or transaction with the debtor or any other entity (other than an affiliate) on any day during the previous 15-month period;''; and

(3) by amending paragraph (26) to read as follows:

''(26) 'forward contract merchant' means a Federal reserve bank, or an entity whose business consists in whole or in part of entering into forward contracts as or with merchants or in a commodity, as defined or in section 761 of this title, or any similar good, article, service, right, or interest which is presently or in the future becomes the subject of dealing or in the forward contract trade;''.

(c) DEFINITION OF MASTER NETTING AGREEMENT AND MASTER NETTING AGREEMENT PARTICIPANT.—Section 101 of title 11, United States Code, is amended by inserting after paragraph (38) the following new paragraphs:

''(38A) the term 'master netting agreement' means an agreement providing for the exercise of rights, including rights of netting, setoff, liquidation, termination, acceleration, or closeout, under or in connection with 1 or more contracts that are described in any 1 or more of paragraphs (1) through (5) of section 561(a), or any security agreement or arrangement or other credit enhancement related to 1 or more of the foregoing. If a master netting agreement contains provisions relating to agreements or transactions that are not contracts described in paragraphs (1) through (5) of section 561(a), the master netting agreement shall be deemed to be a master netting agreement only with respect to those agreements or transactions that are described in any 1 or more of the paragraphs (1) through (5) of section 561(a);

''(38B) the term 'master netting agreement participant' means an entity that, at any time before the filing of the petition, is a party to an outstanding master netting agreement with the debtor;''.

(d) SWAP AGREEMENTS, SECURITIES CONTRACTS, COMMODITY CONTRACTS, FORWARD CONTRACTS, REPURCHASE AGREEMENTS, AND MASTER NETTING AGREEMENTS UNDER THE AUTOMATIC-STAY.—

(1) IN GENERAL.—Section 362(b) of title 11, United States Code, as amended by sections 120, 134, 139, 203 and 818, is amended—

(A) in paragraph (6), by inserting '', pledged to, and under the control of,'' after ''held by'';

(B) in paragraph (7), by inserting '', pledged to, and under the control of,'' after ''held by'';

(C) by amending paragraph (17) to read as follows:

''(17) under subsection (a), of the setoff by a swap participant of a mutual debt and claim under or in connection with a swap agreement that constitutes the setoff of a claim against the debtor for a payment or transfer due from the debtor under or in connection with a swap agreement against a payment due to the debtor from the swap participant under or in connection with a swap agreement or against cash, securities, or other property held by, pledged to, and under the control of, or due from such swap participant to guarantee, secure, or settle a swap agreement;'';

(D) in paragraph (27), by striking ''or'' at the end;

(E) in paragraph (28) by striking the period at the end and inserting ''; and''; and

(F) by inserting after paragraph (28) the following new paragraph:

''(29) under subsection (a), of the setoff by a master netting agreement participant of a mutual debt and claim under or in connection with 1 or more master netting agreements or any contract or agreement subject to such agreements that constitutes the setoff of a claim against the debtor for any payment or other transfer of property due from the debtor under or in connection with such agreements or any contract or agreement subject to such agreements against any payment due to the debtor from such master netting agreement participant under or in connection with such agreements or any contract or agreement subject to such agreements or against cash, securities, or other property held by, pledged or and under the control of, or due from such master netting agreement participant to margin, guarantee, secure, or settle such agreements or any contract or agreement subject to such agreements, to the extent such participant is eligible to exercise such offset rights under paragraph (6), (7), or (17) for each individual contract covered by the master netting agreement in issue.''.

(2) LIMITATION.—Section 362 of title 11, United States Code, is amended by adding at the end the following:

''(i) LIMITATION.—The exercise of rights not subject to the stay arising under subsection (a) pursuant to paragraph (6), (7), or (17) of subsection (b) shall not be stayed by an order of a court or administrative agency in any proceeding under this title.''.

(e) LIMITATION OF AVOIDANCE POWERS UNDER MASTER NETTING AGREEMENT.—Section 546 of title 11, United States Code, is amended—

(1) in subsection (g) (as added by section 103 of Public Law 101–311)—

(A) by striking ''under a swap agreement'';

(B) by striking ''in connection with a swap agreement'' and inserting ''under or in connection with any swap agreement'';

(2) by redesignating subsection (g) (as added by section 222(a) of Public Law 103–394) as subsection (i); and

(3) by inserting before subsection (i) (as redesignated) the following new subsection:

''(h) Notwithstanding sections 544, 545, 547, 548(a)(2)(B), and 548(b) of this title, the trustee may not avoid a transfer made by or to a master netting agreement participant under or in connection with any master netting agreement or any individual contract covered thereby that is made before the commencement of the case, and except to the extent the trustee could otherwise avoid such a transfer made under an individual contract covered by such master netting agreement, except under section 548(a)(1)(A) of this title.''.

(f) FRAUDULENT TRANSFERS OF MASTER NETTING AGREEMENTS.—Section 548(d)(2) of title 11, United States Code, is amended—

(1) in subparagraph (C), by striking ''and'';

(2) in subparagraph (D), by striking the period and inserting ''; and''; and

(3) by adding at the end the following new subparagraph:

''(E) a master netting agreement participant that receives a transfer in connection with a master netting agreement or any individual contract covered thereby takes for value to the extent of such transfer, except, with respect to a transfer under any individual contract covered thereby, to the extent such master netting agreement participant otherwise did not take (or is otherwise not deemed to have taken) such transfer for value.''.

(g) TERMINATION OR ACCELERATION OF SECURITIES CONTRACTS.—Section 555 of title 11, United States Code, is amended—

(1) by amending the section heading to read as follows:

''§ 555. Contractual right to liquidate, terminate, or accelerate a securities contract''; and

(2) in the first sentence, by striking ''liquidation'' and inserting ''liquidation, termination, or acceleration''.

(h) TERMINATION OR ACCELERATION OF COMMODITIES OR FORWARD CONTRACTS.—Section 556 of title 11, United States Code, is amended—

(1) by amending the section heading to read as follows:

''§ 556. Contractual right to liquidate, terminate, or accelerate a commodities contract or forward contract''; and

(2) in the first sentence, by striking ''liquidation'' and inserting ''liquidation, termination, or acceleration''.

(i) TERMINATION OR ACCELERATION OF REPURCHASE AGREEMENTS.—Section 559 of title 11, United States Code, is amended—

(1) by amending the section heading to read as follows:

''§ 559. Contractual right to liquidate, terminate, or accelerate a repurchase agreement''; and

(2) in the first sentence, by striking ''liquidation'' and inserting ''liquidation, termination, or acceleration''.

(j) LIQUIDATION, TERMINATION, OR ACCELERATION OF SWAP AGREEMENTS.—Section 560 of title 11, United States Code, is amended—

(1) by amending the section heading to read as follows:

''§ 560. Contractual right to liquidate, terminate, or accelerate a swap agreement''; and

(2) in the first sentence, by striking ''termination of a swap agreement'' and inserting ''liquidation, termination, or acceleration of a swap agreement''; and

(3) by striking ''in connection with any swap agreement'' and inserting ''in connection with the termination, liquidation, or acceleration of a swap agreement''.

(k) LIQUIDATION, TERMINATION, ACCELERATION, OR OFFSET UNDER A MASTER NETTING AGREEMENT AND ACROSS CONTRACTS.—Title 11, United States Code, is amended by inserting after section 560 the following new section:

"§ 561. Contractual right to terminate, liquidate, accelerate, or offset under a master netting agreement and across contracts

''(a) IN GENERAL.—Subject to subsection (b), the exercise of any contractual right, because of a condition of the kind specified in section 365(e)(1), to cause the termination, liquidation, or acceleration of or to offset or net termination values, payment amounts or other transfer obligations arising under or in connection with 1 or more (or the termination, liquidation, or acceleration of 1 or more—

''(1) securities contracts, as defined in section 741(7);

''(2) commodity contracts, as defined in section 761(4);

''(3) forward contracts;

''(4) repurchase agreements;

''(5) swap agreements; or

''(6) master netting agreements,

shall not be stayed, avoided, or otherwise limited by operation of any provision of this title or by any order of a court or administrative agency in any proceeding under this title.

''(b) EXCEPTION.—

''(1) A party may exercise a contractual right described in subsection (a) to terminate, liquidate, or accelerate only to the extent that such party could exercise such a right under section 555, 556, 559, or 560 for each individual contract covered by the master netting agreement in issue.

''(2) If a debtor is a commodity broker subject to subchapter IV of chapter 7 of this title—

''(A) a party may not net or offset an obligation to the debtor arising under, or in connection with, a commodity contract against any claim arising under, or in connection with, other instruments, contracts, or agreements listed in subsection (a) except to the extent the party has no positive net equity in the commodity accounts at the debtor, as calculated under subchapter IV;

''(B) another commodity broker may not net or offset an obligation to the debtor arising under, or in connection with, a commodity contract entered into or held on behalf of a customer of the debtor against any claim arising under, or in connection with, other instruments, contracts, or agreements listed in subsection (a).

''(c) DEFINITION.—As used in this section, the term 'contractual right' includes a right set forth in a rule or bylaw of a national securities exchange, a national securities association, or a securities clearing agency, a right set forth in a bylaw of a clearing organization or contract market or in a resolution of the governing board thereof, and a right, whether or not evidenced in writing, arising under common law, under law merchant, or by reason of normal business practice.''.

(l) MUNICIPAL BANKRUPTCIES.—Section 901 of title 11, United States Code, is amended—

(1) by inserting '', 555, 556'' after ''553''; and

(2) by inserting '', 559, 560, 561,'' after ''557''.

(m) ANCILLARY PROCEEDINGS.—Section 304 of title 11, United States Code, is amended by adding at the end the following:

''(d) Any provisions of this title relating to securities contracts, commodity contracts, forward contracts, repurchase agreements, swap agreements, or master netting agreements shall apply in a case ancillary to a foreign proceeding under this section or any other section of this title, so that enforcement of contractual provisions of such contracts and agreements in accordance with their terms will not be stayed or otherwise limited by operation of any provision of this title or by order of a court in any case under this title, and to limit avoidance powers to the same extent as in a proceeding under chapter 7 or 11 of this title (such enforcement not to be limited based on the presence or absence of assets of the debtor in the United States).''.

(n) COMMODITY BROKER LIQUIDATIONS.—Title 11, United States Code, is amended by inserting after section 766 the following:

"§ 767. Commodity broker liquidation and forward contract merchants, commodity brokers, stockbrokers, financial institutions, securities clearing agencies, swap participants, repo participants, and master netting agreement participants

''Notwithstanding any other provision of this title, the exercise of rights by a forward contract merchant, commodity broker, stockbroker, financial institution, securities clearing agency, swap participant, repo participant, or master netting agreement participant under this title shall not affect the priority of any unsecured claim it may have after the exercise of such rights.''.

(o) STOCKBROKER LIQUIDATIONS.—Title 11, United States Code, is amended by inserting after section 752 the following:

"§ 753. Stockbroker liquidation and forward contract merchants, commodity brokers, stockbrokers, financial institutions, securities clearing agencies, swap participants, repo participants, and master netting agreement participants

''Notwithstanding any other provision of this title, the exercise of rights by a forward contract merchant, commodity broker, stockbroker, financial institution, securities clearing agency, swap participant, repo participant, financial participant, or master netting agreement participant under this title shall not affect the priority of any unsecured claim it may have after the exercise of such rights.''.

(p) SETOFF.—Section 553 of title 11, United States Code, is amended—

(1) in subsection (a)(3)(C), by inserting ''(except for a setoff of a kind described in section 362(b)(6), 362(b)(7), 362(b)(17), 362(b)(19), 555, 556, 559, or 560 of this title)'' before the period; and

(2) in subsection (b)(1), by striking ''362(b)(14),'' and inserting ''362(b)(17), 362(b)(19), 555, 556, 559, 560,''.

(q) SECURITIES CONTRACTS, COMMODITY CONTRACTS, AND FORWARD CONTRACTS.—Title 11, United States Code, is amended—

(1) in section 362(b)(6), by striking ''financial institutions,'' each place such term appears and inserting ''financial institution, financial participant'';

(2) in section 546(e), by inserting ''financial participant'' after ''financial institution,'';

(3) in section 548(d)(2)(B), by inserting ''financial participant'' after ''financial institution,'';

(4) in section 555—

(A) by inserting ''financial participant'' after ''financial institution,''; and

(B) by inserting before the period '', a right set forth in a bylaw of a clearing organization or contract market or in a resolution of the governing board thereof, and a right, whether or not in writing, arising under common law, under law merchant, or by reason of normal business practice''; and

(5) in section 556, by inserting '', financial participant'' after ''commodity broker''.

(r) CONFORMING AMENDMENTS.—Title 11 of the United States Code is amended—

(1) in the table of sections of chapter 5—

(A) by amending the items relating to sections 555 and 556 to read as follows:

''555. Contractual right to liquidate, terminate, or accelerate a securities contract.

''556. Contractual right to liquidate, terminate, or accelerate a commodities contract or forward contract.''; and

(B) by amending the items relating to sections 555 and 556 to read as follows:

''559. Contractual right to liquidate, terminate, or accelerate a repurchase agreement.

''560. Contractual right to liquidate, terminate, or accelerate a swap agreement.''; and

(2) in the table of sections of chapter 7—

(A) by inserting after the item relating to section 766 the following:

''767. Commodity broker liquidation and forward contract merchants, commodity brokers, stockbrokers, financial institutions, securities clearing agencies, swap participants, repo participants, and master netting agreement participants.''; and

(B) by inserting after the item relating to section 752 the following:

''753. Stockbroker liquidation and forward contract merchants, commodity brokers, stockbrokers, financial institutions, securities clearing agencies, swap participants, repo participants, and master netting agreement participants.''.

SEC. 1008. RECORDKEEPING REQUIREMENTS.

Section 11(e)(8) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)) is amended by adding at the end the following new subparagraph:

''(H) RECORDKEEPING REQUIREMENTS.—The Corporation, in consultation with the appropriate Federal banking agencies, may prescribe regulations requiring more detailed recordkeeping with respect to qualified financial contracts (including market valuations) by insured depository institutions.''.

SEC. 1009. EXEMPTIONS FROM CONTEMPORANEOUS EXECUTION —REQUIREMENT.

Section 13(e)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1823(e)(2)) is amended to read as follows:

''(2) EXEMPTIONS FROM CONTEMPORANEOUS EXECUTION REQUIREMENT.—An agreement to provide for the lawful collateralization of—

''(A) deposits of, or other credit extension by, a Federal, State, or local governmental entity, or of any depositor referred to in section 11(a)(2), including an agreement to provide collateral in lieu of a surety bond;

''(B) bankruptcy estate funds pursuant to section 345(b)(2) of title 11, United States Code;

''(C) extensions of credit, including any overdraft, from a Federal reserve bank or Federal home loan bank; or

''(D) 1 or more qualified financial contracts, as defined in section 11(e)(8)(D),

shall not be deemed invalid pursuant to paragraph (1)(B) solely because such agreement was not executed contemporaneously with the acquisition of the collateral or because of pledges, delivery, or substitution of the collateral made in accordance with such agreement.''.

SEC. 1010. DAMAGE MEASURE.

(a) Title 11, United States Code, is amended—

(1) by inserting after section 561 the following:

"§ 562. Damage measure in connection with swap agreements, securities contracts, forward contracts, commodity contracts, repurchase agreements, or master netting agreements

''If the trustee rejects a swap agreement, securities contract as defined in section 741 of this title, forward contract, commodity contract (as defined in section 761 of this title) repurchase agreement, or master netting agreement pursuant to section 365(a) of this title, or if a forward contract merchant, stockbroker, financial institution, securities clearing agency, repo participant, financial participant, master netting agreement participant, or swap participant liquidates, terminates, or accelerates such contract or agreement, damages shall be measured as of the earlier of—

''(1) the date of such rejection; or

''(2) the date of such liquidation, termination, or acceleration.''; and

(2) in the table of sections of chapter 5 by inserting after the item relating to section 561 the following:

''562. Damage measure in connection with swap agreements, securities contracts, forward contracts, commodity contracts, repurchase agreements, or master netting agreements.''.

(b) CLAIMS ARISING FROM REJECTION.—Section 502(g) of title 11, United States Code, is amended—

(1) by designating the existing text as paragraph (1); and

(2) by adding at the end the following:

''(2) A claim for damages calculated in accordance with section 561 of this title shall be allowed under subsection (a), (b), or (c), or disallowed under subsection (d) or (e), as if such claim had arisen before the date of the filing of the petition.''.

SEC. 1011. SIPC STAY.

Section 5(b)(2) of the Securities Investor Protection Act of 1970 (15 U.S.C. 78eee(b)(2)) is amended by adding after subparagraph (B) the following new subparagraph:

''(C) EXCEPTION FROM STAY.—

''(i) Notwithstanding section 362 of title 11, United States Code, neither the filing of an application under subsection (a)(3) nor any order or decree obtained by Securities Investor Protection Corporation from the court shall operate as a stay of any contractual rights of a creditor to liquidate, terminate, or accelerate a securities contract, commodity contract, forward contract, repurchase agreement, swap agreement, or master netting agreement, each as defined in title 11, to offset or net termination values, payment amounts, or other transfer obligations arising under or in connection with 1 or more of such contracts or agreements, or to foreclose on any cash collateral pledged by the debtor whether or not with respect to 1 or more of such contracts or agreements.

''(ii) Notwithstanding clause (i), such application, order, or decree may operate as a stay of the foreclosure on securities collateral pledged by the debtor, whether or not with respect to 1 or more of such contracts or agreements, securities sold by the debtor under a repurchase agreement or securities lent under a securities lending agreement.

''(iii) As used in this section, the term 'contractual right' includes a right set forth in a rule or bylaw of a national securities exchange, a national securities association, or a securities clearing agency, a right set forth in a bylaw of a clearing organization or contract market or in a resolution of the governing board thereof, and a right, whether or not in writing, arising under common law, under law merchant, or by reason of normal business practice.''.

SEC. 1012. ASSET-BACKED SECURITIZATIONS.

Section 541 of title 11, United States Code, is amended—

(1) in subsection (b), by striking ''or'' at the end of paragraph (4);

(2) by redesignating paragraph (5) of subsection (b) as paragraph (6);

(3) by inserting after paragraph (4) of subsection (b) the following new paragraph:

''(5) any eligible asset (or proceeds thereof), to the extent that such eligible asset was transferred by the debtor, before the date of commencement of the case, to an eligible entity in connection with an asset-backed securitization, except to the extent such asset (or proceeds or value thereof) may be recovered by the trustee under section 550 by virtue of avoidance under section 548(a); or''; and

(4) by adding at the end the following new subsection:

''(e) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

''(1) ASSET-BACKED SECURITIZATION.—The term 'asset-backed securitization' means a transaction in which eligible assets transferred to an eligible entity are used as the source of payment on securities, the most senior of which are rated investment grade by 1 or more nationally recognized securities rating organizations, issued by an issuer;

''(2) ELIGIBLE ASSET.—The term 'eligible asset' means—

''(A) financial assets (including interests therein and proceeds thereof), either fixed or revolving, including residential and commercial mortgage loans, consumer receivables, trade receivables, and lease receivables, that, by their terms, convert into cash within a finite time period, plus any rights or other assets designed to assure the servicing or timely distribution of proceeds to security holders;

''(B) cash; and

''(C) securities.

''(3) ELIGIBLE ENTITY.—The term 'eligible entity' means—

''(A) an issuer; or

''(B) a trust, corporation, partnership, or other entity engaged exclusively in the business of acquiring and transferring eligible assets directly or indirectly to an issuer and taking actions ancillary thereto;

''(4) ISSUER.—The term 'issuer' means a trust, corporation, partnership, or other entity engaged exclusively in the business of acquiring and holding eligible assets, issuing securities backed by eligible assets, and taking actions ancillary thereto.

''(5) TRANSFERRED.—The term 'transferred' means the debtor, pursuant to a written agreement, represented and warranted that eligible assets were sold, contributed, or otherwise conveyed with the intention of removing them from the estate of the debtor pursuant to subsection (b)(5), irrespective, without limitation of—

''(A) whether the debtor directly or indirectly obtained or held an interest in the issuer or in any securities issued by the issuer;

''(B) whether the debtor had an obligation to repurchase or to service or supervise the servicing of all or any portion of such eligible assets; or

''(C) the characterization of such sale, contribution, or other conveyance for tax, accounting, regulatory reporting, or other purposes.''.

SEC. 1013. FEDERAL RESERVE COLLATERAL REQUIREMENTS.

The 2d sentence of the 2d undesignated paragraph of section 16 of the Federal Reserve Act (12 U.S.C. 412) is amended by striking ''acceptances acquired under section 13 of this Act'' and inserting ''acceptances acquired under section 10A, 10B, 13, or 13A of this Act''.

SEC. 1014. SEVERABILITY; EFFECTIVE DATE; APPLICATION OF AMENDMENTS.

(a) SEVERABILITY.—If any provision of this Act or any amendment made by this Act, or the application of any such provision or amendment to any person or circumstance, is held to be unconstitutional, the remaining provisions of and amendments made by this Act and the application of such other provisions and amendments to any person or circumstance shall not be affected thereby.

(b) EFFECTIVE DATE.—This Act shall take effect on the date of the enactment of this Act.

(c) APPLICATION OF AMENDMENTS.—The amendments made by this Act shall apply with respect to cases commenced or appointments made under any Federal or State law after the date of enactment of this Act, but shall not apply with respect to cases commenced or appointments made under any Federal or State law before the date of enactment of this Act.

TITLE XI—TECHNICAL CORRECTIONS

SEC. 1101. DEFINITIONS.

Section 101 of title 11, United States Code, as amended by section 317, is amended—

(1) by striking ''In this title—'' and inserting ''In this title:'';

(2) in each paragraph, by inserting ''The term'' after the paragraph designation;

(3) in paragraph (35)(B), by striking ''paragraphs (21B) and (33)(A)'' and inserting ''paragraphs (23) and (35)'';

(4) in each of paragraphs (35A) and (38), by striking ''; and'' at the end and inserting a period;

(5) in paragraph (51B)—

(A) by inserting ''who is not a family farmer'' after ''debtor'' the first place it appears; and

(B) by striking ''thereto having aggregate'' and all that follows through the end of the paragraph;

(6) by amending paragraph (54) to read as follows:

''(54) The term 'transfer' means—

''(A) the creation of a lien;

''(B) the retention of title as a security interest;

''(C) the foreclosure of a debtor's equity of redemption; or

''(D) each mode, direct or indirect, absolute or conditional, voluntary or involuntary, of disposing of or parting with—

''(i) property; or

''(ii) an interest in property;'';

(7) in each of paragraphs (1) through (35), in each of paragraphs (36) and (37), and in each of paragraphs (40) through (55) (including paragraph (54), as amended by paragraph (6) of this section), by striking the semicolon at the end and inserting a period; and

(8) by redesignating paragraphs (4) through (55), including paragraph (54), as amended by paragraph (6) of this section, in entirely numerical sequence.

SEC. 1102. ADJUSTMENT OF DOLLAR AMOUNTS.

Section 104 of title 11, United States Code, is amended by inserting ''522(f)(3), 707(b)(5),'' after ''522(d),'' each place it appears.

SEC. 1103. EXTENSION OF TIME.

Section 108(c)(2) of title 11, United States Code, is amended by striking ''922'' and all that follows through ''or'', and inserting ''922, 1201, or''.

SEC. 1104. TECHNICAL AMENDMENTS.

Title 11 of the United States Code is amended—

(1) in section 109(b)(2) by striking ''subsection (c) or (d) of'';

(2) in section 541(b)(4) by adding ''or'' at the end; and

(3) in section 552(b)(1) by striking ''product'' each place it appears and inserting ''products''.

SEC. 1105. PENALTY FOR PERSONS WHO NEGLIGENTLY OR FRAUDULENTLY PREPARE BANKRUPTCY PETITIONS.

Section 110(j)(3) of title 11, United States Code, is amended by striking ''attorney's'' and inserting ''attorneys' ''.

SEC. 1106. LIMITATION ON COMPENSATION OF PROFESSIONAL PERSONS.

Section 328(a) of title 11, United States Code, is amended by inserting ''on a fixed or percentage fee basis,'' after ''hourly basis,''.

SEC. 1107. SPECIAL TAX PROVISIONS.

Section 346(g)(1)(C) of title 11, United States Code, is amended by striking '', except'' and all that follows through ''1986''.

SEC. 1108. EFFECT OF CONVERSION.

Section 348(f)(2) of title 11, United States Code, is amended by inserting ''of the estate'' after ''property'' the first place it appears.

SEC. 1109. AMENDMENT TO TABLE OF SECTIONS.

The table of sections for chapter 5 of title 11, United States Code, is amended by striking the item relating to section 556 and inserting the following:

''556. Contractual right to liquidate a commodities contract or forward contract.''.

SEC. 1110. ALLOWANCE OF ADMINISTRATIVE EXPENSES.

Section 503(b)(4) of title 11, United States Code, is amended by inserting ''subparagraph (A), (B), (C), (D), or (E) of'' before ''paragraph (3)''.

SEC. 1111. PRIORITIES.

Section 507(a) of title 11, United States Code, as amended by section 323, is amended—

(1) in paragraph (3)(B), by striking the semicolon at the end and inserting a period; and

(2) in paragraph (7), by inserting ''unsecured'' after ''allowed''.

SEC. 1112. EXEMPTIONS.

Section 522 of title 11, United States Code, as amended by section 320, is amended—

(1) in subsection (f)(1)(A)(ii)(II)—

(A) by striking ''includes a liability designated as'' and inserting ''is for a liability that is designated as, and is actually in the nature of,''; and

(B) by striking '', unless'' and all that follows through ''support''; and

(2) in subsection (g)(2), by striking ''subsection (f)(2)'' and inserting ''subsection (f)(1)(B)''.

SEC. 1113. EXCEPTIONS TO DISCHARGE.

Section 523 of title 11, United States Code, is amended—

(1) in subsection (a)(3), by striking ''or (6)'' each place it appears and inserting ''(6), or (15)'';

(2) as amended by section 304(e) of Public Law 103–394 (108 Stat. 4133), in paragraph (15), by transferring such paragraph so as to insert it after paragraph (14) of subsection (a);

(3) in subsection (a)(9), by inserting '', watercraft, or aircraft'' after ''motor vehicle'';

(4) in subsection (a)(15), as so redesignated by paragraph (2) of this subsection, by inserting ''to a spouse, former spouse, or child of the debtor and'' after ''(15)'';

(5) in subsection (a)(17)—

(A) by striking ''by a court'' and inserting ''on a prisoner by any court'';

(B) by striking ''section 1915 (b) or (f)'' and inserting ''subsection (b) or (f)(2) of section 1915''; and

(C) by inserting ''(or a similar non-Federal law)'' after ''title 28'' each place it appears; and

(6) in subsection (e), by striking ''a insured'' and inserting ''an insured''.

SEC. 1114. EFFECT OF DISCHARGE.

Section 524(a)(3) of title 11, United States Code, is amended by striking ''section 523'' and all that follows through ''or that'' and inserting ''section 523, 1228(a)(1), or 1328(a)(1) of this title, or that''.

SEC. 1115. PROTECTION AGAINST DISCRIMINATORY TREATMENT.

Section 525(c) of title 11, United States Code, is amended—

(1) in paragraph (1), by inserting ''student'' before ''grant'' the second place it appears; and

(2) in paragraph (2), by striking ''the program operated under part B, D, or E of'' and inserting ''any program operated under''.

SEC. 1116. PROPERTY OF THE ESTATE.

Section 541(b)(4)(B)(ii) of title 11, United States Code, is amended by inserting ''365 or'' before ''542''.

SEC. 1117. PREFERENCES.

Section 547 of title 11, United States Code, is amended—

(1) in subsection (b), by striking ''subsection (c)'' and inserting ''subsections (c) and (h)''; and

(2) by adding at the end the following:

''(h) If the trustee avoids under subsection (b) a security interest given between 90 days and 1 year before the date of the filing of the petition, by the debtor to an entity that is not an insider for the benefit of a creditor that is an insider, such security interest shall be considered to be avoided under this section only with respect to the creditor that is an insider.''.

SEC. 1118. POSTPETITION TRANSACTIONS.

Section 549(c) of title 11, United States Code, is amended—

(1) by inserting ''an interest in'' after ''transfer of'';

(2) by striking ''such property'' and inserting ''such real property''; and

(3) by striking ''the interest'' and inserting ''such interest''.

SEC. 1119. DISPOSITION OF PROPERTY OF THE ESTATE.

Section 726(b) of title 11, United States Code, is amended by striking ''1009,''.

SEC. 1120. GENERAL PROVISIONS.

Section 901(a) of title 11, United States Code, as amended by section 408, is amended by inserting ''1123(d),'' after ''1123(b),''.

SEC. 1121. APPOINTMENT OF ELECTED TRUSTEE.

Section 1104(b) of title 11, United States Code, is amended—

(1) by inserting ''(1)'' after ''(b)''; and

(2) by adding at the end the following:

''(2)(A) If an eligible, disinterested trustee is elected at a meeting of creditors under paragraph (1), the United States trustee shall file a report certifying that election. Upon the filing of a report under the preceding sentence—

''(i) the trustee elected under paragraph (1) shall be considered to have been selected and appointed for purposes of this section; and

''(ii) the service of any trustee appointed under subsection (d) shall terminate.

''(B) In the case of any dispute arising out of an election under subparagraph (A), the court shall resolve the dispute.''.

SEC. 1122. ABANDONMENT OF RAILROAD LINE.

Section 1170(e)(1) of title 11, United States Code, is amended by striking ''section 11347'' and inserting ''section 11326(a)''.

SEC. 1123. CONTENTS OF PLAN.

Section 1172(c)(1) of title 11, United States Code, is amended by striking ''section 11347'' and inserting ''section 11326(a)''.

SEC. 1124. DISCHARGE UNDER CHAPTER 12.

Subsections (a) and (c) of section 1228 of title 11, United States Code, are amended by striking ''1222(b)(10)'' each place it appears and inserting ''1222(b)(9)''.

SEC. 1125. BANKRUPTCY CASES AND PROCEEDINGS.

Section 1334(d) of title 28, United States Code, is amended—

(1) by striking ''made under this subsection'' and inserting ''made under subsection (c)''; and

(2) by striking ''This subsection'' and inserting ''Subsection (c) and this subsection''.

SEC. 1126. KNOWING DISREGARD OF BANKRUPTCY LAW OR RULE.

Section 156(a) of title 18, United States Code, is amended—

(1) in the first undesignated paragraph—

(A) by inserting ''(1) the term'' before ''bankruptcy''; and

(B) by striking the period at the end and inserting ''; and''; and

(2) in the second undesignated paragraph—

(A) by inserting ''(2) the term'' before ''document''; and

(B) by striking ''this title'' and inserting ''title 11''.

SEC. 1127. TRANSFERS MADE BY NONPROFIT CHARITABLE CORPORATIONS.

(a) SALE OF PROPERTY OF ESTATE.—Section 363(d) of title 11, United States Code, is amended—

(1) by striking ''only'' and all that follows through the end of the subsection and inserting ''only—

''(1) in accordance with applicable nonbankruptcy law that governs the transfer of property by a corporation or trust that is not a moneyed, business, or commercial corporation or trust; and

''(2) to the extent not inconsistent with any relief granted under subsection (c), (d), (e), or (f) of section 362 of this title.''.

(b) CONFIRMATION OF PLAN FOR REORGANIZATION.—Section 1129(a) of title 11, United States Code, as amended by section 143, is amended by adding at the end the following:

''(15) All transfers of property of the plan shall be made in accordance with any applicable provisions of nonbankruptcy law that govern the transfer of property by a corporation or trust that is not a moneyed, business, or commercial corporation or trust.''.

(c) TRANSFER OF PROPERTY.—Section 541 of title 11, United States Code, is amended by adding at the end the following:

''(e) Notwithstanding any other provision of this title, property that is held by a debtor that is a corporation described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code may be transferred to an entity that is not such a corporation, but only under the same conditions as would apply if the debtor had not filed a case under this title.''.

(d) APPLICABILITY.—The amendments made by this section shall apply to a case pending under title 11, United States Code, on the date of enactment of this Act, except that the court shall not confirm a plan under chapter 11 of this title without considering whether this section would substantially affect the rights of a party in interest who first acquired rights with respect to the debtor after the date of the petition. The parties who may appear and be heard in a proceeding under this section include the attorney general of the State in which the debtor is incorporated, was formed, or does business.

(e) RULE OF CONSTRUCTION.—Nothing in this section shall be deemed to require the court in which a case under chapter 11 is pending to remand or refer any proceeding, issue, or controversy to any other court or to require the approval of any other court for the transfer of property.

SEC. 1128. PROHIBITION ON CERTAIN ACTIONS FOR FAILURE TO INCUR FINANCE CHARGES.

Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end the following:

''(h) PROHIBITION ON CERTAIN ACTIONS FOR FAILURE TO INCUR FINANCE CHARGES.—A creditor of an account under an open end consumer credit plan may not terminate an account prior to its expiration date solely because the consumer has not incurred finance charges on the account. Nothing in this subsection shall prohibit a creditor from terminating an account for inactivity in 3 or more consecutive months.''.

SEC. 1129. PROTECTION OF VALID PURCHASE MONEY SECURITY INTERESTS.

Section 547(c)(3)(B) of title 11, united states code, is amended by striking ''20'' and inserting ''30''.

SEC. 1130. TRUSTEES.

(a) SUSPENSION AND TERMINATION OF PANEL TRUSTEES AND STANDING TRUSTEES.—Section 586(d) of title 28, United States Code, is amended—

(1) by inserting ''(1)'' after ''(d)''; and

(2) by adding at the end the following:

''(2) A trustee whose appointment under subsection (a)(1) or under subsection (b) is terminated or who ceases to be assigned to cases filed under title 11 of the United States Code may obtain judicial review of the final agency decision by commencing an action in the United States district court for the district for which the panel to which the trustee is appointed under subsection (a)(1), or in the United States district court for the district in which the trustee is appointed under subsection (b) resides, after first exhausting all available administrative remedies, which if the trustee so elects, shall also include an administrative hearing on the record. Unless the trustee elects to have an administrative hearing on the record, the trustee shall be deemed to have exhausted all administrative remedies for purposes of this paragraph if the agency fails to make a final agency decision within 90 days after the trustee requests administrative remedies. The Attorney General shall prescribe procedures to implement this paragraph. The decision of the agency shall be affirmed by the district court unless it is unreasonable and without cause based on the administrative record before the agency.''.

(b) EXPENSES OF STANDING TRUSTEES.—Section 586(e) of title 28, United States Code, is amended by adding at the end the following:

''(3) After first exhausting all available administrative remedies, an individual appointed under subsection (b) may obtain judicial review of final agency action to deny a claim of actual, necessary expenses under this subsection by commencing an action in the United States district court in the district where the individual resides. The decision of the agency shall be affirmed by the district court unless it is unreasonable or without cause based upon the administrative record before the agency.

''(4) The Attorney General shall prescribe procedures to implement this subsection.''.

TITLE XII—GENERAL EFFECTIVE DATE; APPLICATION OF AMENDMENTS

SEC. 1201. EFFECTIVE DATE; APPLICATION OF AMENDMENTS.

(a) EFFECTIVE DATE.—Except as provided otherwise in this Act, this Act and the amendments made by this Act shall take effect 180 days after the date of the enactment of this Act.

(b) APPLICATION OF AMENDMENTS.—The amendments made by this Act shall not apply with respect to cases commenced under title 11 of the United States Code before the effective date of this Act.

And the Senate agree to the same.

From the Committee on the Judiciary, for consideration of the House bill and the Senate amendment, and modifications committed to conference:

HENRY HYDE,
BILL MCCOLLUM,
GEORGE W. GEKAS,
BOB GOODLATTE,
ED BRYANT,
STEVE CHABOT,
RICK BOUCHER,
Managers on the Part of the House.

ORRIN G. HATCH,
CHUCK GRASSLEY,
JEFF SESSIONS,
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 Senate to the bill (H.R. 3150), to amend title 11 of the United States Code, and for other purposes, 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:

Differences between the House and Senate bills on several primary issues were the focus of discussions at the Conference.

MEANS TESTING

The House version contained a pre-filing formula to steer debtors with repayment capacity into Chapter 13 repayment plans. The Senate bill directed bankruptcy judges to consider the repayment capacity of debtors who had filed in Chapter 7 bankruptcy to determine whether they were appropriately filed. The compromise combines the best aspects of both approaches. It adopts the procedural approach of the Senate bill directing bankruptcy judges to consider repayment capacity, while instructing that such repayment capacity shall be presumed by the judge if the individual meets certain bright-line standards for measuring such repayment capacity. This approach preserves the right of a debtor in bankruptcy to have a judge review his or her individual case so that the debtor's unique circumstances could be taken into account.

NON-DISCHARGEABILITY

The House bill contained a provision that any debts incurred within 90 days of declaring bankruptcy, other than reasonably necessary living expenses not exceeding $250, were presumed to be nondischargeable. The House bill capped necessary living expenses at $250. The Senate bill contained a provision that debts other than reasonably necessary living expenses incurred within 90 days of declaring bankruptcy were presumed non-dischargeable. The Senate bill exempted all expenses, whether reasonable or not, up to $400. The Conferees reached a compromise between these provisions that new debts incurred within 90 days of bankruptcy for luxury goods over $250 in value would be presumed non-dischargeable. The compromise provides no limitation for reasonably necessary living expenses.

In addition, the House bill contained a provision that any debt incurred to pay non-dischargeable debt is also non-dischargeable. Under the Senate bill, debts incurred to pay non-dischargeable debts were only non-dischargeable if the debtor intended to discharge the newly created debt in bankruptcy. Under the Committee compromise, only debts incurred within 90 days prior to filing for bankruptcy to pay non-dischargeable debts are non-dischargeable, however, debts incurred prior to 90 days prior to filing for bankruptcy to pay nondischargeable debts are nondischargeable only if the debtor intended to discharge the newly created debt in bankruptcy.

ENHANCED DISCLOSURES AND CREDITOR PENALTIES

The House bill contained disclosure requirements for debtor lawyers who advertise debt relief services to ensure that unwary consumers were not lured into bankruptcy without being fully aware of their alternatives. The Senate bill contained provisions which required certain lenders to make disclosures, regarding minimum monthly payments, total costs, among others. The House bill contained no such provisions on enhanced consumer disclosures for credit extensions. The Conferees agreed to retain the disclosure provisions for debtor attorneys and to direct the Board of Governors of the Federal Reserve to develop appropriate and meaningful additional disclosure requirements for the use of consumers. In addition, several of the Senate bill provisions which assessed stiff fines on creditors who used abusive collection techniques, were adopted in the final Conference Report. The Conference Report also specifies that the new penalties will not give rise to class action liability.

REAFFIRMATIONS

The House bill contained no comparable provision to the Senate bill, which imposed a requirement for a hearing before a judge for certain types of reaffirmations by debtors. The Conference Committee streamlined these judicial procedures by ensuring that every debtor who reaffirms unsecured debt has the opportunity to appear before a judge. Under the compromise an enhanced standard is provided for the review of certain reaffirmation agreements. The judge is now required to determine that the reaffirmation was in the best interest of the debtor, would not impose an undue hardship, and was not the result of coercion.

CRAMDOWNS

The House bill prohibited cramdowns for certain secured debts incurred within 180 days prior to bankruptcy. The Senate bill contained an absolute prohibition on cramdowns in Chapter 13 cases. The Committee compromised by prohibiting cramdowns on debts securing personal property incurred within five years of filing for bankruptcy.

HOMESTEAD EXEMPTION

The House version of the homestead exemption required a one-year residency prior to being able to claim the homestead exemption. The Senate versions capped all homestead exemptions at $100,000. The Committee compromise imposes a two-year residency requirement before a debtor can claim the homestead exemption available in a particular state.

Other differences between the bills that were resolved by the Committee of Conference are apparent from a comparison of the two bills.

CURBING ABUSIVE FILINGS

The conferees have added a new paragraph to section 707(b) to make clear that, among the considerations in applying the ''totality of the circumstances'' test for ''abuse'' is whether an individual debtor seeks to reject a personal services contract and the financial need for such rejection as sought by the debtor. This is intended to remedy problems brought to the attention of Congress involving bankruptcy filings that were motivated in material part in order to reject executory contracts for personal services so that the debtor could negotiate a new and better contract with a different company. This problem was initially addressed in Section 212 of H.R. 3150, and the solution contained in that provision was targeted at this particular form of abuse of the bankruptcy process. With the new standard for ''abuse'' in Section 707(b)(2)(C), the conferees have determined that the specific provisions of Section 212 are no longer necessary, as the bankruptcy court will not have the authority to identify and remedy such abuses. The conferees intend that, under the ''totality of the circumstances'' test, an ''abuse'' of Chapter 7 exists when rejection of the personal services contract was a material reason for commencing the bankruptcy case, and economic rehabilitation of the debtor's finances can be achieved absent rejection of the contract. The conferees also intend that application of the existing judicially-determined ''bad faith'' standard now be used in these circumstances in Chapter 7 cases and in Chapter 11 and Chapter 13 cases, in which the debtor or debtors are parties to a single personal services contract.

From the Committee on the Judiciary, for consideration of the House bill and the Senate amendment, and modifications committed to conference:

HENRY HYDE,
BILL MCCOLLUM,
GEORGE W. GEKAS,
BOB GOODLATTE,
ED BRYANT,
STEVE CHABOT,
RICK BOUCHER,
Managers on the Part of the House.

ORRIN G. HATCH,
CHUCK GRASSLEY,
JEFF SESSIONS,
Managers on the Part of the Senate.

LIMITATION ON CLOSELY RELATED PERSONS SERVING AS FEDERAL JUDGES ON THE SAME COURT

Mr. COBLE. Madam Speaker, I move to suspend the rules and pass the Senate 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, as amended.

The Clerk read 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.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. COBLE) and the gentlewoman from Texas (Ms. JACKSON-LEE) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. COBLE).

GENERAL LEAVE

Mr. COBLE. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the bill under consideration.

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

There was no objection.

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

I rise in support of S. 1892, a bill to provide that a person closely related to a judge of Federal court may not be appointed as a judge of the same court. The integrity of our Federal court system is a paramount concern for this Congress, and this bill further insures that a citizen litigant will know that an individual appointed to the bench was done so out of merit and not out of nepotism.

This bill has no known opposition to me and was passed by the Senate unanimously by voice vote. The Senate version we consider today is virtually identical to the House version introduced by the gentlewoman from Washington (Ms. DUNN). I want to commend her on her interest, leadership and diligence in bringing this bill to the floor, and I urge my colleagues to support this legislation.

Madam Speaker, I reserve the balance of my time.

Ms. JACKSON-LEE of Texas. Madam Speaker, I rise today to express my qualified objection to H.R. 3926, S. 1892, another unnecessary piece of legislation that I wish we were not considering at any time, and I understand that this bill is supported by those who decided to extract a change in Federal court procedure in exchange for supporting the nomination of one Federal court candidate, an able one I might add.

I will not call for a vote on this bill, but I do not support it. Rather my silence in not calling for a vote nor objecting more than this statement is my understanding from my years here that sometimes to get something done around here we have to do something we do not like.

Obviously I respect the nominees for this very important bench and understand the circumstances that we face. There have been judicial candidates whose nominations have been pending before the Senate for far too long. I have said over and over again, as a Member of the House Committee on the Judiciary, that we should stop the log jam and pay respect to the President of the United States in respecting the nominees who are long qualified but short on approval from the United States Senate. It is inappropriate as a matter of public policy and politics to hold up nominees because a clock is running out or because they are not affiliated with the right party. I do not approve of that, but it is a fact, and it is happening.

As an opportunity to help break a log jam over one candidate, we are being asked to change the rules, the immediate effect of which would be nil. Although this bill was directed at the situation of a mother and son sitting on the ninth circuit together, if enacted, this bill would not even apply to that situation. So it is a solution in search of a problem.

As I say, I do not think this is a good idea. I am glad, however, for the nominees' progress in moving through the process. I am glad this legislation was not around when I learned when the learned hands brother was appointed to the Southern District of New York or when President Bush appointed Morris Arnold to join his brother, Richard, on the Sixth Circuit.

But the legislation is before us now. It is the price we are being asked to pay for a good candidates's nomination to go forward. So let us get on with it, but, as we get on with it, let us get on with it in the Senate to approve many others who are standing by waiting to be approved to be able to serve their Nation.

Madam Speaker, I thank the chairman in any event for his good works on this matter albeit that I disagree with it, and I do believe that we will solve the problem for the gentleman tomorrow.

I rise today to express my qualified objection to H.R. 3926, another unnecessary piece of legislation that I wish we were not considering at any time. I understand that this bill is supported by those who have decided to extract a change in Federal court procedure in exchange for supporting the nomination of one Federal court candidate. I will not call for a vote on this bill, but I do not support it. Rather, my silence in not calling for a vote, nor objecting more than this statement, is my understanding from my years here that sometimes to get something done around here, you have to do something you don't like.

There have been judicial candidates whose nominations have been pending before the Senate for far too long. It is inappropriate as a matter of public policy, and politics, to hold up nominees because the clock is running out, or because they are not affiliated with the right party. I don't approve of that. But it is a fact. It is happening.

As an opportunity to help break a log jam over one candidate, we are being asked to change the rules on consanguinity, the immediate effect of which would be nil. Although this bill was directed at the situation of a mother and son sitting on the ninth circuit together, if enacted this bill wouldn't even apply to that situation. So, it's a solution in search of a problem. As I say, I don't think this is a good idea. I'm glad this legislation wasn't around when learned Hand's brother was appointed to the Southern District of New York, or when President Bush appointed Morris Arnold to join his brother Richard on the sixth circuit.

But the legislation is before us. It is the price we are being asked to pay for a good candidate's nomination to go forward. Let's get on with it.

Madam Speaker, I reserve the balance of my time.

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

Ms. DUNN. Mr. Speaker, today I rise in support of this legislation which will preserve the institutional integrity of the federal court system. This bill will clarify the 1922 anti-nepotism law, which prohibits the employment in any court of individuals who are related within the degree of first cousin.

Currently, there is disagreement about whether this anti-nepotism law applies simply to employees or to the judges themselves.

I believe that the law must apply to both employees and the judges if courts are to remain unbiased. It is the duty of Congress to ensure that the credibility of our judicial branch is not compromised. This is why I am supporting the Judicial Anti-Nepotism Act. This legislation clarifies the intent of the original 1922 law to preclude the appointment of a judge to a court if that person is related with the degree of first cousin to any judge to that same court.

If the law were not to apply to the familial relationship of judges close family members would be able to serve concurrently on the same court, causing litigants to whose confidence in system clearly designed to be objective and impartial. We simply cannot afford to let this happen. We must assure that federal judges are independent from any outside

influence in order the their decisions to be completely just and based only on the laws and facts of the cases.

When going to trial over serious, life changing issues, a litigant must be assured of the right to be treated fairly. When a judge sits in the position to over-turn the decision of another judge who is a close relative sitting on a panel of judges, the litigant clearly is going to question the impartiality and fairness of the final court decision. Preventing close family members from serving on the same court is a small price to pay to avoid the appearance of a loss of credibility of our court system.

This bill passed unanimously out of the Senate yesterday. I encourage my colleagues to support this bill and help uphold the just character and composition of one of our most revered institutions. I want to thank Chairman COBLE for allowing the expeditious consideration of this measure and urge my colleagues to support its passage.

□ 2230

Mr. COBLE. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. WILSON). The question is on the motion offered by the gentleman from Arizona (Mr. COBLE) that the House suspend the rules and pass the Senate bill, S. 1892, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

ANNOUNCEMENT OF BILLS TO BE CONSIDERED UNDER SUSPENSION OF THE RULES ON THURSDAY, OCTOBER 8, 1998

Mr. MCCOLLUM. Madam Speaker, pursuant to H. Res. 575, I announce the following suspensions to be considered tomorrow:

H. Con. Res. 335, H1–B Technical Corrections;

H. Con. Res. 334, Taiwan World Health Organization;

and H. Con. Res. 302, Recognizing the Importance of Children and Families.

CRIME IDENTIFICATION TECHNOLOGY ACT OF 1998

Mr. MCCOLLUM. Madam Speaker, I move to suspend the rules and pass the Senate bill (S. 2022) to provide for the improvement of interstate criminal justice identification, information, communications, and forensics, as amended.

The Clerk read as follows:

S. 2022

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

SECTION 1. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Table of contents.

TITLE I—CRIME IDENTIFICATION TECHNOLOGY ACT OF 1998

Sec. 101. Short title.
Sec. 102. State grant program for criminal justice identification, information, and communication.

TITLE II—NATIONAL CRIMINAL HISTORY ACCESS AND CHILD PROTECTION ACT

Sec. 201. Short title.

Subtitle A—Exchange of Criminal History Records for Noncriminal Justice Purposes

Sec. 211. Short title.
Sec. 212. Findings.
Sec. 213. Definitions.
Sec. 214. Enactment and consent of the United States.
Sec. 215. Effect on other laws.
Sec. 216. Enforcement and implementation.
Sec. 217. National Crime Prevention and Privacy Compact.

OVERVIEW

ARTICLE I—DEFINITIONS

ARTICLE II—PURPOSES

ARTICLE III—RESPONSIBILITIES OF COMPACT PARTIES

ARTICLE IV—AUTHORIZED RECORD DISCLOSURES

ARTICLE V—RECORD REQUEST PROCEDURES

ARTICLE VI—ESTABLISHMENT OF COMPACT COUNCIL

ARTICLE VII—RATIFICATION OF COMPACT

ARTICLE VIII—MISCELLANEOUS PROVISIONS

ARTICLE IX—RENUNCIATION

ARTICLE X—SEVERABILITY

ARTICLE XI—ADJUDICATION OF DISPUTES

Subtitle B—Volunteers for Children Act

Sec. 221. Short title.
Sec. 222. Facilitation of fingerprint checks.

TITLE I—CRIME IDENTIFICATION TECHNOLOGY ACT OF 1998

SEC. 101. SHORT TITLE.

This title may be cited as the ''Crime Identification Technology Act of 1998''.

SEC. 102. STATE GRANT PROGRAM FOR CRIMINAL JUSTICE IDENTIFICATION, INFORMATION, AND COMMUNICATION.

(a) IN GENERAL.—Subject to the availability of amounts provided in advance in appropriations Acts, the Office of Justice Programs relying principally on the expertise of the Bureau of Justice Statistics shall make a grant to each State, in a manner consistent with the national criminal history improvement program, which shall be used by the State, in conjunction with units of local government, State and local courts, other States, or combinations thereof, to establish or upgrade an integrated approach to develop information and identification technologies and systems to—

(1) upgrade criminal history and criminal justice record systems, including systems operated by law enforcement agencies and courts;

(2) improve criminal justice identification;

(3) promote compatibility and integration of national, State, and local systems for—

(A) criminal justice purposes;

(B) firearms eligibility determinations;

(C) identification of sexual offenders;

(D) identification of domestic violence offenders; and

(E) background checks for other authorized purposes unrelated to criminal justice; and

(4) capture information for statistical and research purposes to improve the administration of criminal justice.

(b) USE OF GRANT AMOUNTS.—Grants under this section may be used for programs to establish, develop, update, or upgrade—

(1) State centralized, automated, adult and juvenile criminal history record information systems, including arrest and disposition reporting;

(2) automated fingerprint identification systems that are compatible with standards established by the National Institute of Standards and Technology and interoperable with the Integrated Automated Fingerprint Identification System (IAFIS) of the Federal Bureau of Investigation;

(3) finger imaging, live scan, and other automated systems to digitize fingerprints and to communicate prints in a manner that is compatible with standards established by the National Institute of Standards and Technology and interoperable with systems operated by States and by the Federal Bureau of Investigation;

(4) programs and systems to facilitate full participation in the Interstate Identification Index of the National Crime Information Center;

(5) systems to facilitate full participation in any compact relating to the Interstate Identification Index of the National Crime Information Center;

(6) systems to facilitate full participation in the national instant criminal background check system established under section 103(b) of the Brady Handgun Violence Prevention Act (18 U.S.C. 922 note) for firearms eligibility determinations;

(7) integrated criminal justice information systems to manage and communicate criminal justice information among law enforcement agencies, courts, prosecutors, and corrections agencies;

(8) noncriminal history record information systems relevant to firearms eligibility determinations for availability and accessibility to the national instant criminal background check system established under section 103(b) of the Brady Handgun Violence Prevention Act (18 U.S.C. 922 note);

(9) court-based criminal justice information systems that promote—

(A) reporting of dispositions to central State repositories and to the Federal Bureau of Investigation; and

(B) compatibility with, and integration of, court systems with other criminal justice information systems;

(10) ballistics identification and information programs that are compatible and integrated with the National Integrated Ballistics Network (NIBN);

(11) the capabilities of forensic science programs and medical examiner programs related to the administration of criminal justice, including programs leading to accreditation or certification of individuals or departments, agencies, or laboratories, and programs relating to the identification and analysis of deoxyribonucleic acid;

(12) sexual offender identification and registration systems;

(13) domestic violence offender identification and information systems;

(14) programs for fingerprint-supported background checks capability for noncriminal justice purposes, including youth service employees and volunteers and other individuals in positions of responsibility, if authorized by Federal or State law and administered by a government agency;

(15) criminal justice information systems with a capacity to provide statistical and research products including incident-based reporting systems that are compatible with the National Incident-Based Reporting System (NIBRS) and uniform crime reports; and

(16) multiagency, multijurisdictional communications systems among the States to share routine and emergency information among Federal, State, and local law enforcement agencies.

(c) ASSURANCES.—

(1) IN GENERAL.—To be eligible to receive a grant under this section, a State shall provide assurances to the Attorney General that the State has the capability to contribute pertinent information to the national instant criminal background check system established under section 103(b) of the Brady Handgun Violence Prevention Act (18 U.S.C. 922 note).

(2) INFORMATION SHARING.—Such assurances shall include a provision that ensures that a statewide strategy for information sharing systems is underway, or will be initiated, to improve the functioning of the criminal justice system, with an emphasis on integration of all criminal justice components, law enforcement, courts, prosecution, corrections, and probation and parole. The strategy shall be prepared after consultation with State and local officials with emphasis on the recommendation of officials whose duty it is to oversee, plan, and implement integrated information technology systems, and shall contain—

(A) a definition and analysis of ''integration'' in the State and localities developing integrated information sharing systems;

(B) an assessment of the criminal justice resources being devoted to information technology;

(C) Federal, State, regional, and local information technology coordination requirements;

(D) an assurance that the individuals who developed the grant application took into consideration the needs of all branches of the State Government and specifically sought the advice of the chief of the highest court of the State with respect to the application;

(E) State and local resource needs;

(F) the establishment of statewide priorities for planning and implementation of information technology systems; and

(G) a plan for coordinating the programs funded under this title with other federally funded information technology programs, including directly funded local programs such the Local Law Enforcement Block Grant program (described under the heading 'Violent Crime Reduction Programs, State and Local Law Enforcement Assistance' of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1998 (Public Law 105–119)) and the M.O.R.E. program established pursuant to part Q of title I of the Omnibus Crime Control and Safe Streets Act of 1968.

(d) MATCHING FUNDS.—The Federal share of a grant received under this title may not exceed 90 percent of the costs of a program or proposal funded under this title unless the Attorney General waives, wholly or in part, the requirements of this subsection.

(e) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to carry out this section $250,000,000 for each of fiscal years 1999 through 2003.

(2) LIMITATIONS.—Of the amount made available to carry out this section in any fiscal year—

(A) not more than 3 percent may be used by the Attorney General for salaries and administrative expenses;

(B) not more than 5 percent may be used for technical assistance, training and evaluations, and studies commissioned by Bureau of Justice Statistics of the Department of Justice (through discretionary grants or otherwise) in furtherance of the purposes of this section;

(C) not less than 20 percent shall be used by the Attorney General for the purposes described in paragraph (11) of subsection (b); and

(D) the Attorney General shall ensure the amounts are distributed on an equitable geographic basis.

(f) GRANTS TO INDIAN TRIBES.—Notwithstanding any other provision of this section, the Attorney General may use amounts made available under this section to make grants to Indian tribes for use in accordance with this section.

TITLE II—NATIONAL CRIMINAL HISTORY ACCESS AND CHILD PROTECTION ACT

SEC. 201. SHORT TITLE.

This title may be cited as the ''National Criminal History Access and Child Protection Act''.

Subtitle A—Exchange of Criminal History Records for Noncriminal Justice Purposes

SEC. 211. SHORT TITLE.

This subtitle may be cited as the ''National Crime Prevention and Privacy Compact Act of 1998''.

SEC. 212. FINDINGS.

Congress finds that—

(1) both the Federal Bureau of Investigation and State criminal history record repositories maintain fingerprint-based criminal history records;

(2) these criminal history records are shared and exchanged for criminal justice purposes through a Federal-State program known as the Interstate Identification Index System;

(3) although these records are also exchanged for legally authorized, noncriminal justice uses, such as governmental licensing and employment background checks, the purposes for and procedures by which they are exchanged vary widely from State to State;

(4) an interstate and Federal-State compact is necessary to facilitate authorized interstate criminal history record exchanges for noncriminal justice purposes on a uniform basis, while permitting each State to effectuate its own dissemination policy within its own borders; and

(5) such a compact will allow Federal and State records to be provided expeditiously to governmental and nongovernmental agencies that use such records in accordance with pertinent Federal and State law, while simultaneously enhancing the accuracy of the records and safeguarding the information contained therein from unauthorized disclosure or use.

SEC. 213. DEFINITIONS.

In this subtitle:

(1) ATTORNEY GENERAL.—The term ''Attorney General'' means the Attorney General of the United States.

(2) COMPACT.—The term ''Compact'' means the National Crime Prevention and Privacy Compact set forth in section 217.

(3) COUNCIL.—The term ''Council'' means the Compact Council established under Article VI of the Compact.

(4) FBI.—The term ''FBI'' means the Federal Bureau of Investigation.

(5) PARTY STATE.—The term ''Party State'' means a State that has ratified the Compact.

(6) STATE.—The term ''State'' means any State, territory, or possession of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

SEC. 214. ENACTMENT AND CONSENT OF THE UNITED STATES.

The National Crime Prevention and Privacy Compact, as set forth in section 217, is enacted into law and entered into by the Federal Government. The consent of Congress is given to States to enter into the Compact.

SEC. 215. EFFECT ON OTHER LAWS.

(a) PRIVACY ACT OF 1974.—Nothing in the Compact shall affect the obligations and responsibilities of the FBI under section 552a of title 5, United States Code (commonly known as the ''Privacy Act of 1974'').

(b) ACCESS TO CERTAIN RECORDS NOT AFFECTED.—Nothing in the Compact shall interfere in any manner with—

(1) access, direct or otherwise, to records pursuant to—

(A) section 9101 of title 5, United States Code;

(B) the National Child Protection Act;

(C) the Brady Handgun Violence Prevention Act (Public Law 103–159; 107 Stat. 1536);

(D) the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322; 108 Stat. 2074) or any amendment made by that Act;

(E) the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.); or

(F) the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.); or

(2) any direct access to Federal criminal history records authorized by law.

(c) AUTHORITY OF FBI UNDER DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION ACT, 1973.—Nothing in the Compact shall be construed to affect the authority of the FBI under the Departments of State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act, 1973 (Public Law 92–544 (86 Stat. 1115)).

(d) FEDERAL ADVISORY COMMITTEE ACT.—The Council shall not be considered to be a Federal advisory committee for purposes of the Federal Advisory Committee Act (5 U.S.C. App.).

(e) MEMBERS OF COUNCIL NOT FEDERAL OFFICERS OR EMPLOYEES.—Members of the Council (other than a member from the FBI or any at-large member who may be a Federal official or employee) shall not, by virtue of such membership, be deemed—

(1) to be, for any purpose other than to effect the Compact, officers or employees of the United States (as defined in sections 2104 and 2105 of title 5, United States Code); or

(2) to become entitled by reason of Council membership to any compensation or benefit payable or made available by the Federal Government to its officers or employees.

SEC. 216. ENFORCEMENT AND IMPLEMENTATION.

All departments, agencies, officers, and employees of the United States shall enforce the Compact and cooperate with one another and with all Party States in enforcing the Compact and effectuating its purposes. For the Federal Government, the Attorney General shall make such rules, prescribe such instructions, and take such other actions as may be necessary to carry out the Compact and this subtitle.

SEC. 217. NATIONAL CRIME PREVENTION AND PRIVACY COMPACT.

The Contracting Parties agree to the following:

OVERVIEW

(a) IN GENERAL.—This Compact organizes an electronic information sharing system among the Federal Government and the States to exchange criminal history records for noncriminal justice purposes authorized by Federal or State law, such as background checks for governmental licensing and employment.

(b) OBLIGATIONS OF PARTIES.—Under this Compact, the FBI and the Party States agree to maintain detailed databases of their respective criminal history records, including arrests and dispositions, and to make them available to the Federal Government and to Party States for authorized purposes. The FBI shall also manage the Federal data facilities that provide a significant part of the infrastructure for the system.

ARTICLE I—DEFINITIONS

In this Compact:

(1) ATTORNEY GENERAL.—The term ''Attorney General'' means the Attorney General of the United States;

(2) COMPACT OFFICER.—The term ''Compact officer'' means—

(A) with respect to the Federal Government, an official so designated by the Director of the FBI; and

(B) with respect to a Party State, the chief administrator of the State's criminal history record repository or a designee of the chief administrator who is a regular full-time employee of the repository.

(3) COUNCIL.—The term ''Council'' means the Compact Council established under Article VI.

(4) CRIMINAL HISTORY RECORDS.—The term ''criminal history records''—

(A) means information collected by criminal justice agencies on individuals consisting of identifiable descriptions and notations of arrests, detentions, indictments, or other formal criminal charges, and any disposition arising therefrom, including acquittal, sentencing, correctional supervision, or release; and

(B) does not include identification information such as fingerprint records if such information does not indicate involvement of the individual with the criminal justice system.

(5) CRIMINAL HISTORY RECORD REPOSITORY.—The term ''criminal history record repository'' means the State agency designated by the Governor or other appropriate executive official or the legislature of a State to perform centralized recordkeeping functions for criminal history records and services in the State.

(6) CRIMINAL JUSTICE.—The term ''criminal justice'' includes activities relating to the detection, apprehension, detention, pretrial release, post-trial release, prosecution, adjudication, correctional supervision, or rehabilitation of accused persons or criminal offenders. The administration of criminal justice includes criminal identification activities and the collection, storage, and dissemination of criminal history records.

(7) CRIMINAL JUSTICE AGENCY.—The term ''criminal justice agency''—

(A) means—

(i) courts; and

(ii) a governmental agency or any subunit thereof that—

(I) performs the administration of criminal justice pursuant to a statute or Executive order; and

(II) allocates a substantial part of its annual budget to the administration of criminal justice; and

(B) includes Federal and State inspectors general offices.

(8) CRIMINAL JUSTICE SERVICES.—The term ''criminal justice services'' means services provided by the FBI to criminal justice agencies in response to a request for information about a particular individual or as an update to information previously provided for criminal justice purposes.

(9) CRITERION OFFENSE.—The term ''criterion offense'' means any felony or misdemeanor offense not included on the list of nonserious offenses published periodically by the FBI.

(10) DIRECT ACCESS.—The term ''direct access'' means access to the National Identification Index by computer terminal or other automated means not requiring the assistance of or intervention by any other party or agency.

(11) EXECUTIVE ORDER.—The term ''Executive order'' means an order of the President of the United States or the chief executive officer of a State that has the force of law and that is promulgated in accordance with applicable law.

(12) FBI.—The term ''FBI'' means the Federal Bureau of Investigation.

(13) INTERSTATE IDENTIFICATION SYSTEM.—The term ''Interstate Identification Index System'' or ''III System''—

(A) means the cooperative Federal-State system for the exchange of criminal history records; and

(B) includes the National Identification Index, the National Fingerprint File and, to the extent of their participation in such system, the criminal history record repositories of the States and the FBI.

(14) NATIONAL FINGERPRINT FILE.—The term ''National Fingerprint File'' means a database of fingerprints, or other uniquely personal identifying information, relating to an arrested or charged individual maintained by the FBI to provide positive identification of record subjects indexed in the III System.

(15) NATIONAL IDENTIFICATION INDEX.—The term ''National Identification Index'' means an index maintained by the FBI consisting of names, identifying numbers, and other descriptive information relating to record subjects about whom there are criminal history records in the III System.

(16) NATIONAL INDICES.—The term ''National indices'' means the National Identification Index and the National Fingerprint File.

(17) NONPARTY STATE.—The term ''Nonparty State'' means a State that has not ratified this Compact.

(18) NONCRIMINAL JUSTICE PURPOSES.—The term ''noncriminal justice purposes'' means uses of criminal history records for purposes authorized by Federal or State law other than purposes relating to criminal justice activities, including employment suitability, licensing determinations, immigration and naturalization matters, and national security clearances.

(19) PARTY STATE.—The term ''Party State'' means a State that has ratified this Compact.

(20) POSITIVE IDENTIFICATION.—The term ''positive identification'' means a determination, based upon a comparison of fingerprints or other equally reliable biometric identification techniques, that the subject of a record search is the same person as the subject of a criminal history record or records indexed in the III System. Identifications based solely upon a comparison of subjects' names or other nonunique identification characteristics or numbers, or combinations thereof, shall not constitute positive identification.

(21) SEALED RECORD INFORMATION.—The term ''sealed record information'' means—

(A) with respect to adults, that portion of a record that is—

(i) not available for criminal justice uses;

(ii) not supported by fingerprints or other accepted means of positive identification; or

(iii) subject to restrictions on dissemination for noncriminal justice purposes pursuant to a court order related to a particular subject or pursuant to a Federal or State statute that requires action on a sealing petition filed by a particular record subject; and

(B) with respect to juveniles, whatever each State determines is a sealed record under its own law and procedure.

(22) STATE.—The term ''State'' means any State, territory, or possession of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

ARTICLE II—PURPOSES

The purposes of this Compact are to—

(1) provide a legal framework for the establishment of a cooperative Federal-State system for the interstate and Federal-State exchange of criminal history records for noncriminal justice uses;

(2) require the FBI to permit use of the National Identification Index and the National Fingerprint File by each Party State, and to provide, in a timely fashion, Federal and State criminal history records to requesting States, in accordance with the terms of this Compact and with rules, procedures, and standards established by the Council under Article VI;

(3) require Party States to provide information and records for the National Identification Index and the National Fingerprint File and to provide criminal history records, in a timely fashion, to criminal history record repositories of other States and the Federal Government for noncriminal justice purposes, in accordance with the terms of this Compact and with rules, procedures, and standards established by the Council under Article VI;

(4) provide for the establishment of a Council to monitor III System operations and to prescribe system rules and procedures for the effective and proper operation of the III System for noncriminal justice purposes; and

(5) require the FBI and each Party State to adhere to III System standards concerning record dissemination and use, response times, system security, data quality, and other duly established standards, including those that enhance the accuracy and privacy of such records.

ARTICLE III—RESPONSIBILITIES OF COMPACT PARTIES

(a) FBI RESPONSIBILITIES.—The Director of the FBI shall—

(1) appoint an FBI Compact officer who shall—

(A) administer this Compact within the Department of Justice and among Federal agencies and other agencies and organizations that submit search requests to the FBI pursuant to Article V(c);

(B) ensure that Compact provisions and rules, procedures, and standards prescribed by the Council under Article VI are complied with by the Department of Justice and the Federal agencies and other agencies and organizations referred to in Article III(1)(A); and

(C) regulate the use of records received by means of the III System from Party States when such records are supplied by the FBI directly to other Federal agencies;

(2) provide to Federal agencies and to State criminal history record repositories, criminal history records maintained in its database for the noncriminal justice purposes described in Article IV, including—

(A) information from Nonparty States; and

(B) information from Party States that is available from the FBI through the III System, but is not available from the Party State through the III System;

(3) provide a telecommunications network and maintain centralized facilities for the exchange of criminal history records for both criminal justice purposes and the noncriminal justice purposes described in Article IV, and ensure that the exchange of such records for criminal justice purposes has priority over exchange for noncriminal justice purposes; and

(4) modify or enter into user agreements with Nonparty State criminal history record repositories to require them to establish record request procedures conforming to those prescribed in Article V.

(b) STATE RESPONSIBILITIES.—Each Party State shall—

(1) appoint a Compact officer who shall—

(A) administer this Compact within that State;

(B) ensure that Compact provisions and rules, procedures, and standards established by the Council under Article VI are complied with in the State; and

(C) regulate the in-State use of records received by means of the III System from the FBI or from other Party States;

(2) establish and maintain a criminal history record repository, which shall provide—

(A) information and records for the National Identification Index and the National Fingerprint File; and

(B) the State's III System-indexed criminal history records for noncriminal justice purposes described in Article IV;

(3) participate in the National Fingerprint File; and

(4) provide and maintain telecommunications links and related equipment necessary to support the services set forth in this Compact.

(c) COMPLIANCE WITH III SYSTEM STANDARDS.—In carrying out their responsibilities under this Compact, the FBI and each Party State shall comply with III System rules, procedures, and standards duly established by the Council concerning record dissemination and use, response times, data quality, system security, accuracy, privacy protection, and other aspects of III System operation.

(d) MAINTENANCE OF RECORD SERVICES.—

(1) Use of the III System for noncriminal justice purposes authorized in this Compact shall be managed so as not to diminish the level of services provided in support of criminal justice purposes.

(2) Administration of Compact provisions shall not reduce the level of service available to authorized noncriminal justice users on the effective date of this Compact.

ARTICLE IV—AUTHORIZED RECORD DISCLOSURES

(a) STATE CRIMINAL HISTORY RECORD REPOSITORIES.—To the extent authorized by section 552a of title 5, United States Code (commonly known as the ''Privacy Act of 1974''), the FBI shall provide on request criminal history records (excluding sealed records) to State criminal history record repositories for noncriminal justice purposes allowed by Federal statute, Federal Executive order, or a State statute that has been approved by the Attorney General and that authorizes national indices checks.

(b) CRIMINAL JUSTICE AGENCIES AND OTHER GOVERNMENTAL OR NONGOVERNMENTAL AGENCIES.—The FBI, to the extent authorized by section 552a of title 5, United States Code (commonly known as the ''Privacy Act of 1974''), and State criminal history record repositories shall provide criminal history records (excluding sealed records) to criminal justice agencies and other governmental or nongovernmental agencies for noncriminal justice purposes allowed by Federal statute, Federal Executive order, or a State statute that has been approved by the Attorney General, that authorizes national indices checks.

(c) PROCEDURES.—Any record obtained under this Compact may be used only for the official purposes for which the record was requested. Each Compact officer shall establish procedures, consistent with this Compact, and with rules, procedures, and standards established by the Council under Article VI, which procedures shall protect the accuracy and privacy of the records, and shall—

(1) ensure that records obtained under this Compact are used only by authorized officials for authorized purposes;

(2) require that subsequent record checks are requested to obtain current information whenever a new need arises; and

(3) ensure that record entries that may not legally be used for a particular noncriminal justice purpose are deleted from the response and, if no information authorized for release remains, an appropriate ''no record'' response is communicated to the requesting official.

ARTICLE V—RECORD REQUEST PROCEDURES

(a) POSITIVE IDENTIFICATION.—Subject fingerprints or other approved forms of positive identification shall be submitted with all requests for criminal history record checks for noncriminal justice purposes.

(b) SUBMISSION OF STATE REQUESTS.—Each request for a criminal history record check utilizing the national indices made under any approved State statute shall be submitted through that State's criminal history record repository. A State criminal history record repository shall process an interstate request for noncriminal justice purposes through the national indices only if such request is transmitted through another State criminal history record repository or the FBI.

(c) SUBMISSION OF FEDERAL REQUESTS.—Each request for criminal history record checks utilizing the national indices made under Federal authority shall be submitted through the FBI or, if the State criminal history record repository consents to process fingerprint submissions, through the criminal history record repository in the State in which such request originated. Direct access to the National Identification Index by entities other than the FBI and State criminal history records repositories shall not be permitted for noncriminal justice purposes.

(d) FEES.—A State criminal history record repository or the FBI—

(1) may charge a fee, in accordance with applicable law, for handling a request involving fingerprint processing for noncriminal justice purposes; and

(2) may not charge a fee for providing criminal history records in response to an electronic request for a record that does not involve a request to process fingerprints.

(e) ADDITIONAL SEARCH.—

(1) If a State criminal history record repository cannot positively identify the subject of a record request made for noncriminal justice purposes, the request, together with fingerprints or other approved identifying information, shall be forwarded to the FBI for a search of the national indices.

(2) If, with respect to an request forwarded by a State criminal history record repository under paragraph (1), the FBI positively identifies the subject as having a III System-indexed record or records—

(A) the FBI shall so advise the State criminal history record repository; and

(B) the State criminal history record repository shall be entitled to obtain the additional criminal history record information from the FBI or other State criminal history record repositories.

ARTICLE VI—ESTABLISHMENT OF COMPACT COUNCIL

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There is established a council to be known as the ''Compact Council'', which shall have the authority to promulgate rules and procedures governing the use of the III System for noncriminal justice purposes, not to conflict with FBI administration of the III System for criminal justice purposes.

(2) ORGANIZATION.—The Council shall—

(A) continue in existence as long as this Compact remains in effect;

(B) be located, for administrative purposes, within the FBI; and

(C) be organized and hold its first meeting as soon as practicable after the effective date of this Compact.

(b) MEMBERSHIP.—The Council shall be composed of 15 members, each of whom shall be appointed by the Attorney General, as follows:

(1) Nine members, each of whom shall serve a 2-year term, who shall be selected from among the Compact officers of Party States based on the recommendation of the Compact officers of all Party States, except that, in the absence of the requisite number of Compact officers available to serve, the chief administrators of the criminal history record repositories of Nonparty States shall be eligible to serve on an interim basis.

(2) Two at-large members, nominated by the Director of the FBI, each of whom shall serve a 3-year term, of whom—

(A) 1 shall be a representative of the criminal justice agencies of the Federal Government and may not be an employee of the FBI; and

(B) 1 shall be a representative of the noncriminal justice agencies of the Federal Government.

(3) Two at-large members, nominated by the Chairman of the Council, once the Chairman is elected pursuant to Article VI(c), each of whom shall serve a 3-year term, of whom—

(A) 1 shall be a representative of State or local criminal justice agencies; and

(B) 1 shall be a representative of State or local noncriminal justice agencies.

(4) One member, who shall serve a 3-year term, and who shall simultaneously be a member of the FBI's advisory policy board on criminal justice information services, nominated by the membership of that policy board.

(5) One member, nominated by the Director of the FBI, who shall serve a 3-year term, and who shall be an employee of the FBI.

(c) CHAIRMAN AND VICE CHAIRMAN.—

(1) IN GENERAL.—From its membership, the Council shall elect a Chairman and a Vice Chairman of the Council, respectively. Both the Chairman and Vice Chairman of the Council—

(A) shall be a Compact officer, unless there is no Compact officer on the Council who is willing to serve, in which case the Chairman may be an at-large member; and

(B) shall serve a 2-year term and may be reelected to only 1 additional 2-year term.

(2) DUTIES OF VICE CHAIRMAN.—The Vice Chairman of the Council shall serve as the Chairman of the Council in the absence of the Chairman.

(d) MEETINGS.—

(1) IN GENERAL.—The Council shall meet a least once each year at the call of the Chairman. Each meeting of the Council shall be open to the public. The Council shall provide prior public notice in the Federal Register of each meeting of the Council, including the matters to be addressed at such meeting.

(2) QUORUM.—A majority of the Council or any committee of the Council shall constitute a quorum of the Council or of such committee, respectively, for the conduct of business. A lesser number may meet to hold hearings, take testimony, or conduct any business not requiring a vote.

(e) RULES, PROCEDURES, AND STANDARDS.—The Council shall make available for public inspection and copying at the Council office within the FBI, and shall publish in the Federal Register, any rules, procedures, or standards established by the Council.

(f) ASSISTANCE FROM FBI.—The Council may request from the FBI such reports, studies, statistics, or other information or materials as the Council determines to be necessary to enable the Council to perform its duties under this Compact. The FBI, to the extent authorized by law, may provide such assistance or information upon such a request.

(g) COMMITTEES.—The Chairman may establish committees as necessary to carry out this Compact and may prescribe their membership, responsibilities, and duration.

ARTICLE VII—RATIFICATION OF COMPACT

This Compact shall take effect upon being entered into by 2 or more States as between those States and the Federal Government. Upon subsequent entering into this Compact by additional States, it shall become effective among those States and the Federal Government and each Party State that has previously ratified it. When ratified, this Compact shall have the full force and effect of law within the ratifying jurisdictions. The form of ratification shall be in accordance with the laws of the executing State.

ARTICLE VIII—MISCELLANEOUS PROVISIONS

(a) RELATION OF COMPACT TO CERTAIN FBI ACTIVITIES.—Administration of this Compact shall not interfere with the management and control of the Director of the FBI over the FBI's collection and dissemination of criminal history records and the advisory function of the FBI's advisory policy board chartered under the Federal Advisory Committee Act (5 U.S.C. App.) for all purposes other than noncriminal justice.

(b) NO AUTHORITY FOR NONAPPROPRIATED EXPENDITURES.—Nothing in this Compact shall require the FBI to obligate or expend funds beyond those appropriated to the FBI.

(c) RELATING TO PUBLIC LAW 92–544.—Nothing in this Compact shall diminish or lessen the obligations, responsibilities, and authorities of any State, whether a Party State or a Nonparty State, or of any criminal history record repository or other subdivision or component thereof, under the Departments of State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act, 1973 (Public Law 92–544), or regulations and guidelines promulgated thereunder, including the rules and procedures promulgated by the Council under Article VI(a), regarding the use and dissemination of criminal history records and information.

ARTICLE IX—RENUNCIATION

(a) IN GENERAL.—This Compact shall bind each Party State until renounced by the Party State.

(b) EFFECT.—Any renunciation of this Compact by a Party State shall—

(1) be effected in the same manner by which the Party State ratified this Compact; and

(2) become effective 180 days after written notice of renunciation is provided by the Party State to each other Party State and to the Federal Government.

ARTICLE X—SEVERABILITY

The provisions of this Compact shall be severable, and if any phrase, clause, sentence, or provision of this Compact is declared to be contrary to the constitution of any participating State, or to the Constitution of the United States, or the applicability thereof to any government, agency, person, or circumstance is held invalid, the validity of the remainder of this Compact and the applicability thereof to any government, agency, person, or circumstance shall not be affected thereby. If a portion of this Compact is held contrary to the constitution of any Party State, all other portions of this Compact shall remain in full force and effect as to the remaining Party States and in full force and effect as to the Party State affected, as to all other provisions.

ARTICLE XI—ADJUDICATION OF DISPUTES

(a) IN GENERAL.—The Council shall—

(1) have initial authority to make determinations with respect to any dispute regarding—

(A) interpretation of this Compact;

(B) any rule or standard established by the Council pursuant to Article V; and

(C) any dispute or controversy between any parties to this Compact; and

(2) hold a hearing concerning any dispute described in paragraph (1) at a regularly scheduled meeting of the Council and only render a decision based upon a majority vote of the members of the Council. Such decision shall be published pursuant to the requirements of Article VI(e).

(b) DUTIES OF FBI.—The FBI shall exercise immediate and necessary action to preserve the integrity of the III System, maintain system policy and standards, protect the accuracy and privacy of records, and to prevent abuses, until the Council holds a hearing on such matters.

(c) RIGHT OF APPEAL.—The FBI or a Party State may appeal any decision of the Council to the Attorney General, and thereafter may file suit in the appropriate district court of the United States, which shall have original jurisdiction of all cases or controversies arising under this Compact. Any suit arising under this Compact and initiated in a State court shall be removed to the appropriate district court of the United States in the manner provided by section 1446 of title 28, United States Code, or other statutory authority.

Subtitle B—Volunteers for Children Act

SEC. 221. SHORT TITLE.

This subtitle may be cited as the ''Volunteers for Children Act''.

SEC. 222. FACILITATION OF FINGERPRINT CHECKS.

(a) STATE AGENCY.—Section 3(a) of the National Child Protection Act of 1993 (42 U.S.C. 5119a(a)) is amended by adding at the end the following:

''(3) In the absence of State procedures referred to in paragraph (1), a qualified entity designated under paragraph (1) may contact an authorized agency of the State to request national criminal fingerprint background checks. Qualified entities requesting background checks under this paragraph shall comply with the guidelines set forth in subsection (b) and with procedures for requesting national criminal fingerprint background checks, if any, established by the State.''.

(b) FEDERAL LAW.—Section 3(b)(5) of the National Child Protection Act of 1993 (42 U.S.C. 5119a(b)(5)) is amended by inserting before the period at the end the following: '', except that this paragraph does not apply to any request by a qualified entity for a national criminal fingerprint background check pursuant to subsection (a)(3)''.

(c) AUTHORIZATION.—Section 4(b)(2) of the National Child Protection Act of 1993 (42 U.S.C. 5119b(b)(2)) is amended by striking ''1994, 1995, 1996, and 1997'' and inserting ''1999, 2000, 2001, and 2002''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida (Mr. MCCOLLUM) and the gentlewoman from Texas (Ms. JACKSON-LEE) each will control 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. MCCOLLUM).

GENERAL LEAVE

Mr. MCCOLLUM. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the bill under consideration.

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

There was no objection.

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

Efficient access to criminal history data and criminal justice information has become a necessity, not only for law enforcement agencies, but for school districts, volunteer organizations, child protection services, and a host of professions who want to conduct background checks to avoid hiring convicted offenders who pose a danger to the community. Information is absolutely crucial to successful law enforcement and neighborhood safety.

The Federal Government has invested billions of dollars in Federal information and identification systems, but the States are still lagging far behind in their ability to use these initiatives. There is a wide disparity between the criminal identification systems that are available, and the ability of State and local law enforcement to connect on any broad scale with these systems, which are operated by the FBI.

The types of information and identification technology initiatives to which I am referring are not fancy luxuries that would simply be convenient to have. They are necessary for law enforcement to compete in our information age.

Television programs that show police bringing up the record and photograph of a convicted offender at the touch of a button simply do not depict the reality of today's criminal justice system. Many States are still a long way from becoming computerized. They are unable to exchange compatible data in a timely manner, or on a widespread geographic basis. Some States still use card catalog systems. While Congress has invested significant resources in Federal information and identification systems, the benefits of these Federal initiatives are not being realized because the States do not have the technology to use them. It is the purpose of this bill to allow States to make use of Federal programs and to improve how we use information to solve crimes in this information age.

S. 2022, the Crime Identification Technology Act of 1998, authorizes $250 million a year for 5 years for flexible discretionary grants to States to upgrade criminal history records systems; promote integration of local, State and national criminal justice information and communications systems; and assist crime laboratories to reduce the backlog of forensic analysis requests that currently exist throughout the country. Grants may be given to States to be used in conjunction with local units of government, State and local courts, and other States.

It is also the intention of the bill to consolidate currently existing grant programs which provide technology assistance to the States. While the full funding of this proposal would require some new expenditures, the consolidation of current programs would generally provide for existing funding to go toward this act in the future.

Lastly, let me briefly mention that this bill also contains two other important provisions. Title II of the bill is

called the National Criminal History Access and Child Protection Act, which provides for a compact between the States and the Federal Government to facilitate the exchange of criminal history records. The compact is somewhat administrative in nature and requires no authorization for funding. It would establish the ''rules of the road'' for interstate exchange of criminal history records, including records for background checks for child care workers. The compact provides for State-to-State and Federal-to-State sharing of records, while permitting each State to protect its own dissemination and privacy policies within its own borders.

The last provision in this bill is called the Volunteers for Children Act, which would amend the National Child Protection Act of 1993, often called the Oprah Act, to allow child care, elder care and volunteer organizations to request access to FBI criminal fingerprint background checks in the absence of specific State laws or procedures allowing such access. The House passed this provision in H.R. 3494, the Child Protection and Sexual Predator Punishment Act, which is pending in the other body.

Now, I know there are some volunteer organizations that find criminal fingerprint background checks to be a costly procedure, and many States are unable to deliver these checks on a timely basis. This bill in no way requires these organizations to conduct fingerprint checks, nor does it preclude them from using other resources such as State criminal history data to conduct background checks. The bill simply provides organizations with the option of requesting the checks if there is no law in place precluding them.

Passage of this bill should not be construed to create a new duty on the part of volunteer organizations. Accordingly, the failure to conduct such background checks should not be considered as evidence of negligence in civil litigation. It is simply not the intent of this bill to open up volunteer organizations to such liability.

Madam Speaker, as my colleagues can see, there is a pretty extensive bill here, but it will make some important changes to current law to allow for the better use of criminal history information. Let me say additionally that the administration strongly supports the proposal. Information is absolutely crucial to successful law enforcement, and I am convinced this bill will be a great assistance to the criminal justice community, and I urge my colleagues to support it.

Madam Speaker, I reserve the balance of my time.

Ms. JACKSON-LEE of Texas. Madam Speaker, I yield myself such time as I may consume.

I rise in support of this legislation, S. 2022, which was introduced by Senator DEWINE in the Senate and passed that body by unanimous consent.

The Crime Identification Technology Act of 1998 directs the Attorney General to make grants to permit State and local governments to update their technological capabilities so that they more readily respond to the problem of crime. The bill authorizes $250 million in such grants per year over 5 years for these purposes. In order to be eligible for these grants, the State must show that it is able to contribute information required by the Instacheck system mandated by the Brady bill.

As a former member of the Houston City Council, I can assure my colleagues that these grants will be of great use by local and State authorities. It is extremely useful to be able to partake of the national technology to assist in crime fighting.

The bill also contains titles providing for a compact between the States and Federal Government to facilitate the exchange of criminal history records and also allow child care, elder care and volunteer organizations to request access to FBI fingerprint background checks. I can assure my colleagues as well, in cities that spend a lot of time with after-school programs or volunteer parks programs or recreational programs using volunteers, this is going to be of great assistance in protecting our children. Obviously, we do not suggest that our volunteers are filled with pedophiles, but how much more comfortable we will be with opening up our parks and libraries and other facilities where we have after-school programs or summer programs and using volunteers when our city governments and other volunteer associations can be assured that these people are not dangerous to our children.

This is a good, bipartisan bill. It takes advantage of the opportunities that the Federal Government have to enhance crime fighting techniques, and it is a collaborative effort between our local and Federal governments. This is a good bipartisan bill, and I urge its adoption.

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The Crime Identification Technology Act of 1998 directs the Attorney General to make grants to permit state and local governments to update their technological capabilities so that they more readily respond to the problem of crime. The bill authorizes $250 million in such grants per year over five years for these purposes. In order to be eligible for these grants, the state must show that it as able to contribute information required by the Instacheck system mandated by the Brady Bill.

The bill also contains titles providing for a compact between the states and federal government to facilitate the exchange of criminal history records, and also allow child care, elder care and volunteer organizations to request access to FBI fingerprint background checks.

This is a good, bipartisan bill and I urge its adoption.

Madam Speaker, I reserve the balance of my time.

Mr. MCCOLLUM. Madam Speaker, I yield 4 minutes to the gentleman from Florida (Mr. FOLEY), who has been so instrumental in this bill.

Mr. FOLEY. Madam Speaker, I rise to strongly support this legislation and to thank specifically our subcommittee chairman, the gentleman from Florida (Mr. MCCOLLUM), for his extremely hard work on this issue. This bill is vitally important to America's families and its children, and I will strongly suggest that this measure here will make America safer.

This bill contains much-needed help to States across America to improve their anticrime technology. It also contains the Volunteers for Children Act, a bill of mine that this body approved unanimously many months ago, which the other body unanimously added to this important legislation.

The Volunteers for Children provisions will give volunteer groups access, if they want that access, to fingerprint-based FBI background checks. Let me reiterate the gentleman from Florida's comments a moment ago. It does not require any group to seek these background checks, nor does it incur liability if they choose not to.

This access is supported by every group concerned about using the best tools possible to protect their young charges. Organizations like the Boys and Girls Clubs have been asking for this access because fingerprint checks are virtually the only way they can know whether a person who shows up in a community to volunteer around children has, in fact, a criminal background in another State.

As a report last year by the General Accounting Office put it, ''National fingerprint-based background checks may be the only effective way to readily identify the potentially worst abusers of children; that is, the pedophiles who change their names and move from State to State to continue their sexually perverse patterns of behavior.''

Two of the biggest problems with using fingerprint-based FBI checks has been that they have taken too long and cost too much to use them more than occasionally. But the FBI has been developing a computerized system that will all but eliminate both those concerns once States have comparable technology. That is the crux of this overall bill before us today: helping States acquire that technology.

Madam Speaker, it is critical that we give States the help we can in upgrading their crime-fighting technology. And it is critical that we allow volunteer groups, schools and others who work with young children access to the most effective resources they need to ensure that they are not inadvertently hiring criminals to work around young children.

As Robbie Callaway, the senior vice president for the Boys and Girls Clubs of America and a strong supporter of this legislation, put it, ''Our clubs and most youth-serving organizations want every possible legal tool to guarantee the safety of the children we serve.''

We are all dedicated to doing what we can to protect children from harm,

and this bill will significantly advance those efforts.

Again, I thank the gentleman from Florida (Mr. MCCOLLUM) for bringing this measure to the floor. I thank my local constituent, Jody Gorran, for bringing this to my attention. I want to specifically thank Erica Bryant from the staff of the gentleman from Florida (Mr. MCCOLLUM) for her very, very hard work and dedication to this issue, and of course to my staffer, Liz Nicolson, who has really worked with me to see this to success on the floor tonight, because it really does suggest that this is about protecting our children.

Is it fool-proof? No. Will it do everything? No, of course it will not. But it gives those organizations one more tool in their arsenal to protect our children.

I want to thank the gentlewoman from Texas (Ms. JACKSON-LEE) for her help on this bill and the National Center for Missing and Exploited Children for weighing in on this issue when it was most timely during committee hearings that the chairman agreed to hear on this bill, and again I thank my colleagues for not only supporting the portion that I am here today to speak on, but the entire bill, because it will be an effective tool for law enforcement in this country.

Ms. JACKSON-LEE of Texas. Madam Speaker, this is a great bill, and I hope we can make sure it passes, and I yield back the balance of my time.

Mr. MCCOLLUM. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida (Mr. MCCOLLUM) that the House suspend the rules and pass the Senate bill, S. 2202, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

IDENTITY THEFT AND ASSUMPTION DETERRENCE ACT OF 1998

Mr. MCCOLLUM. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 4151) to amend chapter 47 of title 18, United States Code, relating to identity fraud, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4151

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 ''Identity Theft and Assumption Deterrence Act of 1998''.

SEC. 2. CONSTITUTIONAL AUTHORITY TO ENACT THIS LEGISLATION.

The constitutional authority upon which this Act rests is the power of Congress to regulate commerce with foreign nations and among the several States, and the authority to make all laws which shall be necessary and proper for carrying into execution the powers vested by the Constitution in the Government of the United States or in any department or officer thereof, as set forth in article I, section 8 of the United States Constitution.

SEC. 3. IDENTITY THEFT.

(a) ESTABLISHMENT OF OFFENSE.—Section 1028(a) of title 18, United States Code, is amended—

(1) in paragraph (5), by striking ''or'' at the end;

(2) in paragraph (6), by adding ''or'' at the end;

(3) in the flush matter following paragraph (6), by striking ''or attempts to do so,''; and

(4) by inserting after paragraph (6) the following:

''(7) knowingly transfers or uses, without lawful authority, a means of identification of another person with the intent to commit, or to aid or abet, any unlawful activity that constitutes a violation of Federal law, or that constitutes a felony under any applicable State or local law;''.

(b) PENALTIES.—Section 1028(b) of title 18, United States Code, is amended—

(1) in paragraph (1)—

(A) in subparagraph (B), by striking ''or'' at the end;

(B) in subparagraph (C), by adding ''or'' at the end; and

(C) by adding at the end the following:

''(D) an offense under paragraph (7) of such subsection that involves the transfer or use of 1 or more means of identification if, as a result of the offense, any individual committing the offense obtains anything of value aggregating $1,000 or more during any 1-year period;'';

(2) in paragraph (2)—

(A) in subparagraph (A), by striking ''or transfer of an identification document or'' and inserting '', transfer, or use of a means of identification, an identification document, or a''; and

(B) in subparagraph (B), by inserting ''or (7)'' after ''(3)'';

(3) by amending paragraph (3) to read as follows:

''(3) a fine under this title or imprisonment for not more than 20 years, or both, if the offense is committed—

''(A) to facilitate a drug trafficking crime (as defined in section 929(a)(2));

''(B) in connection with a crime of violence (as defined in section 924(c)(3)); or

''(C) after a prior conviction under this section becomes final;'';

(4) in paragraph (4), by striking ''and'' at the end;

(5) by redesignating paragraph (5) as paragraph (6); and

(6) by inserting after paragraph (4) the following:

''(5) in the case of any offense under subsection (a), forfeiture to the United States of any personal property used or intended to be used to commit the offense; and''.

(c) CIRCUMSTANCES.—Section 1028(c) of title 18, United States Code, is amended by striking paragraph (3) and inserting the following:

''(3) either—

''(A) the production, transfer, possession, or use prohibited by this section is in or affects interstate or foreign commerce; or

''(B) the means of identification, identification document, false identification document, or document-making implement is transported in the mail in the course of the production, transfer, possession, or use prohibited by this section.''.

(d) DEFINITIONS.—Subsection (d) of section 1028 of title 18, United States Code, is amended to read as follows:

''(d) In this section—

''(1) the term 'document-making implement' means any implement, impression, electronic device, or computer hardware or software, that is specifically configured or primarily used for making an identification document, a false identification document, or another document-making implement;

''(2) the term 'identification document' means a document made or issued by or under the authority of the United States Government, a State, political subdivision of a State, a foreign government, political subdivision of a foreign government, an international governmental or an international quasi-governmental organization which, when completed with information concerning a particular individual, is of a type intended or commonly accepted for the purpose of identification of individuals;

''(3) the term 'means of identification' means any name or number that may be used, alone or in conjunction with any other information, to identify a specific individual, including any—

''(A) name, social security number, date of birth, official State or government issued driver's license or identification number, alien registration number, government passport number, employer or taxpayer identification number;

''(B) unique biometric data, such as fingerprint, voice print, retina or iris image, or other unique physical representation;

''(C) unique electronic identification number, address, or routing code; or

''(D) telecommunication identifying information or access device (as defined in section 1029(e));

''(4) the term 'personal identification card' means an identification document issued by a State or local government solely for the purpose of identification;

''(5) the term 'produce' includes alter, authenticate, or assemble; and

''(6) the term 'State' includes any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any other commonwealth, possession, or territory of the United States.''.

(e) ATTEMPT AND CONSPIRACY.—Section 1028 of title 18, United States Code, is amended by adding at the end the following:

''(f) ATTEMPT AND CONSPIRACY.—Any person who attempts or conspires to commit any offense under this section shall be subject to the same penalties as those prescribed for the offense, the commission of which was the object of the attempt or conspiracy.''.

(f) FORFEITURE PROCEDURES.—Section 1028 of title 18, United States Code, is amended by adding at the end the following:

''(g) FORFEITURE PROCEDURES.—The forfeiture of property under this section, including any seizure and disposition of the property and any related judicial or administrative proceeding, shall be governed by the provisions of section 413 (other than subsection (d) of that section) of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 853).''.

(g) RULE OF CONSTRUCTION.—Section 1028 of title 18, United States Code, is amended by adding at the end the following:

''(h) RULE OF CONSTRUCTION.—For purpose of subsection (a)(7), a single identification document or false identification document that contains 1 or more means of identification shall be construed to be 1 means of identification.''.

(h) CONFORMING AMENDMENTS.—Chapter 47 of title 18, United States Code, is amended—

(1) in the heading for section 1028, by adding ''**and information**'' at the end; and

(2) in the table of sections at the beginning of the chapter, in the item relating to section 1028, by adding ''and information'' at the end.

SEC. 4. AMENDMENT OF FEDERAL SENTENCING GUIDELINES FOR OFFENSES UNDER SECTION 1028.

(a) IN GENERAL.—Pursuant to its authority under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall review and amend the Federal sentencing guidelines and the policy statements of the Commission, as appropriate, to provide an appropriate penalty for each offense under section 1028 of title 18, United States Code, as amended by this Act.

(b) FACTORS FOR CONSIDERATION.—In carrying out subsection (a), the United States Sentencing Commission shall consider, with respect to each offense described in subsection (a)—

(1) the extent to which the number of victims (as defined in section 3663A(a) of title 18, United States Code) involved in the offense, including harm to reputation, inconvenience, and other difficulties resulting from the offense, is an adequate measure for establishing penalties under the Federal sentencing guidelines;

(2) the number of means of identification, identification documents, or false identification documents (as those terms are defined in section 1028(d) of title 18, United States Code, as amended by this Act) involved in the offense, is an adequate measure for establishing penalties under the Federal sentencing guidelines;

(3) the extent to which the value of the loss to any individual caused by the offense is an adequate measure for establishing penalties under the Federal sentencing guidelines;

(4) the range of conduct covered by the offense;

(5) the extent to which sentencing enhancements within the Federal sentencing guidelines and the court's authority to sentence above the applicable guideline range are adequate to ensure punishment at or near the maximum penalty for the most egregious conduct covered by the offense;

(6) the extent to which Federal sentencing guidelines sentences for the offense have been constrained by statutory maximum penalties;

(7) the extent to which Federal sentencing guidelines for the offense adequately achieve the purposes of sentencing set forth in section 3553(a)(2) of title 18, United States Code; and

(8) any other factor that the United States Sentencing Commission considers to be appropriate.

SEC. 5. CENTRALIZED COMPLAINT AND CONSUMER EDUCATION SERVICE FOR VICTIMS OF IDENTITY THEFT.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Federal Trade Commission shall establish procedures to—

(1) log and acknowledge the receipt of complaints by individuals who certify that they have a reasonable belief that 1 or more of their means of identification (as defined in section 1028 of title 18, United States Code, as amended by this Act) have been assumed, stolen, or otherwise unlawfully acquired in violation of section 1028 of title 18, United States Code, as amended by this Act;

(2) provide informational materials to individuals described in paragraph (1); and

(3) refer complaints described in paragraph (1) to appropriate entities, which may include referral to—

(A) the 3 major national consumer reporting agencies; and

(B) appropriate law enforcement agencies for potential law enforcement action.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 6. TECHNICAL AMENDMENTS TO TITLE 18, UNITED STATES CODE.

(a) TECHNICAL CORRECTION RELATING TO CRIMINAL FORFEITURE PROCEDURES.—Section 982(b)(1) of title 18, United States Code, is amended to read as follows: ''(1) The forfeiture of property under this section, including any seizure and disposition of the property and any related judicial or administrative proceeding, shall be governed by the provisions of section 413 (other than subsection (d) of that section) of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 853).''.

(b) ECONOMIC ESPIONAGE AND THEFT OF TRADE SECRETS AS PREDICATE OFFENSES FOR WIRE INTERCEPTION.—Section 2516(1)(a) of title 18, United States Code, is amended by inserting ''chapter 90 (relating to protection of trade secrets),'' after ''to espionage),''.

SEC. 7. REDACTION OF ETHICS REPORTS FILED BY JUDICIAL OFFICERS AND EMPLOYEES.

Section 105(b) of the Ethics in Government Act of 1978 (5 U.S.C. App) is amended by adding at the end the following new paragraph:

''(3)(A) This section does not require the immediate and unconditional availability of reports filed by an individual described in section 109(8) or 109(10) of this Act if a finding is made by the Judicial Conference, in consultation with United States Marshall Service, that revealing personal and sensitive information could endanger that individual.

''(B) A report may be redacted pursuant to this paragraph only—

''(i) to the extent necessary to protect the individual who filed the report; and

''(ii) for as long as the danger to such individual exists.

''(C) The Administrative Office of the United States Courts shall submit to the Committees on the Judiciary of the House of Representatives and of the Senate an annual report with respect to the operation of this paragraph including—

''(i) the total number of reports redacted pursuant to this paragraph;

''(ii) the total number of individuals whose reports have been redacted pursuant to this paragraph; and

''(iii) the types of threats against individuals whose reports are redacted, if appropriate.

''(D) The Judicial Conference, in consultation with the Department of Justice, shall issue regulations setting forth the circumstances under which redaction is appropriate under this paragraph and the procedures for redaction.

''(E) This paragraph shall expire on December 31, 2001, and apply to filings through calendar year 2001.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida (Mr. MCCOLLUM) and the gentlewoman from Texas (Ms. JACKSON-LEE) each will control 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. MCCOLLUM).

GENERAL LEAVE

Mr. McCOLLUM. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the bill under consideration.

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

There was no objection.

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

Madam Speaker, H.R. 4151, the Identity Theft and Assumption Deterrence Act of 1998, amends the fraud chapter of title 18 of the United States Code to create a new crime prohibiting the unlawful use of personal identifying information, such as names, Social Security numbers and credit card numbers. This bill was introduced by the gentleman from Arizona (Mr. SHADEGG) and originally cosponsored by a number of Members from both sides of the aisle.

Madam Speaker, identity fraud involves the misappropriation of another person's personal identifying information. Criminals use this information to establish credit in their name, run up debts on the another person's account, or take over existing financial accounts. According to a 1998 GAO study, the consequences of this crime are enormous. One national credit union reported that two-thirds of the 500,000 annual consumer inquiries it receives involve identity fraud. MasterCard has reported that its member banks lose almost $400 million annually to identity theft. The Secret Service, which investigates only a small portion of identity theft cases under the existing wire and mail fraud statutes, reported that cases it investigated in 1997 involved over $745 million in losses.

Madam Speaker, unfortunately, only a portion of identity fraud cases are investigated and prosecuted. At present, while the use of false identity documents is a crime, the gathering, use and sale of personal identifying information is not. Because of this gap in the law, law enforcement agencies can only investigate the fraud that occurs after stolen identity information is used, and as many of these individual crimes involve relatively small amounts, they are often too small to justify the use of valuable investigative and prosecutorial resources.

The Secret Service has informed the Committee on the Judiciary that if the transfer of personal identifiers were a crime, they would be able to prosecute those persons who traffic in this information and in many cases prevent the fraud that is later committed by those who buy this information from those who sell it.

H.R. 4151 gives law enforcement agencies the authority to investigate these crimes. It amends section 1029 of title 18 to make it a crime to unlawfully transfer or use a means of personal identification.

I want to point out that only an unlawful use or transfer is prohibited. The statute will still allow banks, credit card companies and credit bureaus to conduct their business as they always have.

This bill is similar to a bill that passed the other body by unanimous consent. It is supported by a number of groups including Visa USA, the American Bankers Association, the American Society for Industrial Security, the Center for Democracy and Technology, and the Electronic Privacy Information Center. I particularly again want to thank the gentleman from Arizona (Mr. SHADEGG) for his leadership

in this important area, and I urge all of my colleagues to support the bill.

Madam Speaker, I reserve the balance of my time.

Ms. JACKSON-LEE of Texas. Madam Speaker, I yield myself such time as I may consume.

I rise to support this legislation, but offer some reservations in the process. H.R. 4151, the identity Theft and Assumption Deterrence Act, was never considered by the House Committee on the Judiciary. I might add that this failure in process is not the most appropriate way to meet our legislative responsibilities.

Nevertheless, I will say that if there is ever extreme hardship on a person, it is their loss of identity, Social Security, theft of their credit cards through the mail system, and other intrusions on their privacy.

□ 1045

We can always be reminded of the gasp of the individual who has found out that, unfortunately, they have left a litany of debts, because someone has either taken their credit cards or other identifying features, found their check numbers, and devastated their bank account.

Identity theft is a very important problem that deserves our attention. Billions of dollars were stolen by identity thieves when they steal account numbers, identification documents, and social security numbers. For our elderly, it is most devastating. Oftimes it takes a long, frustrating time and thousands of dollars in legal fees for people to reconcile credit problems caused by identity thieves. In fact, Members will find that their credit may have been devastated, their credit record, before they can even determine that something has happened.

Our current Federal criminal code is inadequate in addressing these high-tech crimes. Unfortunately, our credit reporting laws and their lack of accountability and responsible consumer protection are as responsible for these identity theft problems as a thief's running credit card scams. We also have a responsibility to address these serious concerns.

I have expressed my reservations about the process, but I will be supporting this bill. But I do ask that we continue our work in this area by addressing related problems in credit reporting and consumer protection.

H.R. 4151, the Identity Theft and Assumption Deterrence Act, was never considered by the House Judiciary Committee. This failure in process is not the most appropriate way to meet our legislative responsibilities.

Identity theft is a very important problem that deserves our attention. Billions of dollars are stolen by identity thieves when they steal account numbers, identification documents and social security numbers. It oft times takes a long frustrating time and thousands of dollars in legal fees for people to reconcile credit problems caused by identity thieves. Our current federal criminal code is inadequate in addressing these high tech crimes.

Unfortunately, our credit reporting laws and their lack of accountability and responsible consumer protection are as responsible for these identity theft problems as the thieves running credit care scams. We also have a responsibility to address these serious concerns.

Despite my reservations about the process, I will support this bill. But, I ask that we continue our work in this area by addressing related problems in credit reporting and consumer protection.

Madam Speaker, I reserve the balance of my time.

Mr. MCCOLLUM. Madam Speaker, I yield 7 minutes to the gentleman from Arizona (Mr. SHADEGG), the prime author of this bill.

Mr. SHADEGG. Madam Speaker, I rise in support of H.R. 4151, the Identity Theft and Assumption Deterrence Act of 1998.

Let me begin by thanking the distinguished gentleman from Florida (Mr. MCCOLLUM), chairman of the Subcommittee on Crime, for his strong support of this legislation, and the distinguished chairman of the Committee on the Judiciary, the gentleman from Illinois (Mr. HYDE), for his support, as well.

I also want to thank my colleagues on the opposite side of the aisle. As Members will hear tonight, many have worked very hard to secure passage of this legislation, and it is indeed truly bipartisan.

I also, most importantly, want to thank two of my own constituents, Bob and JoAnn Hartle, of Phoenix, Arizona, who were themselves victims of identity theft. They took this tragedy in their lives and turned it into a positive experience by becoming instrumental in passing the first State law in the Nation to criminalize identity theft, and by becoming instrumentally involved in passing this legislation.

Mr. and Mrs. Hartle suffered the devastation of identity theft when a convicted felon took Mr. Hartle's identity and then went out and made purchases totaling over $110,000. With Mr. Hartle's identity, this individual obtained a social security card, a driver's license, numerous bank accounts, and credit cards, and did even more. He bought, as a matter of fact, trucks, motorcycles, mobile homes, and appliances, but, incredibly, it did not stop there.

Using Mr. Hartle's identity, he obtained a security clearance from the Federal Aviation Administration to secure areas of Phoenix Sky Harbor International Airport, and beyond that, he used Mr. Hartle's service record in Vietnam to obtain a Federal home loan and, stunningly, he used Mr. Hartle's clean record to go around the Brady gun law, and this previously-convicted felon obtained handguns through his theft of Mr. Hartle's identification.

Mr. and Mrs. Hartle, as a result of this victimization, were forced to spend more than 4 years of their lives and more than $15,000 of their own money just restoring their credit and reestablishing their good name, because at the time that these acts occurred, there were no criminal penalties for this conduct. The Hartles were left with no meaningful remedy whatsoever.

Ultimately the individual involved was caught and prosecuted, interestingly, for making a false statement to procure a firearm. He was sentenced in 1995 and served a brief period of time, having been released earlier this year. Most importantly, he was not required to and he did not make restitution to the Hartles.

Tragically, the Hartles' story is far from unique, as I am sure we will hear tonight. Identity theft is the fastest growing financial crime in America. It is one of the fastest growing crimes of any kind in America. There are thousands of Americans victimized by this conduct every day.

Indeed, I think, to the surprise of all of us involved in cosponsoring this legislation, after its introduction we were contacted by hundreds of our constituents who have come forward and told their own stories of victimization, including numerous Capitol Hill staffers who have been victimized by this conduct.

Identity theft ranges from individual instances, like the Hartles', involving sometimes small dollar amounts and sometimes large dollar amounts, all the way to large organized professional crime rings involving multiple States and hundreds of thousands of dollars.

Indeed, one such crime ring established a fictitious home improvement company and then a credit bureau account, and using that credit bureau account and a computer link, downloaded over 500 credit reports, and then, using that information, stole more than $250,000 from an array of victims.

Incredibly, because there were no laws punishing this conduct, the leader of the ring could only be charged with the crime of breach of computer security. He was sentenced to only 2 years of probation, no jail time, and fined just $500 for the theft of over $250,000. These, sadly, are just two examples of the thousands, no, tens of thousands, of identity thefts that occur each year.

H.R. 4151 is critically needed to punish this kind of conduct, which wreaks far-ranging emotional and personal financial damage on its victims. It is also needed to deter those who are tempted to engage in this conduct in the future.

In 1996, Arizona became the first State to enact criminal penalties for this conduct, and this year seven additional States also enacted criminal statutes for this conduct: California, Colorado, Georgia, Kansas, Mississippi, Wisconsin, and West Virginia.

H.R. 4151 complements these State laws already in place. It also, most importantly, provides Federal law enforcement officials, particularly the Secret Service, with the tools to prosecute and prevent identity theft.

In testimony before the Congress, the U.S. Secret Service testified that under

current law, '' * * * law enforcement must wait for an overt fraudulent act or creation of a fraudulent document before it can intercede in a case * * * involving identity {theft}. Establishing identity theft as a criminal violation would enable law enforcement to prevent the fraud before it starts. It would'', in the Secret Service's words, ''be a proactive answer to what is now being handled in a reactive manner.''

To understand the dimension of this activity, we simply have to look at one national credit bureau, where in 1997, over two-thirds of the reports to that credit bureau were about identity theft, a total of over 300,000 reports in one year. The cost of this activity is monumental to victims, to financial institutions, and to taxpayers. Those costs have skyrocketed this year more than $2 billion.

H.R. 4151 prohibits the transfer and use of personal identification information such as a person's personal name, their home address, their social security number, and other information to acquire the individual's identity. It will enable law enforcement to investigate and apprehend these crimes before they occur, before the individual has obtained credit cards, checking accounts, home loans, or purchased vehicles, furniture, or appliances, or even handguns, or, in the case of Bob Hartle, obtained security passes to go to secure areas.

This is incredibly important and critical legislation which will prevent thousands of dollars of financial loss in the future. More importantly, it will prevent future victims from having to endure the months, perhaps even years, of trying to clear their credit and reclaim their good names.

Identity theft is a critically important crime. This is essential needed legislation. It enacts stiff penalties for identity theft and even stiffer penalties for trafficking in someone's identity when the offense is connected with drug offenses or violent crimes.

I urge my colleagues to support this legislation, which has truly bipartisan support.

Ms. JACKSON-LEE of Texas. Madam Speaker, I yield myself such time as I may consume.

I would add my appreciation to the gentleman from Arizona (Mr. SHADEGG) for his good work. There are so many people this kind of identity theft impacts, and certainly I want to acknowledge the Members on this side of the aisle, the gentleman from Vermont (Mr. SANDERS) and the gentleman from Tennessee (Mr. CLEMENT), who had great interest and worked very hard on this.

Madam Speaker, I yield 4 minutes to the gentlewoman from Connecticut (Ms. DELAURO), who was very instrumental and worked long months and years to bring this legislation to this point.

Ms. DELAURO. Madam Speaker, I thank the gentlewoman from Texas for yielding time to me.

I am grateful for the rapid work the gentleman from Florida (Chairman MCCOLLUM) and the Committee on the Judiciary did to bring this important legislation to the floor. I was very pleased to have the opportunity to work with the gentleman from Arizona (Mr. SHADEGG), the gentleman from Tennessee (Mr. CLEMENT), and the gentleman from Vermont (Mr. SANDERS) on creating what is a new and improved and a bipartisan piece of legislation to combat identity fraud.

I rise in support of the McCollum substitute amendment to H.R. 4151, the Identity Theft and Assumption Deterrence Act, which makes technical modifications to the bill.

As Members have heard from my colleague, the gentleman from Arizona (Mr. SHADEGG), identity theft is growing. It is a harmful crime. It hurts the economy, it destroys consumer credit, and it places a burden on consumers to keep their identities under lock and key.

It took a nightmare story from my own constituent, Denice, and Denice does not want her last name known because she continues to be frightened by what has happened to her and her family, to bring the issue of identity fraud to my attention.

Denice contacted me 2 years ago and told me her story. Thieves had used her stolen identification to access credit in her name in Rhode Island and again in Utah. The thieves made more than $2,000 in purchases and rented several apartments.

Denice has worked for more than 2 years to clear her good name and credit through multiple contacts with credit reporting agencies and an attorney. This identity fraud case has cost her a tremendous amount of time and huge sums of money.

□ 2300

The identity thief who stole her identity is continuing to use her identification to access credit in her name. In response to her case, and numerous other similar stories brought to my attention, I introduced the Identity Piracy Act to fight identity fraud.

Today, I am pleased to join forces with my colleagues to pass the Identity Theft and Assumption Deterrence Act that incorporates important changes from the Identity Piracy Act. The bill incorporates language from my identity fraud bill that eliminates the dollar threshold making identity fraud a Federal crime. Under other identity fraud legislation, a thief had to steal both a victim's identity and $1,000. The new bill will ensure that the theft of identity is a crime, with enhanced penalties for stealing credit, for drug trafficking, and for violent crimes.

Identity fraud is a crime that leaves unsuspecting victims open to years of frustration and debt while they try to clear their credit. It exposes financial institutions, insurers, and consumers to financial losses from stolen credit and other fraud.

The base of support for passing this legislation is universal. Consumer groups, financial service institutions, and privacy rights groups all support this legislation. And the chairman identified a number of those groups.

Although ultimately the best weapon to stop crime is awareness and prevention, the new legislation that we are voting on tomorrow will be another weapon in the arsenal in the fight against identity fraud, and I am delighted and pleased and proud to join forces with my colleagues on both sides of the aisle to pass this piece of legislation.

Mr. MCCOLLUM. Madam Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. HOSTETTLER).

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

Mr. HOSTETTLER. Madam Speaker, I thank the gentleman from Florida (Mr. MCCOLLUM) chairman of the committee, and the gentleman from Arizona (Mr. SHADEGG), and I rise in strong support of this bill, a piece of legislation which, when discussed, may seem like something directly from the Sci-Fi Channel when someone would discuss theft of an identity and the assumption of that identity. One would think that was something far off in the future, but in many cases in these pieces of legislation the anecdotes we have heard, some of them come very close to home.

In fact, earlier this spring, my district scheduler back in southwestern Indiana, Erica, experienced this very phenomenon. A person in Michigan had purchased information such as social security numbers and family information of Erica. The imposter then ordered a credit report to learn her credit status. After learning that status, and armed with that information, the perpetrator went on a 2-day spending spree, opened numerous charge accounts as Erica, and purchased in excess of $5,000 in goods, including the purchase of a cell phone.

The individual was caught only when a clerk noticed that the imposter hesitated at providing certain information and the credit card company called my district scheduler to verify it.

Madam Speaker, this is a piece of legislation that is very timely, very important, not only to the individuals that are directly impacted by it, but our economy as a whole. I commend the gentleman from Arizona (Mr. SHADEGG) for his work on this very needed piece of bipartisan legislation, and I ask my colleagues to vote in favor of it.

Ms. JACKSON-LEE. Madam Speaker, with that let me add my appreciation for all who have worked so hard on this legislation. It is about time we protect innocent victims of identity theft and assumption. Deterrence is very important, and I would hope our colleagues would support it.

Madam Speaker, I yield back the balance of my time.

Mr. MCCOLLUM. Madam Speaker, I submit for the RECORD the explanatory statement on the substitute amendment to this bill:

EXPLANATORY STATEMENT OF REP. BILL MCCOLLUM ON THE SUBSTITUTE AMENDMENT TO H.R. 4151

The substitute amendment to H.R. 4151 is very similar in substance, and identical in intent, to H.R. 4151 as it was introduced by Mr. Shadegg. The amendment modifies the bill so that its language will be similar to the text of S. 512, a bill on this same subject that passed in the other body by unanimous consent. The text of S. 512, as passed by the other body, incorporated amendments to the Senate bill that were suggested by the Justice Department.

There are four substantive changes accomplished by the substitute amendment. First, the substitute requires the government to prove that the person who unlawfully transfers or uses a means of identification of another person did so with the intent to commit, or aid and abet, a violation of federal law or any state felony. As introduced, the bill did not require that the government prove the intent behind a defendant's transfer or use of another's identifying information. Second, as amended, the bill deletes the mere possession of personal identifying information from the offense and requires that the government prove an unlawful use or transfer to another person of the personal information in order to prove the crime.

Third, the House bill as introduced differentiated between transferring the information and using it when determining whether a crime had been committed. It required that the government prove that a defendant transferred five or more means of identification in order to prove the crime had been committed. The substitute amendment eliminates this distinction. I believe that allowing even one person's identity to be sold to another person unlawfully should be punished. We need not wait until the criminal has jeopardized the financial security of five or more people before we act to stop him.

Fourth, the substitute amends the penalty for committing this new crime in conjunction with a violent crime from that originally set forth in the bill. The substitute will make this penalty the same as that for committing the new crime in conjunction with a drug trafficking crime, thus continuing the usual practice of punishing acts related to violent crimes and serious drug crimes in a similar manner.

The substitute also amends the Ethics in Government Act provision dealing with the release to the public of financial disclosure statements filed by federal judges. The substitute amendment will allow for some of the personal information in those filings to be redacted when they are released to the public if threats have been made against the judges who have filed those statements.

Finally, the substitute also makes two purely technical amendments to previously enacted statutes.

Mr. SANDERS. Mr. Speaker, I am pleased to rise today to support the Identity Theft and Assumption Deterrence Act and I am proud to be an original cosponsor of this legislation. In order to clearly demonstrate the need for this bill, let me lay out a frightening scenario that could happen to any of us.

Imagine getting a bill from a credit card company for thousands of dollars that you didn't charge. Then, the next day, getting several more bills from other credit card companies, and getting overdue phone bills for an address you never lived at, and getting an invoice for a car you never bought. This sounds like something out of the Twilight Zone, but this nightmare is real. Someone, perhaps someone living in a country on the other side of the globe, has stolen your name, your financial history, your identity, and used it to run up huge debts—debts creditors want you to pay.

Once your identity has been ''stolen,'' you must now spend many hours on the phone with credit card companies trying to clear up these misunderstandings. You may spend many months or even years with the three major credit bureaus trying to clear up your credit record, and you may find yourself having trouble getting a loan or a mortgage.

If someone with a prior criminal record assumes an individual's identity and is using that person's name, the victim can be denied jobs without knowing why. And, if the victim's credit is in disarray due to identity theft, an innocent consumer can be turned down for a car loan or mortgage.

You may spend the rest of your life worrying if this nightmare will happen again. But the worst part is that even if you or the law enforcement community knows who has committed this act against you, there is currently no law to punish the offender or to provide you with any compensation for all you've been through.

Current federal law only prohibits the misuse of false identification documents. But with the growth of information that can be found on the Internet, identity thieves don't need an actual document. They can go on-line and find or purchase your Social Security number, unlisted address and phone number, and date of birth, which are often the key pieces of information to unlocking the door to your personal financial history.

According to law enforcement authorities, identity theft is one of the nation's fastest growing crimes, and it's a crime federal authorities need help to combat. A recent GAO study reports that at one of the nation's 3 largest credit bureaus, victim inquiries rose from 35,000 in 1992 to 522,000 in 1997. That's a 15-fold increase. The Social Security Administration reported that complaints about stolen Social Security numbers, one of the most commonly stolen identifiers, doubled from 1996 to 1997. The U.S. Secret Service, which has jurisdiction over financial crimes, estimates that actual losses due to identity theft were $745 million last year.

We need to discourage this intrusion of privacy by making it a federal crime to take over someone's identity. In order to protect Americans from this financially and emotionally devastating crime, Reps. SHADEGG, DELAURO, CLEMENT, and I introduced H.R. 4151, the Identity Theft and Assumption Deterrence Act. This needed legislation will make it a federal crime to assume someone else's identity. It also establishes a clearinghouse at the Federal Trade Commission for identity theft victims to get assistance in clearing their credit records. The bill allows victims of identity theft to receive restitution from the criminals who steal their identity. Previously, they were not entitled to restitution because identity theft was not a crime.

American consumers deserve to have their privacy protected. Identity theft can affect anyone at any time. We need to pass the Identity Theft and Assumption Deterrence Act to not only throw these identity thieves in jail, but also to give victims help with cleaning up their own credit records.

Mr. CLEMENT. Mr. Speaker, I rise today to express my support for H.R. 4151, the Identity Theft and Assumption Deterrence Act. The measure would establish tough penalties for the crime, as well as direct the Federal Trade Commission to log reports of identity theft, provide information to victims, and refer complaints to appropriate law enforcement agencies.

Identity theft is one of the fastest-growing financial crimes, with reports of 2,000 cases occurring each week. Credit-card fraud losses—the major financial loss in personal-identity thefts—amount to as much as $2 billion a year. The act is called identity theft, yet it is not illegal. The notion that someone can steal your personal information and essentially pretend to be you without penalty is frightening.

I was first acquainted with this growing problem when one of my staffers became a victim of identity theft. The story my staffer told me was incredible. Someone stole her name and social security number to open up eight credit card accounts and charged over $17,000 in her name. This thief switched my staffer's phone service and opened two cellular phone accounts. This imposter even had a government agency identification badge forged with my staff's name, social security number, and address on it.

But the most incredible part of the story is that my staffer had absolutely no recourse. The only crime committed, she was told by police, was against the stores where the thief had charged merchandise.

There is another story of a woman in my home State of Tennessee, Mrs. Conjohna Mixon, who was actually arrested and sent to jail because someone had stolen her identity and had written worthless checks on a phony account. This innocent woman was even brought into court with leg shackles. After her release, she had to endure hours of paperwork and spend personal time and money because she was a victim. And the nightmare didn't end. Two months later, local authorities were still threatening this innocent woman with arrest on more bad check warrants.

One of my constituents, Mr. Paul White, wrote me a letter describing how someone had stolen the identify of his 18-year-old son, setting up a bank account in Colorado and issuing fraudulent checks. Mr. White made the following statement:

As I do a great deal of legal work representing a local bank, I am well aware of the increasing incidence of identity fraud in this country and the necessity for federal legislation to outlaw this type of fraudulent activity.

The people who are being victimized have no recourse under law and must sacrifice their own time and money to repair the wrongdoings of others against them. This system is not fair, and that is why I urge immediate passage of the Identity Theft and Assumption Deterrence Act. In addition, I call on my colleagues to continue to monitor this crime, so that we can be sure that no future identity theft goes unpunished, and that every victim is served by the law.

Mr. KLECZKA. Mr. Speaker. It's been called the crime that isn't a crime. How can that be? Ask Jessica Grant, a Wisconsin woman whose identity was stolen through use of her Social Security number. Her name was used by a

thief to buy two cars and a mobile home. Under her name, the thief racked up $60,000 in fraudulent charges. Yet, there was no federal law to protect her.

Or, ask the thousands of consumers across the country whose names, Social Security numbers, and personal credit information are pilfered every day. This ''crime that isn't a crime'' cost consumers $745 million in 1997, according to a recent GAO report I requested.

While Jessica Grant and thousands of individuals have indeed been violated, current federal law provides protections only for lenders and credit card companies.

Mr. Speaker, I rise today to support this legislation. Today, there is no standard definition of identity theft. There are no fines. No prison penalties. No protections for people like Jessica Grant. In short, ID theft is not a crime.

Passage of this legislation addresses two critical aspects of identity theft. First the bill would authorize the FTC to acknowledge and log reports of this new—and rapidly expanding—category of crime. At last, we will learn about the real impact identity theft.

Second, the bill clearly defines ID theft. People like Jessica Grant and prosecutors across the country can pursue these thieves and lock 'em up.

While HR 4151 is a positive step there is much more work to be done to thwart this growth industry in crime.

Under my bill, HR 1813, the Personal Information Privacy Act, the sale or purchase of a person's personal credit information without the express written consent of the owner would be explicitly prohibited. My bill, which I will re-introduce in the 106th Congress, also prohibits the use of Social Security numbers as a condition of doing business.

Mr. Speaker, with these two bills we at long last will have the one-two punch needed to strike back at identity thieves.

Mr. McCOLLUM. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. WILSON). The question is on the motion offered by the gentleman from Florida (Mr. MCCOLLUM) that the House suspend the rules and pass the bill, H.R. 4151, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

CRIME VICTIMS WITH DISABILITIES AWARENESS ACT

Mr. McCOLLUM. Madam Speaker, I move to suspend the rules and pass the Senate bill (S. 1976) to increase public awareness of the plight of victims of crime with developmental disabilities, to collect data to measure the magnitude of the problem, and to develop strategies to address the safety and justice needs of victims of crime with developmental disabilities.

The Clerk read as follows:

S. 1976

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 ''Crime Victims With Disabilities Awareness Act''.

SEC. 2. FINDINGS; PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) although research conducted abroad demonstrates that individuals with developmental disabilities are at a 4 to 10 times higher risk of becoming crime victims than those without disabilities, there have been no significant studies on this subject conducted in the United States;

(2) in fact, the National Crime Victim's Survey, conducted annually by the Bureau of Justice Statistics of the Department of Justice, does not specifically collect data relating to crimes against individuals with developmental disabilities;

(3) studies in Canada, Australia, and Great Britain consistently show that victims with developmental disabilities suffer repeated victimization because so few of the crimes against them are reported, and even when they are, there is sometimes a reluctance by police, prosecutors, and judges to rely on the testimony of a disabled individual, making individuals with developmental disabilities a target for criminal predators;

(4) research in the United States needs to be done to—

(A) understand the nature and extent of crimes against individuals with developmental disabilities;

(B) describe the manner in which the justice system responds to crimes against individuals with developmental disabilities; and

(C) identify programs, policies, or laws that hold promises for making the justice system more responsive to crimes against individuals with developmental disabilities; and

(5) the National Academy of Science Committee on Law and Justice of the National Research Council is a premier research institution with unique experience in developing seminal, multidisciplinary studies to establish a strong research base from which to make public policy.

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

(1) to increase public awareness of the plight of victims of crime who are individuals with developmental disabilities;

(2) to collect data to measure the extent of the problem of crimes against individuals with developmental disabilities; and

(3) to develop a basis to find new strategies to address the safety and justice needs of victims of crime who are individuals with developmental disabilities.

SEC. 3. DEFINITION OF DEVELOPMENTAL DISABILITY.

In this Act, the term ''developmental disability'' has the meaning given the term in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001).

SEC. 4. STUDY.

(a) IN GENERAL.—The Attorney General shall conduct a study to increase knowledge and information about crimes against individuals with developmental disabilities that will be useful in developing new strategies to reduce the incidence of crimes against those individuals.

(b) ISSUES ADDRESSED.—The study conducted under this section shall address such issues as—

(1) the nature and extent of crimes against individuals with developmental disabilities;

(2) the risk factors associated with victimization of individuals with developmental disabilities;

(3) the manner in which the justice system responds to crimes against individuals with developmental disabilities; and

(4) the means by which States may establish and maintain a centralized computer database on the incidence of crimes against individuals with disabilities within a State.

(c) NATIONAL ACADEMY OF SCIENCES.—In carrying out this section, the Attorney General shall consider contracting with the Committee on Law and Justice of the National Research Council of the National Academy of Sciences to provide research for the study conducted under this section.

(d) REPORT.—Not later than 18 months after the date of enactment of this Act, the Attorney General shall submit to the Committees on the Judiciary of the Senate and the House of Representatives a report describing the results of the study conducted under this section.

SEC. 5. NATIONAL CRIME VICTIM'S SURVEY.

Not later than 2 years after the date of enactment of this Act, as part of each National Crime Victim's Survey, the Attorney General shall include statistics relating to—

(1) the nature of crimes against individuals with developmental disabilities; and

(2) the specific characteristics of the victims of those crimes.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida (Mr. MCCOLLUM) and the gentlewoman from Texas (Ms. JACKSON-LEE) each will control 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. MCCOLLUM).

GENERAL LEAVE

Mr. MCCOLLUM. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill under consideration.

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

There was no objection.

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

Madam Speaker, S. 1976, the Crime Victims with Disabilities Awareness Act, is an effort to increase public awareness of the plight of crime victims who suffer from developmental disabilities. Sponsored by Senator DEWINE and passed by the other body on July 13, 1998, the bill directs the Attorney General, in conjunction with the National Research Council, to develop a plan to increase our understanding and help prevent crimes against vulnerable segments of our society. The Attorney General would be required to gather and report statistics on crimes against the physically and mentally disabled as part of the National Crime Victims Survey.

Madam Speaker, criminals are opportunists. We have long recognized they target the most vulnerable members of society for crime and exploitation and we have responded by successfully heightening awareness of crimes against women, children, and the elderly. This subcommittee has considered numerous pieces of legislation to address crimes against children and the elderly, but we have not considered the extent and the nature of crimes against disabled individuals.

I was shocked to find out that we know very little about crimes against the disabled. There is an estimated 52 million Americans with disabilities and we have every indication that crimes against this population are serious, yet no significant studies have

been conducted in the United States. In fact, the Bureau of Justice Statistics in their annual National Crime Victims Survey does not specifically collect data about crimes against persons with developmental disabilities.

Research in foreign countries has found that persons with developmental disabilities are at a 4 to 10 times higher risk of becoming crime victims than those without disabilities. Studies in Canada, Australia and Great Britain consistently show that crime victims with developmental disabilities suffer repeated victimization because so few of the crimes against them are reported. Unfortunately, even when crimes against victims with disabilities are reported, there sometimes is a reluctance by justice officials to rely solely on the testimony of a disabled person, further making these victims a target for criminal predators.

S. 1976 seeks to promote research to, (1) understand the nature and extent of crimes against persons with developmental disabilities; (2) assess how the law enforcement and justice systems currently respond to crimes against the developmentally disabled; and (3) identify programs, policies, or laws that hold promise for making our law enforcement and justice systems more responsive to crimes against persons with developmental disabilities.

I am hopeful that the research in this legislation will have broad positive national policy implications. Greater knowledge about victims with developmental disabilities will help service providers target programs more effectively. Victims and their families will have a better understanding of crime risks. Justice and social service policy makers will have a greater understanding of how to improve investigative and prosecutorial strategies and how to use victims' testimony in conjunction with other case evidence.

Clearly, what this legislation is trying to do is to raise considerably the national profile of this issue among research agencies and the academic community and to continue to define and develop solutions to the problem. It is an important proposal and I urge my colleagues to support it.

Madam Speaker, I reserve the balance of my time.

Ms. JACKSON-LEE of Texas. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise to support this legislation which was introduced by Senator LEAHY and Senator DEWINE and passed by the Senate by unanimous consent.

Interestingly enough, as the gentleman from Florida (Mr. MCCOLLUM), my colleague and chairman has indicated, research has already been done on this issue in foreign countries and it has found that persons with developmental disabilities are at a 4 to 10 times higher risk of becoming crime victims than those without disabilities. Interestingly enough, we have not done similar research here in the United States.

The legislation is designed to achieve the three objectives: Increasing public awareness of the plight of crime victims with developmental disabilities; to start collecting data to measure the extent and nature of the problem; and, to develop strategies to address the safety and justice of these victims.

Many times these victims cannot explain or express the circumstances around their victimization. Research in the United States really needs to be done to understand the nature and extent of crimes against persons with developmental disabilities, again, to show how the law enforcement and justice systems currently respond to such crimes and to identify programs and policies or laws that hold promise for making our law enforcement and justice systems more responsive to crimes against persons with developmental disabilities.

Frankly, Madam Speaker, we need to reach out to these individuals, so that they can aggressively be able to protect themselves, we can provide them with comfort and training, and we can stave off those who would victimize these victims because of their disabilities.

The legislation directs the Attorney General to enter into contracts to develop a research agenda to increase the understanding and control of crime against persons with developmental disabilities.

In speaking to one of my colleagues here on the floor, they found this bill particularly interesting in light of the fact that people with disabilities, someone that they are very familiar with, would be subject to attack by those who thought they were easy prey. This is an important issue because there are more and more people with developmental disabilities in this Nation. This because of poor prenatal nutrition and care, serious accidents, and other tragedies that occur throughout one's life.

□ 2310

There are also increases in child abuse, and there is much substance abuse during pregnancy. So we are finding more and more Americans who are capable of surviving and supporting themselves, but they are developmentally disabled and become subject to victimization.

This is a strong bipartisan bill and I urge its adoption.

I rise in support of this legislation introduced by my good friend Mr. TRAFICANT which ensures that Federal funds for the Cops on the Beat program are used in a manner that produces a net gain in the number of law enforcement officers who perform non-administrative safety services.

I was heavily involved in the enaction of the initial cops on the beat program, and I can assure the Members that the overriding goal was to hire and retain as many neighborhood policeman as possible, not to use the money for excessive administrative or overhead costs.

Identical legislation has been enacted in each of the last several Congresses through the appropriations process, but has become entangled in other issues.

This is good legislation that will help our communities fight crime, and I urge a yes vote.

Madam Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. MCCOLLUM. Madam Speaker, I have no requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Ms. WILSON). The question is on the motion offered by the gentleman from Florida (Mr. MCCOLLUM) that the House suspend the rules and pass the bill, H.R. 1976.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

ENSURING FEDERAL FUNDS MADE AVAILABLE TO HIRE OR REHIRE LAW ENFORCEMENT OFFICERS ARE USED IN MANNER THAT PRODUCES NET GAIN OF NUMBER OF LAW ENFORCEMENT OFFICERS WHO PERFORM NONADMINISTRATIVE PUBLIC SAFETY SERVICES

Mr. MCCOLLUM. Madame Speaker, I move to suspend the rules and pass the bill (H.R. 804) to amend part Q of title I of the Omnibus Crime Control and Safe Streets Act of 1968 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 nonadministrative public safety services.

The Clerk read as follows:

H.R. 804

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

SECTION 1. NET GAIN OF OFFICERS.

Section 1704 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by adding at the end the following:

''(d) NET GAIN OF OFFICERS.—Notwithstanding any other provision under this part, funding provided under this part for hiring or rehiring a career law enforcement officer shall be used by an entity described in section 1701(a) to ensure that such entity achieves a net gain in the number of law enforcement officers who perform nonadministrative public safety service.''.

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 shall apply to all applications and grant renewal requests made on or after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida (Mr. MCCOLLUM) and the gentlewoman from Texas (Ms. JACKSON-LEE) each will control 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. MCCOLLUM).

GENERAL LEAVE

Mr. MCCOLLUM. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within

which to revise and extend their remarks on H.R. 804, the bill under consideration.

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

There was no objection.

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

H.R. 804 amends the 100,000 ''COPS on the Beat'' program established in the 1994 Crime Bill to ensure that Federal funds for the COPS program are used in a manner that produces a net gain of the number of law enforcement officers who perform nonadministrative public safety services.

The President's ''COPS on the Beat'' program authorized $8.8 billion over 6 years in order to put 100,000 community-oriented police officers on the beat across the country. As of March 1998, the latest month in which a survey was completed, the COPS office claimed to have funded 71,000 COPS. Approximately 40,800 are actually hired and deployed on the streets. About 2400 more are in training.

The remaining 29,000 are officers counted under the COPS M.O.R.E. program, which funds technology and equipment and is believed to produce real-time savings in order to increase policing activities and police presence on the streets. These grants have been counted towards the 100,000 goal not because grants have been used to pay officers' salaries, but because the technology and the equipment purchased have supposedly freed up officers to be on the streets.

I have been a critic of the 100,000 COPS program in the past, not because I am opposed to putting more community police officers on the streets, but because I have been skeptical that the President's program will be able to deliver on what it promises. The subcommittee held hearings on the COPS program in the 104th Congress where we learned that local communities bear the majority of the financial burden of the COPS program, and the COPS grants were not going where they were needed; in most high-crime areas. Since then, we have learned many communities cannot afford to keep police officers they have hired after the 3-year grant runs out.

It was because of these inadequacies of the COPS program that I introduced the Local Government Law Enforcement Block Grants bill in 1996. This program, which is now law, provides communities flexible grants to control crime and improve public safety, including the hiring of police officers, if desired. I am of the view that communities, not Washington, know best how to spend funds to fight crime in local neighborhoods. In fact, just last month I received a letter from the National League of Cities stating that they believe that the block grants program, ''has been one of the most influential factors that has led to the reduction of crime rates in our Nation's cities and towns.'' I believe this proposal has delivered what it promises to communities across the country.

Today's legislation seeks to ensure that the COPS office delivers what it promises. Recent news accounts indicate that some police agencies have failed to ensure an actual net gain of officers with the COPS grants they have received. Rather than creating new positions, some grants are used to fill existing vacancies, even though the law prohibits replacing officers who retire or who have otherwise left through attrition.

A September 1977 General Accounting Office report noted that the Office of Community Oriented Policing Services' efforts to monitor the COPS grants were ''limited'' and ''information regarding the accomplishments of the police agencies who received the grants were not consistently collected or reviewed.'' The COPS office has since made an effort to improve grant monitoring by setting up systematic site visits and telephone monitoring of grantees. H.R. 804 is designed to ensure that Federal funds for the COPS program are used to ensure net gains of officers and encourage the COPS office to improve grant monitoring of the program to ensure the goal that is involved in this issue.

I, therefore, support this bill, and I certainly want to thank the gentleman from Ohio (Mr. TRAFICANT) for sponsoring it. I believe it improves the existing COPS program, and I urge my colleagues to support it.

Madam Speaker, I reserve the balance of my time.

Ms. JACKSON-LEE of Texas. Madam Speaker, I yield myself such time as I may consume, and I rise in support of this legislation that was introduced by my very good friend, the gentleman from Ohio (Mr. TRAFICANT), who has worked very hard on this legislation.

I also want to thank the chairman, the gentleman from Florida (Mr. MCCOLLUM), for working hard to ensure that Federal funds for the ''COPS on the Beat'' program are used in a manner that produces a net gain in the number of law enforcement officers who perform nonadministrative safety services.

If I might draw upon my local experience again as a city council member working with a lot of police officers, they are happiest when they are out on the beat enforcing the law, working with people, and it is infrequent that they are satisfied sitting at a desk. This legislation ensures that the police are where they need to be, protecting the people.

Let me also compliment the gentleman from Michigan (Mr. CONYERS), who was heavily involved in ensuring that the ''COPS on the Beat'' program passed, as well as assuring Members that the overriding goal was to hire and retain as many neighborhood policemen, and police persons, might I add, as possible, and not to use the money for excessive administrative or overhead costs.

Identical legislation has been enacted in each of the last several Congresses through the appropriations process but has become entangled in other issues. Many cities, towns, hamlets and places throughout this Nation have been gratified by officers that have come through the 100,000 police, the ''COPS on the Beat'' program, and so this legislation now allows those individuals to get away from the headiness of desk work, if they do not have to do it, and get out with the people.

This is good legislation that will help our communities fight crime and I urge a ''yes'' vote on this legislation.

Madam Speaker, I yield such time as he might consume to the gentleman from Ohio (Mr. TRAFICANT), the moving force behind this legislation in a steadfast and evenhanded manner. I wish to congratulate the gentleman on his work.

Mr. TRAFICANT. Madam Speaker, I thank the gentlewoman from Texas for her support, and I want to thank the chairman, the gentleman from Florida (Mr. MCCOLLUM). Without his help this would not now be law through the appropriations process.

The chairman worked with me and he allowed legislation on appropriations bills for several years to ensure that, in fact, if we are going to be putting Federal dollars in grants to provide COPS on the Beat, then they shall be ''COPS on the Beat'' and not ''COPS Behind Desks'' or in public relation jobs.

So that is technically what my bill does here today. It codifies through the authorization process so that we do not continue to, year after year, bring the issue up in the appropriations process to deal with the issue.

As a former sheriff, I want to, in fact, comment on some of the remarks made by the gentleman from Florida, who has broad experience in law enforcement from perhaps a different perspective. One thing that happens in the law enforcement arena is that at times these grants do become available to chiefs and to sheriffs and they promote their friends from within and then put a few on the street. But the end result is the community that had 10 officers on the street before they got the money, and the taxpayers put up the money, the end result is there are still 10 policemen on the street.

What our language does here, and what we have done in the appropriations process is this: If Houston, Texas, gets 10 new officers, there must be at least one of those officers, to say the least, on the street. So if they had 500 on the street, they must have 501.

□ 2320

But it deals more with those little townships and communities who gets that one or two officers. If they had a total of four officers on the street and they get two of these cops through the grant, then they must have five on the street. It is a very straightforward message that does what the intent supposedly of the underlying program was

supposed to do, increase the number of nonadministrative street cops to protect our communities.

I want to thank the gentlewoman from Texas for the outstanding job she has done in the short time she has been here on this committee, and I want to thank the gentleman from Florida (Mr. MCCOLLUM). Without him this would not happen. I appreciate the fact he was able to allow it to get on the appropriation process and hopefully now we can avoid all of that.

Ms. JACKSON-LEE of Texas. Madam Speaker, I yield myself such time as I may consume.

Needless to say this is a right direction bill. This is frankly a bill that answers the concerns of our local communities. They want police where they need to be, out enforcing the law.

I would like to thank the gentleman from Florida as well for working with my good friend from Ohio and his leadership for doing what most police would applaud and, that is, let them work with the people, enforce the laws and fight crimes.

Madam Speaker, I yield back the balance of my time and say congratulations for this legislation.

Mr. MCCOLLUM. Madam Speaker, I yield myself such time as I may consume. I again want to thank the gentleman from Ohio (Mr. TRAFICANT) for his work putting this bill together. He, as he said, has put this on appropriations bills for a number of years. We are finally going to get it passed.

Madam Speaker, in closing, tonight is the last night and this is the last bill that Aerin Bryant who is a staff member on the Crime Subcommittee of Judiciary will be employed and bringing a bill out here. She is expecting her first child next month and she will be leaving our employ but not our hearts. We are with you, Aerin. We look forward to it. I want to thank her for many hours and many days and now several years of service to this Congress, to the Subcommittee on Crime and to the Committee on the Judiciary. I thank you particularly for being here tonight. You are deserving of that compliment. We certainly wish you fair seas ahead.

Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. WILSON). The question is on the motion offered by the gentleman from Florida (Mr. MCCOLLUM) that the House suspend the rules and pass the bill, H.R. 804.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

IRISH PEACE PROCESS CULTURAL AND TRAINING PROGRAM ACT OF 1998

Mr. SMITH of Texas. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 4293) to establish a cultural and training program for disadvantaged individuals from Northern Ireland and the Republic of Ireland, as amended.

The Clerk read as follows:

H.R. 4293

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 ''Irish Peace Process Cultural and Training Program Act of 1998''.

SEC. 2. IRISH PEACE PROCESS CULTURAL AND TRAINING PROGRAM.

(a) PURPOSE.—

(1) IN GENERAL.—The Secretary of State and the Attorney General shall establish a program to allow young people from disadvantaged areas of designated counties suffering from sectarian violence and high structural unemployment to enter the United States for the purpose of developing job skills and conflict resolution abilities in a diverse, cooperative, peaceful, and prosperous environment, so that those young people can return to their homes better able to contribute toward economic regeneration and the Irish peace process. The program shall promote cross-community and cross-border initiatives to build grassroots support for long-term peaceful coexistence. The Secretary of State and the Attorney General shall cooperate with nongovernmental organizations to assist those admitted to participate fully in the economic, social, and cultural life of the United States.

(2) SCOPE AND DURATION OF PROGRAM.—

(A) IN GENERAL.—The program under paragraph (1) shall provide for the admission of not more than 4,000 aliens under section 101(a)(15)(Q)(ii) of the Immigration and Nationality Act (including spouses and minor children) in each of 3 consecutive program years.

(B) OFFSET IN NUMBER OF H–2B NONIMMIGRANT ADMISSIONS ALLOWED.—Notwithstanding any other provision of law, for each alien so admitted in a fiscal year, the numerical limitation specified under section 214(g)(1)(B) of the Immigration and Nationality Act shall be reduced by 1 for that fiscal year or the subsequent fiscal year.

(3) RECORDS AND REPORT.—The Immigration and Naturalization Service shall maintain records of the nonimmigrant status and place of residence of each alien admitted under the program. Not later than 120 days after the end of the third program year and for the 3 subsequent years, the Immigration and Naturalization Service shall compile and submit to the Congress a report on the number of aliens admitted with nonimmigrant status under section 101(a)(15)(Q)(ii) who have overstayed their visas.

(4) DESIGNATED COUNTIES DEFINED.—For the purposes of this Act, the term ''designated counties'' means the six counties of Northern Ireland and the counties of Louth, Monaghan, Cavan, Leitrim, Sligo, and Donegal within the Republic of Ireland.

(b) TEMPORARY NONIMMIGRANT VISA.—

(1) IN GENERAL.—Section 101(a)(15)(Q) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(Q)) is amended—

(A) by inserting ''(i)'' after ''(Q)''; and

(B) by inserting after the semicolon at the end the following: ''or (ii)(I) an alien 35 years of age or younger having a residence in Northern Ireland, or the counties of Louth, Monaghan, Cavan, Leitrim, Sligo, and Donegal within the Republic of Ireland, which the alien has no intention of abandoning who is coming temporarily (for a period not to exceed 36 months) to the United States as a participant in a cultural and training program approved by the Secretary of State and the Attorney General under section 2(a) of the Irish Peace Process Cultural and Training Program Act of 1998 for the purpose of providing practical training, employment, and the experience of coexistence and conflict resolution in a diverse society, and (II) the alien spouse and minor children of any such alien if accompanying the alien or following to join the alien;''.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out the purposes of this section. Amounts appropriated pursuant to this subsection are authorized to be available until expended.

(d) SUNSET.—

(1) Effective October 1, 2005, the Irish Peace Process Cultural and Training Program Act of 1998 is repealed.

(2) Effective October 1, 2005, section 101(a)(15)(Q) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(Q)) is amended—

(A) by striking ''or'' at the end of clause (i);

(B) by striking ''(i)'' after ''(Q)''; and

(C) by striking clause (ii).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. SMITH) and the gentlewoman from Texas (Ms. JACKSON-LEE) each will control 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. SMITH).

GENERAL LEAVE

Mr. SMITH of Texas. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the bill under consideration.

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

There was no objection.

Mr. SMITH of Texas. Madam Speaker, I yield myself such time as I may consume.

H.R. 4293, the Irish Peace Process Cultural and Training Program Act of 1998, provides for a new nonimmigrant visa program to assist the Irish peace process.

The author of the bill, the gentleman from New York (Mr. WALSH) has tirelessly supported the Irish peace process. In support of the peace process, he has worked with numerous international organizations and visited Northern Ireland three times in the last year. H.R. 4293 is the result of his dedication on behalf of a cause in which he strongly believes. He is to be commended for his diligence and hard work in generating broad bipartisan support for H.R. 4293 and moving it to the House floor.

The bill sets up a 3-year program with 4,000 visas available each year. The visas are reserved for qualified applicants age 35 or under and their spouses and children. The visas are good for 3 years, and the bill requires the INS to monitor and report on any visa overstays so that the purpose of the program is met and the integrity of the United States' immigration system is maintained.

Finally, the new visas are offset against the available number of low-

skilled employment visas from another nonimmigrant category, so that the overall number of available visas remains constant.

I urge my colleagues to support H.R. 4293.

Madam Speaker, I reserve the balance of my time.

Ms. JACKSON-LEE of Texas. Madam Speaker, I yield myself such time as I may consume.

I rise to support H.R. 4293, the Irish Peace Process Cultural and Training Program Act of 1998. It creates a new temporary visa program for citizens from war-torn Northern Ireland and border counties of the Republic of Ireland. Might I say on a personal note to just congratulate so many of my colleagues that have been so energized and involved in this very important peace process. Just by a small measure as I note the gentleman from New York (Mr. GILMAN) on the floor, I was very honored to have been able to travel with him to see this issue firsthand and to be able to provide support to my colleagues who were intimately involved in working with the people of Ireland to bring peace. This is a glorious time that we can at least be comforted by the fact that there is peace and that we can help to contribute to this lasting peace by bringing these individuals who will come to the United States temporarily and participate in a cultural exchange program to develop conflict resolution skill and return to Northern Ireland and contribute to the ongoing peace process.

I truly believe that this program offers a great opportunity to show others how Americans from many different religions live and work peacefully together. I understand and I see today that the Irish people want peace and they want to be together. I look forward to working with my colleagues on other exchange programs from other countries that are war torn, in particular having visited Africa in recent years, especially those countries suffering from civil unrest and terrorist attacks in Africa.

I want to take this opportunity to thank the gentleman from New York (Mr. SCHUMER) a member of the Committee on the Judiciary. It is because of the gentleman from New York's hard work as well that this bill is possible this session. Again I appreciate the gentleman from Texas (Mr. SMITH) for his good work. This bill has had 16 Democratic cosponsors and I am particularly pleased to be able to acknowledge the very hard work of my good friend the gentleman from Massachusetts (Mr. NEAL) who was certainly one who pressed us forward into making sure this legislation would come to reality.

H.R. 4293, the "Irish Peace Process and Training Program Act of 1998" creates a new temporary visa program for citizens from war torn Northern Ireland and border counties of the Republic of Ireland. These individuals will come to the United States temporarily and participate in a cultural exchange to develop conflict resolution skill and return to Northern Ireland and contribute to the on-going peace process.

I believe this program offers a great opportunity to show others how Americans from many different religions live and work peacefully. I look forward to working with my colleagues on other exchange programs from other countries that are war torn—especially those countries suffering from civil unrest and terrorist attacks in Africa.

I want to take this opportunity to thank Judiciary Committee Member CHUCK SCHUMER. It is because of Representative SCHUMER's hard work that this bill is possible this session. This bill has 16 Democratic cosponsors and I am pleased to yield time to the Gentleman from Massachusetts—an original cosponsor—Mr. NEAL.

Madam Speaker, I yield the balance of my time for the purposes of controlling the time to the gentleman from Massachusetts (Mr. NEAL), an original cosponsor.

The SPEAKER pro tempore. Without objection, the gentleman from Massachusetts (Mr. NEAL) will control the balance of the time.

There was no objection.

Mr. SMITH of Texas. Madam Speaker, first of all I would like to thank the gentlewoman from Houston for her general comments. They were generous indeed, both to me and to the originator of the bill the gentleman from New York (Mr. WALSH).

Madam Speaker, I yield 3 minutes to the gentleman from New York (Mr. GILMAN) the chairman of the Committee on International Relations.

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

Mr. GILMAN. I thank the gentleman for yielding me this time.

Madam Speaker, I am pleased to join my colleague and friend the gentleman from New York (Mr. WALSH), the distinguished chairman of the Friends of Ireland here in the House, in support of this new non-immigrant, transitional visa initiative for Northern Ireland and the affected border areas. I am also pleased that we are joined tonight by several leaders of the Irish cause in the Congress. Besides the gentleman from New York (Mr. WALSH), the gentleman from New York (Mr. MANTON) who incidentally may be making his very last appearance on the floor. We are going to sorely miss him amongst our Friends of Ireland and Irish Caucus. The gentleman from Massachusetts (Mr. NEAL), also a staunch supporter of the Irish cause. The gentleman from New York (Mr. KING); the gentleman from Pennsylvania (Mr. COYNE); the gentlewoman from New York (Mrs. MCCARTHY). This is an important initiative, the non-immigrant transitionsal visa initiative for Northern Ireland and the affected border areas.

The future is bright for lasting peace and justice in that long troubled region. Despite the setbacks and serious problems surrounding the Orange Order marching season, the fire bomb deaths of the Quinn boys, and the demented and senseless Omagh terrorist bombing, the way ahead can be and is bright, much brighter than the recent past. We in America must do all we can to help that region at this critical moment in Irish history. We must help bring about real change and a shared economic opportunity, new wealth and increased growth which gives the youth of the north of both traditions a bright future, a future which envisions working together for a new and better society, irrespective of one's tradition.

□ 2330

The Walsh D'Amato bill now before the Congress will help make that process of change a better and more productive one. It will provide for 4000 annual nonimmigrant visas for the disadvantaged in the region for up to three years duration. It is going to help that transition that is so sorely needed on the ground by providing hundreds with a chance for learning new job skills, training and cross community living experiences here in our own Nation, skills, training and tolerance that can be brought back to the new north of Ireland we all want to see grow and change for the better. It is ironic, but most fitting, that temporary transitional immigration to help the north of Ireland is one vehicle we can utilize to help bring about needed economic change for it was Irish immigration that helped to change and to bring about a better and more prosperous America.

I was pleased to be an original cosponsor of this bill, and I congratulate the gentleman from New York (Mr. WALSH), the distinguished junior Senator from New York, Senator D'AMATO, for their tireless and outstanding leadership on moving forward expeditiously and building support for this important and new initiative, and I want to commend the subcommittee chairman, the gentleman from Texas (Mr. SMITH), of the Subcommittee on Immigration and Claims for helping us bring this measure to the floor at this time.

Accordingly, Madam Speaker, I urge my colleagues to support H.R. 4293, the Cultural and Training Program for Individuals from Northern Ireland and the Republic of Ireland.

Mr. NEAL of Massachusetts. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I think that this discussion this evening on the House floor speaks to the reach and the role of the United States as the mediator extraordinaire across the globe. I am particularly delighted tonight to stand in support of the good work of the gentleman from New York (Mr. WALSH) who I take a lot of satisfaction from having worked with because I recruited him to this cause some years ago when he came to the House, and the people that are here tonight I also think can take enormous satisfaction from the Good Friday agreement because people like the gentleman from New York

(Mr. GILMAN) and the gentleman from New York (Mr. KING) and the gentleman from New York (Mr. MANTON) and the gentlewoman from New York (Mrs. MCCARTHY) and others, the gentleman from Pennsylvania (Mr. COYNE) were literally, I think, isolated voices on this floor time and again when we attempted to elevate this issue in the eyes of the American people.

We have advanced this cause long beyond what any of us might have imagined just a few years ago, and it is very, I think, satisfying tonight that the same actors are all here to participate in support of the Walsh initiative.

I cannot say enough good things about people of uncommon courage who stand with us tonight because it was these voices that literally changed this debate in America, and although there are many, I think, who can take again a bow at this time, it was the, I think, elevation of Bill Clinton to the White House that also had an enormous influence. There are many fathers and mothers of this success, but the people who are standing here tonight that are about to speak in support of the Walsh initiative I think were the primary factors in getting us to this day.

I also must thank the gentleman from Texas (Mr. SMITH). He has always demonstrated a kind eye toward Irish immigrants with the notion that it has always been part of their legacy and heritage to demonstrate hard work time and again as they have taken their rightful role in American society, and I will have an opportunity, as we move back and forth, to acknowledge the other speakers that are here, Madam Speaker.

Mr. SMITH of Texas. Madam Speaker, I yield 3 minutes to the gentleman from New York (Mr. KING).

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

Madam Speaker, I rise tonight in strong support of this initiative by my good friend from New York (Mr. WALSH), and I want to join with the other speakers in commending him for the truly outstanding job he has done in pushing this legislation and advancing it so quickly because it is absolutely essential, I believe, to carry forward the Irish peace process and to continue the very significant role that the United States Government has played.

I also wanted to thank the gentleman from Texas (Mr. SMITH) for the tremendous cooperation we received from him and from all my colleagues here tonight. I want to join with the gentleman from New York (Mr. GILMAN) in commending the gentleman from New York (Mr. MANTON). This may well be his last night on the House floor, and no one has fought longer or harder for the cause of Irish freedom, and peace and justice than TOM MANTON. Certainly all of us are going to miss him, all of us who cherish his friendship and his sense of loyalty and dedication, and certainly his career has been an outstanding one, and there has been no issue on which he has been more pronounced than the Irish peace process.

I also want to commend Senator D'AMATO who is going to be carrying this bill in the Senate for the work that he has done on this bill and so many other issues which involve the Irish peace process.

And that is what this is really about. It is obviously very important for the 12,000 people who are going to receive visas over the next 3 years. It is very important for families, it is very important for their communities, because these men and women who come here are going to learn skills, they are going to be able to go back to Ireland in several years, they are going to be able to alleviate and attack the terrible poverty that has wracked so many parts of northern Ireland.

Those of us who have been to the north have seen the terrible poverty in areas such as Valley Murphy and along the Falls Road and the Shanker Road, and other parts of the north of Ireland and the border counties which have been devastated by 30 years of fighting just in the north of them. So, this bill is very, very important as far as the individuals who are going to be directly affected.

But even more importantly, Madam Speaker, it sends a message to the people of Ireland, north and south, that the United States is going to continue its active role in the Irish peace process, that we are going to stay as active players.

As my good friend, the gentleman from Massachusetts (Mr. NEAL) pointed out, it was the President of the United States, and it was the United States Congress which had so much to do in bringing all the parties together, and those of us who were just in Ireland last month with the President on his mission realized the one thing the people wanted to see was assurance that the U.S. would stay involved. By measures such as this, it shows we are in this for the long haul, we are committed, we are going to stand firm, and we are going to stand with those who struggle for peace for those who want the process to work. We are not going to allow those who may intend to to disrupt the peace process, to impede it, to slow it down, to throw unnecessary preconditions in the way. We are going to stand with those who want the Good Friday agreement to work. We are committed to making it work, and that is what the gentleman from New York (Mr. WALSH) has done in moving this forward as Chairman of the Friends of Ireland, working with the gentleman from Texas (Mr. SMITH) and the gentleman from New York (Mr. GILMAN) and all the people here tonight.

Madam Speaker, this is a tremendous step forward, and it is another great step by the United States and its commitment to a true and lasting peace for all the people of Ireland, north and south.

Mr. SMITH of Texas. Madam Speaker, I reserve the balance of my time.

Mr. NEAL of Massachusetts. Madam Speaker I yield as much time as he might consume to the gentleman from Pennsylvania (Mr. COYNE), an individual who has been long active in the issue of Irish peace and has been a major player in this issue since he has been in the Congress.

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

Mr. COYNE. Madam Speaker, I just rise to submit a statement for the RECORD and to congratulate our departing colleague, the gentleman from New York (Mr. MANTON) for all the work he done for the peace process in Northern Ireland.

Madam Speaker, I rise today in support of H.R. 4293, the Irish Peace Process Cultural and Training Program Act of 1998, which is designed to assist Northern Ireland in its difficult transition to a peacetime economy and a more stable society.

As its centerpiece, this legislation would create a temporary non-immigrant visa program targeted at providing disadvantaged, working-age individuals from Northern Ireland and the Border Counties of Ireland the opportunity to develop practical job training and work experience in the U.S. While living and working here, these individuals would also be exposed to training in conflict resolution and the experience of coexisting in a diverse, multicultural society. The program would provide 12,000 visas over a three year period for these designated individuals, with a maximum of 4000 such visas extended per year. These individuals would then return to Ireland with their newly acquired skills.

Madam Speaker, now that we have such an encouraging start, we should do all that we can to nurture the Irish peace process. While we sometimes take social and economic stability for granted in the U.S., such conditions have not existed for the entire lifetimes of many working-age adults in Northern Ireland. These conditions cannot develop overnight, and indeed, can only be created through the cooperation of thousands of Irish citizens working together to regenerate their communities. H.R. 4293 will provide these individuals with the necessary cultural and economic training to start the process of rebuilding a working, civil society. I urge adoption of this legislation.

Mr. NEAL of Massachusetts. Madam Speaker, I yield such time as he may consume to the gentleman from New York (Mr. MANTON) who, as previously indicated, is retiring at the close of this Congress, and again I would say, as the gentleman from New York (Mr. KING) and the gentleman from New York (Mr. GILMAN) have already stated and I am sure others will reiterate, there has not been a longer or more dedicated champion of the peace process in Ireland than has been the Congressman from Queens.

Mr. MANTON. Madam Speaker, I thank the gentleman for yielding this time to me, and I thank him for his kind words and the kind words from others who have spoken here tonight on behalf of my upcoming retirement.

Madam Speaker, I rise today in support of H.R. 4293, the Irish Peace Process Cultural Training Program. At the outset, I want to thank my colleague, the gentleman from New York (Mr. WALSH) for introducing this important and timely legislation.

Although a handful of dissidents have recently tarnished the aura of peace in northern Ireland, the message sent earlier this year from people throughout Ireland was clear. They want peace, and they want it now. Today the situation in their country continues to be complex however. A movement toward a just and lasting peace is evident.

Congress has the opportunity to expand the advancement for peace by passing H.R. 4293 which would provide 12,000 visas over 3 years, each visa having a duration of 36 months. These temporary nonimmigrant visas would be made available to young individuals from the most volatile areas of northern Ireland in order to allow them the opportunity to partake in programs in the United States to further expand and develop their job skills. It is important to point out that these skills would be crucial to bringing economic opportunities to local communities in northern Ireland and thus further enhancing the peace process.

□ 2340

In addition, these individuals would have the opportunity to work in one of the most diverse and socially interactive environments in the world, and that is, the United States of America.

Rather than arming themselves with guns and expressing themselves through violence, these young bright individuals will have the opportunity to prepare themselves and their country for the 21st century with the skills they gain through the programs offered in this bill. Madam Speaker, H.R. 4293 illustrates the United States continuing strong commitment to bringing a just and lasting peace to the people of Northern Ireland.

I encourage my colleagues to join me in supporting this legislation which already boasts strong bipartisan support from the Congressional Friends of Ireland, the Congressional Ad Hoc Committee for Irish Affairs, as well as a number of Irish and Irish American groups and newspapers.

Madam Speaker, as the 20th century draws to a close, let us put the hate and violence Northern Ireland has witnessed behind us and welcome the 21st century as a peaceful and economically enhanced time for the people throughout all of Ireland.

Mr. NEAL of Massachusetts. Madam Speaker, at this time I would include in the official RECORD comments of the gentleman from Massachusetts (Mr. MCGovern) who has been a great friend and champion of the Irish peace process as well.

Mr. MCGOVERN. MR. SPEAKER, I RISE IN SUPPORT OF H.R. 4293, A BILL TO PROVIDE CULTURAL AND EMPLOYMENT TRAINING FOR THE DISADVANTAGED OF NORTHERN IRELAND AND THE REPUBLIC OF IRELAND.

I want to commend by colleagues—the gentleman from New York [Mr. WALSH] and the gentleman from my own Commonwealth of Massachusetts [Mr. NEAL]—for their leadership on Irish issues, and especially for drafting this bill that promotes peace and prosperity in Ireland.

Mr. Speaker, we all know of the long sectarian violence and tragic history of Northern Ireland. But today we are facing a new history in Northern Ireland—one built upon collaboration, consensus-building, and the people's choice for peace. H.R. 4293 will contribute to this process by involving those who have been exposed to such violence an opportunity to live and work in a multicultural society, a diverse society, the democratic society of the United States.

At the same time, these disadvantaged individuals from Ireland and Northern Ireland will also be gaining valuable work skills and experience so that they might participate and become partners in building a new and more prosperous Ireland.

I urge all my colleagues to vote in support of H.R. 4293 and I salute the leadership of Congressman WALSH and Congressman NEAL.

Mr. NEAL of Massachusetts. Madam Speaker, I yield such time as she may consume to the gentlewoman from New York (Mrs. MCCARTHY), another great champion of the Irish peace process.

(Mrs. MCCARTHY of New York asked and was given permission to revise and extend her remarks.)

Mrs. MCCARTHY of New York. Madam Speaker, I am the newest member of this caucus, and it has been a privilege for me to learn from all of my colleagues in the last 2 years.

I had the privilege of traveling with many of my colleagues a month ago over to Ireland to continue the peace talks. It was my first trip to Ireland, and I have to tell my colleagues what I saw and the faith of the people there was unbelievable. But it was up to that point where I had learned from the gentleman from New York (Mr. KING), the gentleman from New York (Mr. MANTON), the gentleman from Massachusetts (Mr. NEAL), the gentleman from New York (Mr. WALSH) and the gentleman from New York (Mr. GILMAN), that I appreciate. Because going there and seeing what they have worked for so hard and to see that peace process come and see it in the faces of the people was unbelievable.

This bill that the gentleman from New York (Mr. WALSH) has put forward I support wholeheartedly, mainly because it is a common sense bill. It is a bill that will certainly continue the peace process, and that is what we have to do. This will give the opportunity for many young people to come over here to learn different skills and to go back home and bring those skills back, and that will only bring together again the tie of Irish Americans and certainly the Irish people in Ireland.

This bill will pass, this bill will do very well, and I am grateful for the privilege of working with all of my colleagues.

Madam Speaker, I rise today in support of H.R. 4293, the Northern Ireland Visa for Peace and Reconciliation. I want to commend Representative WALSH and all my colleagues on the Congressional Ad Hoc Committee on Irish Affairs for their hard work and commitment to the peace process in Ireland.

Like so many fellow Americans of Irish descent, I was thrilled when the Good Friday Agreement was signed earlier this year. This historic agreement, which was the result of the hard work by the people of Northern Ireland along with the dedication of the Irish, British and American governments, signaled a new day in Northern Ireland. After decades of turmoil, the people of Northern Ireland can now look towards a future with peace and justice.

But peace and justice do not come easy. True peace will take a lot of hard work and the continued commitment of all parties involved, including the United States. That is why I am so proud to be a cosponsor of H.R. 4293. By creating a temporary non-immigrant visa program targeted at young men and women from disadvantaged areas in Northern Ireland, this legislation will assist Northern Ireland in its transition to a peacetime economy. This Visa initiative is designed to afford individuals from Northern Ireland and the Border Counties the opportunity to develop valuable 21st century job skills and the experience of working in the world's greatest economy. After their visit, they would return home providing the crucial skill base needed to attract private investment in their local communities. This low-cost, low-risk, high-return investment in peace would also pay dividends by introducing its participants to the diverse, cooperative, and multicultural environment present in the United States.

Last month, I went to Ireland with a number of my colleagues. Traveling from city to city, both north and south of the border, one thing became clear to us—the people of Ireland want peace. And their dreams and aspirations are no different from those of ordinary Americans. the people of Northern Ireland want a safe and economically secure life, for themselves and their children. H.R. 4293 will help achieve that goal and I urge all my colleagues to support this important piece of legislation.

Mr. NEAL of Massachusetts. Madam Speaker, I yield back the balance of my time.

Mr. SMITH of Texas. Madam Speaker, I yield such time as he may consume to the author of the bill, the gentleman from New York (Mr. WALSH).

Mr. WALSH. Madam Speaker, I thank the gentleman for yielding me this time. I also would like to extend my deepest thanks to the gentleman from Texas (Mr. SMITH) for allowing us to move this bill as expeditiously as we have.

This whole process has been a remarkable achievement for all of us. In all of my experience here in the Congress in 10 years, I have never seen a more bipartisan or nonpartisan, bicameral, multi-branch of government-supported project as this Irish peace process. The gentleman from Texas allowing us to move ahead; Speaker GINGRICH who recently visited Northern Ireland and in support of the peace process in every word that he uttered. President Clinton, who has provided just remarkable leadership, truly the catalyst behind this process, along

with his colleagues Berty Hearne, the Teshok of the Republic of Ireland and Tony Blair, the Prime Minister of England. My good friends on the Democratic side, the gentleman from Massachusetts (Mr. NEAL) and the gentleman from New York (Mr. MANTON), the gentlewoman from New York (Mrs. MCCARTHY) and the gentleman from Pennsylvania (Mr. COYNE), and my hat especially goes off to the gentleman from New York (Mr. MANTON) for the leadership that he has provided. He taught a lot of us about these issues.

On our side, the gentleman from New York (Mr. KING), not only a brave and vigilant spokesman for peace and justice in Ireland, but all over the world. The gentleman is willing to go anywhere and pay any price to make sure that people have their freedom and justice, and I thank him for his leadership.

Over the last few months the world has witnessed events in Northern Ireland symbolizing both the hope for its future and the tragedy of its past. The politics of the gun has been replaced with the politics of the ballot box. The majority of men and women on all sides of this conflict have given overwhelming support for the Good Friday agreement and stood firmly together in condemnation of violence and terror. The Visa for Peace legislation is aimed at helping those who are working for that new beginning, a new Ireland.

As chairman of the Friends of Ireland and a member of the Ad Hoc Committee for Irish Affairs, I have personally been involved with this effort to help bring peace to Ireland. Back in May, the Speaker of the Irish Dail, Mr. Seamus Pattison, led a delegation to Washington for meetings between the newly established U.S.-Ireland Interparliamentary Group. During those meetings, the Irish representatives repeatedly raised the idea of a transitional visa program designed to support the implementation of the peace agreement. After a few weeks of research, consultation and negotiation, we, all of us, came to share their enthusiasm and introduced H.R. 4293.

The Irish Peace Process Cultural and Training Program Act legislation creates 12,000 temporary, nonimmigrant work visas targeted at young men and women from disadvantaged areas from Northern Ireland in the border counties. It aims to assist the region in its transition to a peacetime economy. As a new low-cost, low-risk, high return investment in peace, this visa affords individuals an opportunity to obtain valuable job skills needed for the 21st century and the experience of working in the world's greatest economy. After their visit, they would return home prepared to provide the crucial skill needed to attract private investment to their local economies.

□ 2350

The program would provide up to 4,000 visas a year for 3 years, allowing the holder to live in the United States for up to but no more than 36 months.

It would identify disadvantaged areas within Northern Ireland and the border counties which require public and private sector activities to break the cycle of structural unemployment, retrain the long-term unemployed and out-of-work youth, and in doing so, assist in the regeneration of the economies in these locales.

It would encourage grass roots support for long-term peace and economic stability by providing a release valve for the tensions and disillusionment of communities in despair.

It would promote cross-community and cross-border initiatives which expose individuals from these disadvantaged areas to the business and social life of other communities.

These objectives can be achieved by a non-immigrant program targeted at young adults from both sides of the border, and on all sides of the sectarian divide.

Drawing on the experience and empirical evidence from the universally respected Project Children program, it is believed that exposing individuals who have been subjected to a wartorn sectarian environment to the diverse, cooperative, multicultural environment present in the United States can provide long-lasting social and economic benefits.

It is this interaction with alternative cultures within a neutral environment that will provide people from the targeted areas the sense of confidence and worth they will need to rebuild their economies and their lives.

Last month I accompanied both the Speaker, the gentleman from Georgia (Mr. GINGRICH), and President Clinton on their separate visits to Ireland and Northern Ireland. During those trips we were constantly thanked for the support that Congress has given to advancing the peace process, and reminded of the need to maintain our involvement.

As the gentleman from New York (Mr. KING) spoke, we saw firsthand the benefits of public and private investment in the distressed areas that have suffered from the violence of the last 30 years.

American investment through the International Fund for Ireland has been successful in reaching out to all sections of the community, and has been very successful in promoting cross-border business activities.

The Northern Ireland Visa for Peace would leverage existing and future private investment. At a time of fiscal austerity and lack of support for foreign aid, our visa program would be a relatively inexpensive way to promote peace, reconciliation, and stability. America is also tired of sending its men and women overseas as peacekeepers. I believe it would be a lost opportunity not to try out a new, creative attempt at conflict resolution.

For those who are concerned that these temporary visas might encourage permanent emigration from Northern Ireland, I would respond that those fears do not stand up to the current facts. I would like to submit for the RECORD an article from the New York Times detailing how thousands of Irish are returning home from the U.S.

The Irish government's Central Statistics Office documents that 6,600 Irish immigrants have returned from the United States this year, with a net migration to Ireland of over 15,000 individuals in the last 2 years. This figure will increase as the economy continues to thrive in the north, or begins to thrive in the north.

Our bill is an attempt to duplicate that success in Northern Ireland. The people of Northern Ireland will enjoy the same benefits as those in the south, if peace holds and the conditions for private investment are met. Our visa proposal is a response to the demands made by the U.S. Trade and Investment Conferences of 1995 and 1996. Those conferences called for ways to assist the economy in the north through on-the-job training of young adults with cross-community and cross-border participation.

In the past several years, we have seen 800 years of Irish history take a dramatic shift towards peace and justice for all. I believe that this Visa for Peace legislation will further cement that progress. I hope all Members will join me in supporting this low-cost, low-risk, high-return investment in support of peace in Northern Ireland.

I would like to thank the chairman, the gentleman from Texas (Mr. SMITH) and his staffers, Jim Wilon and George Fishman, for their efforts to bring this bill to the floor. I would like to thank John Mackey, of the staff of the gentleman from New York (Mr. BEN GILMAN), Mr. Mackey has been just an absolute soldier in this process, and my staff, John Simmons and Pat Togni, who have worked so hard to bring this to its fruition. I thank the committee for its indulgence.

Madam Speaker, I include for the RECORD the following article:

LEAVING AMERICA—IRELAND, NEW PROMISED LAND

(By Mike Allen)

YONKERS, N.Y.—Between retrieving thrown juice cups and cleaning up crushed cookies, the moms in the mother-toddler group at the Irish Community Center here talk about home. But unlike generations of homesick Irish women before them, many of them aren't just talking. They're going.

With the Irish economy thriving and now an agreement for peace in the long-bloody North—resoundingly ratified in a referendum last weekend—the motherland's pull on its exiles in America seems more powerful than ever. Many young Irish adults are breaking with earlier generations of Irish immigrants who settled in the United States for good: The Irish Government reports that over the last two years, 13,000 more Irish moved back to Ireland from America than went the other way.

REVERSAL

That reversal breaks with previous decades of Irish immigration to the United States, one of the oldest, largest, most sustained and most culturally influential migration flows

of American history—reaching nearly a million in the 1850's after the Irish potato famine, but dwindling lately to just a few thousand a year.

For a few years now, the Irish have been celebrating the surprising return of their countrymen from England and Australia as well as America, a trend that the peace agreement seems sure to accelerate. Now the Irish in America, who once saw little choice but to come here, are confronted with a happy dilemma: choosing between this land of opportunity and a land more familiar to them that has been newly vested with promise.

To economists, Ireland is now ''the Celtic tiger.'' Thanks largely to American and other foreign investments in high-tech manufacturing plants for computers, pharmaceuticals and other products, newly created jobs have brought unemployment in Ireland down to 9 percent from nearly 16 percent in 1993. Investors, in turn, are bullish largely because next year Ireland (unlike neighboring Britian) will adopt the European Union's unified currency, the euro. Participation in the euro imposes economic discipline on countries using it and is expected to reduce the cost of doing business within the European Union.

Jerry J. Sexton, a labor-market specialist for the Economic and Social Research Institute in Dublin, said most of those returning from the States are in their mid-20's to mid-30's, and usually have some education or skills.

Across the Atlantic, his assessment is affirmed in interviews with Irish immigrants. James Dalton, an Irishman who owns Dublin Construction Inc. in Woodside, Queens, said he typically employs 20 of his countrymen as carpenters or laborers—and typically one leaves for home every week. After spending the day refitting a pub in mahogany, two of his 20-year-old carpenters—both out of Ireland just two months—ordered a round of Guinness and confided their dream: saving enough money to start a construction business back home.

In many of the Irish bars that dot New York, similar stories are being told, some that sound much like the fantastic tales that envious dreamers in the Old World once told about America. Seamus Gillespie, a 44-year-old asbestos remover who was sharing a pint and a cigarette with a co-worker and his fiancée at another bar in Woodside, leaned in to give the news about the Irish economy. ''They're not building houses,'' he said. ''They're building mansions!''

WHOLE HOUSEHOLDS

Historians of American immigration say revolving-door migrations like this one are nothing new, despite popular myths about America as the promised land. But they note that the Irish exodus is unusual in that it seems to involve whole households (as opposed to men without families), making the departure of the Irish more noticeable.

Dr. Kerby A. Miller, a history professor at the University of Missouri who specializes in Irish immigration, calls the turnabout simply astonishing for a people long motivated by starvation and political and religious repression to forsake their homeland. In the past, he said, ''Irish immigrants longed to return, at least sentimentally, but they realized it was impractical or impossible.''

Among the factors motivating the new Irish returnees, Irish immigration counselors say, are frustrations and delays in winning American citizenship, given the United States' current anti-immigrant political climate. Lately, though, the peace agreement for the British province of Northern Ireland provides another incentive for those already weighing a decision to return.

Arriving at the Irish Community Center in Yonkers to pick up his wife and young son, Andrew J. Convery, a taxi driver from the Bronx, said the prospect of peace was a big factor in their decision to return. A Catholic from Northern Ireland, he came here six years ago in search of the American dream, and met his future wife, Kerry, a Catholic from Dublin, when he picked her up as a fare. Now they are moving back so their 1-year-old, Ciaran, can be raised the way they were. But without the bombs. ''Before, there wasn't much to go back to,'' Mr. Convery said.

The Irish exodus raises as yet unanswerable questions about the subtler cultural effects on two countries that have long drawn on each other's richness. Several neighborhoods in Queens and the Bronx look like Potemkin Irish villages: Newsstands sell papers from each Irish county, convenience stores carry ox-tail soup mix and butcher shops offer grouse. Lately in the United States, Irish culture, once shunned by the upper crust, has enjoyed a broad revival. ''Angela's Ashes,'' Frank McCourt's Pulitzer Prize-winning memoir of growing up poor in Limerick (interestingly enough, after his family returned from America), has been on The New York Times Best-Seller List for 89 weeks. And in recent years, ''Lord of the Dance,'' the choreographed extravaganza created by Michael Flatley, an Irish-American, has made Irish folk-dancing almost hip.

The Irish cultural vibrancy here could be diluted by Ireland's new drawing power, says Dr. Timothy J. Meagher, the director of the Center for Irish Studies at Catholic University in Washington.

''If you lose the immigrant base, it threatens the culture,'' he said.

The flow of Irish from the United States can be expected to increase as the Irish Government and business groups rev up the welcome wagon. Ireland's Department of Social Welfare, which earlier published ''Thinking of Going to London?'' and ''Thinking of Going to the United States?'' last year switched gears and put out ''Thinking of Returning to Ireland?''—a guide to housing, pensions and workers' rights. A hopeful headline asked, ''Home for Good?'' A private group called Returned Emigrants was started last year and has grown to 180 members in three chapters; they gather to vent shared frustrations, including their experiences with the pokey Irish telephone service.

To other returnees, however, such flaws are quaint reflections of a more leisurely pace of life, which to them is one of Ireland's big draws. Pauline A. McGovern, who moved back to County Kerry in May with her husband, Brendan, and their son, said that within days of returning, her husband found work as a plumber. When they lived in Yonkers, he had to leave every workday at 6:45 A.M. to catch a train and then the subway for work in Manhattan. Now, he hops on his bike at 8:55 and rides 20 blocks to work—and comes home at noon for dinner. Their 3-year-old son, Ryan, sleeps three hours later. ''I think it's in the air,'' Mrs. McGovern said.

Mr. SMITH of Texas. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I would simply like to compliment the gentleman from New York again on his hard work on this bill, and congratulate him on its imminent passage.

Mr. SCHUMER. Mr. Speaker, today I rise in support of the Irish Peace Process Cultural & Training Program. I also want to take this opportunity to congratulate the leaders of Northern Ireland and England for achieving a much hoped for peace agreement many felt would be out-of-reach. We are now seeing peace materialize before our eyes. I am glad to be alive to see these days—the beginning of the end of the troubles in Northern Ireland.

I am pleased that we are able to vote on this bill today. It is both timely and necessary. One of my proudest legislative achievements is the passage of the Diversity Visa which helped our countries reestablish a very important bond. Today's vote in favor of this bill will further cement this union. Both our nations will benefit greatly from this exchange of knowledge and people.

This bill will help Irish nationals learn valuable skills needed to strengthen local economies in Northern Ireland. My only disappointment with this negotiated version of the bill is that it grants a smaller number of visas than under the original bill. That bill, which I cosponsored, would have made available 50,000 visas. Nonetheless let me be clear that I fully support the goals of this legislation and I urge my colleagues to do the same.

The people of Ireland have added to the cultural fabric of this country for many years. I have always believed that Irish immigrants have made a special and tangible contribution to America. Theirs is a story of hardship and hope, of trials and triumph. I ask my colleagues to remember that millions of Irish people chose us for their home away from home. They have come here to America for the promise of a better life. Many have helped build strong communities in the U.S.; others have chosen to return and take the example and experience of America back to their childhood homes.

Let us say welcome again to our brothers and sisters from the Emerald Isle and pledge to help them however we can in this time of peace and healing. Our bonds are strong and this bill will only help to make them stronger. I urge my colleagues to support this bill.

Mr. SMITH of New Jersey. Mr. Speaker, as a cosponsor of H.R. 4293, The Northern Ireland Visa for Peace and Reconciliation Act, I rise to urge my colleagues to support final passage of this bill and give further evidence of America's support for achieving economic justice and a lasting peace in Northern Ireland.

As Chairman of the Subcommittee on International Operations and Human Rights, I have held a series of hearings on the human rights abuses that persist in Northern Ireland. Regrettably, harassment of defense attorneys, lack of access to legal counsel, search and seizure abuses, sectarian use of plastic bullets and the prospect of collusion between loyalist paramilitary organizations and the police and security forces have all marked the history of British rule in Northern Ireland.

Along with these problems in the judiciary and in the enforcement of the rule of law, Northern Ireland has also suffered from discrimination against Catholics in the workplace. For instance, Catholic males are more than twice as likely as Protestant males to be unemployed.

H.R. 4293, like the International Fund for Ireland which we created in the 1980s and which we have funded consistently every year since, will help those in Northern Ireland who continue to struggle to find work, or who are still discriminated against because of their faith. H.R. 4293 creates a temporary working visa category for individuals from disadvantaged areas in Northern Ireland so that they can come to the U.S., learn new job skills,

participate in cross-community training programs, and promote economic equality when they return to Ireland.

As drafted, H.R. 4293 is intended to help mitigate the social and economic problems that have contributed to civil unrest in Northern Ireland. By permitting young, unskilled people from the areas of civil strife to spend a brief time in the U.S. to learn a craft and experience the diversity of our country, we will help disadvantaged youth in nationalist and loyalist communities break the cycles of unemployment and distrust which have contributed greatly to the civil unrest in the region. The program will also enhance economic relations the trade between the U.S. and Northern Ireland.

When I was in Northern Ireland last year, I was amazed, saddened—and highly insulted—when a leading Unionist party official told me that Catholics remained unemployed in Northern Ireland not because of any subtle or blatant discrimination against them but rather because ''they'' are unskilled. He proceeded to reason, to my disbelief, that Catholics are good in the arts and entertainment field—i.e., singing and dancing—but are ''wanting'' in the math, sciences and other applications more fitting for finding work. I asked for data to back up his theory and needless to say I never got it.

It is this sort of ''typecasting'' and discrimination that can fuel civil strife. I am pleased that H.R. 4293 will go a long way in providing new employment experiences for the workers in both the Catholic and Protestant communities, give them opportunities to disprove the stereotypes they have supposed about each other over the years, and enable them to return home and provide the crucial skill base needed to attract more international private investment opportunities in their local economy.

Mr. SMITH of Texas. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. WILSON). The question is on the motion offered by the gentleman from Texas (Mr. SMITH) that the House suspend the rules and pass the bill, H.R. 4293, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read:

''A bill to establish a cultural training program for disadvantaged individuals to assist the Irish peace process.''

A motion to reconsider was laid on the table.

COMMUNICATION FROM THE HONORABLE WILLIAM D. DELAHUNT, MEMBER OF CONGRESS

The Speaker pro tempore laid before the House the following communication from the Honorable WILLIAM D. DELAHUNT, Member of Congress:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, October 6, 1998.

Hon. NEWT GINGRICH,
House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule L (50) of the Rules of the House that my office has been served with a subpoena for documents issued by the Plymouth Superior Court, Commonwealth of Massachusetts, in the case of *Pert Dickie, et al. V. Kelly Regan, et al.*.

The subpoena appears to relate to my official duties. I am currently consulting with the Office of General Counsel to determine whether compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,

WILLIAM D. DELAHUNT.

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 Hawaii (Mr. ABERCROMBIE) is recognized for 5 minutes.

(Mr. ABERCROMBIE 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 California (Mr. RIGGS) is recognized for 5 minutes.

(Mr. RIGGS 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 gentlewoman from Oregon (Ms. FURSE) is recognized for 5 minutes.

(Ms. FURSE addressed the House. Her 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. UPTON) is recognized for 5 minutes.

(Mr. UPTON 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 Oregon (Mr. BLUMENAUER) is recognized for 5 minutes.

(Mr. BLUMENAUER 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 gentlewoman from Florida (Ms. ROS-LEHTINEN) is recognized for 5 minutes.

(Ms. ROS-LEHTINEN addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

(Ms. JACKSON-LEE addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. GUTKNECHT) is recognized for 5 minutes.

(Mr. GUTKNECHT 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 gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

(Ms. KAPTUR addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

(Mr. PAUL 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. CONYERS) is recognized for 5 minutes.

(Mr. CONYERS 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 Tennessee (Mr. DUNCAN) is recognized for 5 minutes.

(Mr. DUNCAN 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 American Samoa (Mr. FALEOMAVAEGA) is recognized for 5 minutes.

(Mr. FALEOMAVAEGA 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 Indiana (Mr. SOUDER) is recognized for 5 minutes.

(Mr. SOUDER 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 gentlewoman from New Jersey (Mrs. ROUKEMA) is recognized for 5 minutes.

(Mrs. ROUKEMA addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

IN IMPEACHMENT INQUIRY DEBATE, LET MEMBERS PLEDGE ALLEGIANCE TO THEIR COUNTRY, NOT TO THEIR PARTY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. HULSHOF) is recognized until midnight.

Mr. HULSHOF. Madam Speaker, these past several days this body has been consumed with political wrangling over spending bills and legislative riders, debate over tax cuts and social security, whether to fund the IMF or not fund the IMF. That has been the question.

It seems as if each side has sought some political advantage during these debates. That is not necessarily a criticism. We are, after all, a political body. The question we now face, Madam Speaker, however, is one of profound historical significance: Shall a formal impeachment inquiry commence.

As we consider and struggle with this weighty matter, I implore my colleagues to focus on the gravity of the moment. Some may be tempted to condemn the process, or the prosecutor. But Madam Speaker, now is not the time for talking points or for pointing fingers. Madam Speaker, in this debate, let us not pledge our loyalty to our party, let us pledge, instead, our allegiance to our country. We must not allow ourselves to be partisans. Instead, we must be patriots.

Like many Members, Madam Speaker, I am concerned about the open-ended nature of the resolution. I believe that each of us here would fervently wish this cup could pass us by. But I have profound faith in the integrity and the ability of the distinguished chairman of the Committee on the Judiciary, the gentleman from Illinois. He has given us his pledge that this process will move forward fairly and expeditiously, and I think the gentleman's word deserves and should be afforded great weight in this body.

The question then before us is whether or not we should follow the considered recommendation of the Committee on the Judiciary to move forward with formal hearings. As we ponder that question, let me ask another, which goes to the very heart of the matter.

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Is it possible that credible evidence exists which may constitute grounds for an impeachment? If the answer to the question is a solemn yes, then Members should cast their vote accordingly. But even if they respond with an equivocal ''I do not know,'' I believe the doubt should be resolved in favor of holding hearings and the resolution should be accepted.

Madam Speaker, let us not avert our gaze but instead let us fix our eyes on the horizon wherever that little traveled road leads us. Last January I was granted the privilege to enter this Chamber for the first time.

The SPEAKER pro tempore (Mrs. WILSON). The time of the gentleman has expired.

Mr. HULSHOF. Madam Speaker, I ask unanimous consent for an additional 30 seconds to conclude.

The SPEAKER pro tempore. The Chair cannot entertain that request. The gentleman may finish his sentence.

Mr. HULSHOF. Madam Speaker,

Last January, I was granted the privilege to enter this chamber for the first time. My family beamed down at me with pride from the gallery as I began my service to this nation. On that day I rose in unison with my colleagues and pledged my oath, my sacred honor to uphold the Constitution of the United States. In my humble and considered opinion that oath requires from me a vote of ''aye'' on the resolution.

WHAT IT MEANS TO BE A DEMOCRAT

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

Mr. KINGSTON. Mr. Speaker, not wanting to respond directly to my friend, the gentlewoman from Georgia (Ms. MCKINNEY), I must say apparently she has not read the bill. There is nothing in the bill that talks about a land swap. I would invite my friend to read the bill. But then again, that might be asking too much of a Democrat. But that is not in the bill.

I do want to say this, Mr. Speaker, in terms of ''What It Means to Be a Democrat'', the article that was in the Washington Post by Michael Kelly. He talked to the Committee on the Judiciary the other day about that crimes, even if they had been committed, did not matter. He said what mattered were statements, whether truthful or not, but what was their context.

What the author Michael Kelly talked about is this is where the Democrat party has now come to, that it does not matter if you lie or tell the truth, it just mattered what the contexts are.

Is that what the new Democrat values are? They can talk about a bill that does not even have legislation in it and speak against the bill, but truth does not matter as long as you are a Democrat. The context is what matters. I think it is very important for my colleagues to know what the Democrat party, it seems, has fallen to.

The article referred to is as follows:

[From the Washington Post, Oct. 7, 1998]

WHAT IT MEANS TO BE A DEMOCRAT

(By Michael Kelly)

Defining moments in politics sometimes arrive with fanfare and glory and purpose: ''I pledge you, I pledge myself, to a New Deal for the American people.'' And sometimes they slip in unplanned and unannounced, and mostly unnoticed—moments where something is defined not by intent but by default.

The defining moment for what it means to be a Democrat now, in the time of Clinton, sidled quietly on-stage this week, on the afternoon of the day when all 16 Democratic members of the House Judiciary Committee, in dereliction of their constitutional duty, voted to block an inquiry into whether a president who is of their party had committed impeachable offenses.

David P. Schippers, the chief investigative counsel for the Republican-controlled Judiciary Committee, had concluded his official report to the committee with a careful finding that ''there exists substantial and credible evidence of 15 separate events directly involving President William Jefferson Clinton that . . . may constitute grounds to proceed with an impeachment inquiry.'' Schippers then spoke briefly not as a counsel but as ''a citizen of the United States who happens to be a father and a grandfather.'' He paraphrased the line given Sir Thomas More in the play ''A Man For All Seasons'': ''The laws of this country are the great barriers that protect the citizens from the winds of evil and tyranny. If we permit one of those laws to fall, who will be able to stand in the winds that follow?''

This was a Democrat speaking. But Schippers, who ran Attorney General Robert Kennedy's organized crime task force in Chicago, is a Democrat from another time. Every word that Schippers spoke, in his grave and sober and serious report, rested not on the values of any vast right-wing conspiracy, but on what were once the values of a vast (and now almost vanished) Democratic liberalism, a liberalism that knew that it was the office that was sacred, not the man; that it was the law that ruled, not the ruler.

That was then, this is now. When Schippers spoke for the sacred law and for the old values, what was the reaction of the Democrats who sat listening to him in that committee room? They rushed to the chairman to complain that such talk was out of order. And Henry Hyde was happy to concede the point; if the Democrats wished to declare themselves opposed to even oratorical support for the rule of law—why, that would be fine with the Republicans. Hyde ordered Schippers' remarks stricken from the record, and the moment was complete.

So it went. Speaking for the old values, Schippers declared that it must matter if the president had broken the law because he was ''the chief law enforcement officer of the United States,'' a man who had taken an oath to ''preserve, protect and defend'' the law and whose minions wielded the law against the rest of us citizens. Acts of perjury and obstruction of justice—for any reason, in any case—perpetuated by the man who controlled the forces of the law, Schippers said, would constitute ''deliberate and direct assaults . . . upon the justice system of the United States and upon the judicial branch of our government.'' The chief law enforcement officer of the United States must not be allowed to lie under oath with impunity, he said, for ''the principle that every witness in every case must tell the truth, the whole truth and nothing but the truth is the foundation of the American system of justice.''

Abbe Lowell, the chief investigative counsel for the Democrats on the committee, argued the case for the party's new values. The new values are: Law, schmaw. As Lowell explained, even if the president had lied under oath, even if he had obstructed justice, even if he had committed crimes—it did not matter.

One hears, said Lowell, airily, much talk of ''a largely rhetorical question: 'Are you saying that lying under oath or obstruction of justice is not an impeachable offense?'' That question, he sniffed, may be suitable for ''classroom debate,'' but it was not a fit subject for Congress to consider. A proper inquiry, Lowell explained, should not focus on whether Clinton's ''statements were or were not truthful, but what were their context, what were their impact, and what were their subject matter.''

This is where the party of Franklin Roosevelt wishes to stand? On the ground that it is permissible—under certain circumstances, you see—for a president to lie under oath, to obstruct justice, to break the law? To stand

for this is to stand for ''nothing but an appetite,'' to borrow Jesse Jackson's description of what lurked in the core of Clinton's soul. A party that stands for that must fall.

TOUGH PROBLEMS OF PROTECTIONISM

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

Mr. SMITH of Michigan. Mr. Speaker, in the Monday's Wall Street Journal there was an editorial that talked about the Jones Act. The Jones Act is legislation that was passed in the 1920s that is pretty much pure protectionism. It says that only shippers of seagoing vessels that own ships that were built in the United States can ship from one U.S. port to another.

Now, we are running into a problem where U.S. shipyards are not building those ships. Especially at this time with the crunch on farmers and low commodity prices and, added to that problem of low prices a lack of transportation, we need to take a serious look at this protectionist law.

I hope my colleagues will read the Wall Street Journal editorial that was in Monday's paper. We need to address these tough problems of protectionism that punishes American consumers and American producers.

The agricultural economy is reeling under historically low commodity prices coupled with multiple-year disaster and weather related problems, plus the loss of export markets due to the Asian financial crisis. Farm income in my state of Michigan is predicted to be down by 10–20% depending upon the type of farming operation. The last thing American agriculture needs in another market hindrance.

Last year, grain and other feedstocks were left on the ground due to a lack of adequate transportation options. All indications suggest we will be faced with the same problem again this year. I understand that USDA and DOT have devised a plan to assist agricultural producers in transporting their goods to market, but the plan does not address a critical aspect of our transportation system that has led us to this problem—the utter lack of deep-sea transportation options available to America's agricultural producers.

American ship operators are forced to do business under the restrictions of an archaic 1920's law known as the Jones Act. The Jones Act restricts the transportation of goods from one U.S. port to another (even via a foreign port) to vessels which are built and flagged in the United States and owned and operated by American's. Because U.S. shipyards do not build large commercial ships and operators are unable to import vessels built abroad, there is only one bulk carrier left in the Jones Act fleet. No new bulk carriers are slated to be built in the next five years.

What this means is that shippers are unable to transport bulk commodities at reasonable rates along our nation's coasts. There are barges available to some shippers, but they are not competitive for the transportation of bulk commodities. According to agricultural transportation specialists, if only 2% of our nation's agricultural commodities moved by deep-sea transportation, that would be enough to relieve the excess pressure on the railroads.

This will never happen until we have common sense reform of the Jones Act. I have introduced H.R. 4236, the Shipping Relief for Agriculture Act, that would allow U.S. ship operators the ability to purchase vessels used for the transportation of bulk commodities on the international market. Repealing the U.S. build requirement for ocean-going, bulk carriers is absolutely necessary if we expect agriculture shippers to be able to transport their products domestically by sea.

Jones Act reform is vital to America's agricultural economy and I urge this body to seriously consider this issue.

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. NEAL of Massachusetts) to revise and extend their remarks and include extraneous material:

Mr. ABERCROMBIE, for 5 minutes, today.

Ms. FURSE, for 5 minutes, today.

Mr. BLUMENAUER, for 5 minutes today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Mr. CONYERS, for 5 minutes, today.

Mr. FALEOMAVAEGA, for 5 minutes, today.

The following Members (at the request of Mr. HULSHOF) to revise and extend their remarks and include extraneous material:

Mr. UPTON, for 5 minutes, today.

Ms. ROS-LEHTINEN, for 5 minutes, today.

Mr. GUTKNECHT, for 5 minutes, today.

Mr. PAUL, for 5 minutes, today.

Mr. DUNCAN, for 5 minutes, today.

Mr. SOUDER, for 5 minutes today.

Mrs. ROUKEMA, for 5 minutes, today.

Mr. COBURN, for 5 minutes, on October 8.

Mr. HULSHOF, 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. NEAL of Massachusetts) and to include extraneous material:)

Mr. LEVIN.

Mr. REYES.

Mr. FRANK of Massachusetts.

Mr. VISCLOSKY.

Mr. KIND.

Mr. KANJORSKI.

Mr. BENTSEN.

Mr. TOWNS.

Mr. PAYNE.

Mr. HALL of Ohio.

Ms. KAPTUR.

Mr. SABO.

Ms. DELAURO.

Mr. PASCRELL.

Mr. STARK.

Ms. JACKSON-LEE of Texas.

Mr. EVANS.

Mr. UNDERWOOD.

Ms. NORTON.

Mrs. LOWEY.

Mr. BORSKI.

(The following Members (at the request of Mr. HULSHOF) and to include extraneous material:)

Mr. OXLEY.

Mr. GALLEGLY.

Mr. GILMAN.

Mr. CRAPO.

Mr. PAUL.

Mr. BEREUTER.

Mr. MCCOLLUM.

Mr. SMITH of New Jersey.

Mr. LEWIS of California.

Mr. RAMSTAD.

Mr. BILIRAKIS.

Mr. PORTER.

Mr. GEKAS.

Mrs. NORTHUP.

Mr. DREIER.

Mr. WELLER.

Mr. WHITFIELD.

Mr. YOUNG of Alaska.

Mr. RIGGS.

Ms. ROS-LEHTINEN.

Mr. STUMP.

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. 449. An act to provide for the orderly disposal of certain Federal lands in Clark County, Nevada, and to provide for the acquisition of environmentally sensitive lands in the State of Nevada.

H.R. 930. An act 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.

H.R. 1481. An act to amend the Great Lakes Fish and Wildlife Restoration Act of 1990 to provide for implementation of recommendations of the United States Fish and Wildlife Service contained in the Great Lakes Fishery Resources Restoration Study.

H.R. 1836. An act 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.

H.R. 3381. An act to direct the Secretary of Agriculture and the Secretary of the Interior to exchange land and other assets with Big Sky Lumber Co. and other entities.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

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.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on the following date present to the President, for his approval, bills of the House of the following titles:

On October 6, 1998:

H.R. 4101. 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. Making appropriations for the Department of Defense for the fiscal year ending September 30, 1999, and for other purposes.

ADJOURNMENT

Mr. HULSHOF. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 01 minutes a.m.), the House adjourned until today, Thursday, October 8, 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:

11583. A letter from the General Counsel, Department of Housing and Urban Development, transmitting the Department's final rule—Empowerment Zones: Rule for Second Round Designations [Docket No. FR–4281–F–07] (RIN: 2506–AB97) received October 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

11584. A letter from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting the Department's final rule—Migratory Bird Hunting; Extension of Temporary Approval of Tungsten-Iron Shot as Nontoxic for the 1998–99 Season (RIN: 1018–AE35) received October 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

11585. A letter from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting the Department's final rule—Migratory Bird Hunting; Temporary Approval of Tungsten-Polymer Shot as Nontoxic for the 1998–99 Season (RIN: 1018–AE66) received October 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

11586. A letter from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting the Department's final rule—Migratory Bird Hunting: Final Frameworks for Late-Season Migratory Bird Hunting Regulations (RIN: 1018–AE93) received October 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

11587. A letter from the Director, Fish and Wildlife Service, transmitting the Service's final rule—Endangered and Threatened Wildlife and Plants; Determination of Endangered or Threatened Status for Four Plants from Southwestern California and Baja California, Mexico (RIN: 1018–AD38) received October 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

11588. A letter from the Director, Fish and Wildlife Service, transmitting the Service's final rule—Endangered and Threatened Wildlife and Plants; Endangered or Threatened Status for Three Plants from the Chaparral and Scrub of Southwestern California (RIN: 1018–AD60) received October 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

11589. A letter from the Director, Fish and Wildlife Service, transmitting the Service's final rule—Endangered and Threatened Wildlife and Plants; Determination of Endangered or Threatened Status for Four Southwestern California Plants from Vernal Wetlands and Clay Soils (RIN: 1018–AL88) received October 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

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. KOLBE: Committee of Conference. Conference report on H.R. 4104. A bill 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, and for other purposes (Rept. 105–789). Ordered to be printed.

Mr. MCINNIS: Committee on Rules. House Resolution 579. Resolution waiving points of order against the conference report to accompany the bill (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, and for other purposes (Rept. 105–790). Referred to the House Calendar.

Mr. DIAZ-BALART: Committee on Rules. House Resolution 580. Resolution providing for consideration of the joint resolution (H.J. Res. 131) waiving certain enrollment requirements for the remainder of the One Hundred Fifth Congress with respect to any bill or joint resolution making general or continuing appropriations for fiscal year 1999 (Rept. 105–791). Referred to the House Calendar.

Mr. BLILEY: Committee on Commerce. Report in the matter of Franklin L. Haney (Rept. 105–792). Referred to the House Calendar.

Mr. ARCHER: Committee on Ways and Means. H.R. 3828. A bill to amend title XVIII of the Social Security Act to improve access to health care services for certain Medicare-eligible veterans; with an amendment (Rept. 105–793 Pt. 1). Ordered to be printed.

Mr. HYDE. Committee of Conference. Conference report on H.R. 3150. A bill to amend title 11 of the United States Code, and for other purposes (Rept. 105–794). Ordered to be printed.

Mr. HYDE: Committee on the Judiciary. House Resolution 581. Resolution authorizing and directing the Committee on the Judiciary to investigate whether sufficient grounds exist for the impeachment of William Jefferson Clinton, President of the United States (Rept. 105–795). Referred to the House Calendar.

DISCHARGE OF COMMITTEE

Pursuant to clause 5 of rule X the Committee on Science discharged from further consideration. H.R. 3610 referred to the Committee of the Whole House on the State of the Union, and ordered to be printed.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 3828. Referral to the Committees on Veterans' Affairs and Commerce extended for a period ending not later than October 9, 1998.

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. SENSENBRENNER (for himself and Mr. MCCOLLUM):

H.R. 4712. A bill to amend title 17, United States Code, to extend the term of copyright, to provide for a music licensing exemption, and for other purposes; to the Committee on the Judiciary.

By Mr. FRANKS of New Jersey:

H.R. 4713. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for State and local real property taxes paid by certain taxpayers aged 65 or older who do not itemize their deductions and to provide for the establishment of senior citizen real property tax accounts; to the Committee on Ways and Means.

By Mr. CAMPBELL:

H.R. 4714. A bill to amend the Internal Revenue Code of 1986 to exempt certain transactions at fair market value between partnerships and private foundations from the tax on self-dealing and to require the Secretary of the Treasury to establish an exemption procedure from such taxes; to the Committee on Ways and Means.

By Mr. BURR of North Carolina:

H.R. 4715. A bill to remove Federal impediments to retail competition in the electric power industry, thereby providing opportunities within electricity restructuring; to the Committee on Commerce.

By Mr. GILMAN:

H.R. 4716. A bill to allow certain individuals who provided service to the Armed Forces of the United States in the Philippines during World War II to receive a reduced SSI benefit after moving back to the Philippines; to the Committee on Ways and Means.

By Mr. YOUNG of Alaska (for himself, Mr. DINGELL, Mr. TAUZIN, Mr. BAKER, Mr. JOHN, Mr. CHAMBLISS, Mr. BOB SCHAFFER, Mr. LAMPSON, Mr. BARCIA of Michigan, and Mr. JEFFERSON):

H.R. 4717. A bill to provide Outer Continental Shelf Impact Assistance to State and local governments, to amend the Land and Water Conservation Fund Act of 1965, the Urban Park and Recreation Recovery Act of 1978, and the Federal Aid in Wildlife Restoration Act (commonly referred to as the Pittman-ROBERTson Act) to establish a fund to meet the outdoor conservation and recreation needs of the American people, and for other purposes; to the Committee on Resources.

By Mr. JACKSON of Illinois (for himself, Mr. CONYERS, Ms. WATERS, Mr. STOKES, Mr. SCOTT, Mr. BECERRA, Mr. LEWIS of Georgia, Ms. MILLENDER-MCDONALD, Mr. WATT of North Carolina, Ms. LEE, Ms. PELOSI, Mr. KILDEE, Mr. KENNEDY of Massachusetts, Ms. LOFGREN, Mr. CUMMINGS, Mrs. MINK of Hawaii, Mr. KENNEDY of Rhode Island, Mr. HINCHEY, Mr. DAVIS of Illinois, Ms. VELAZQUEZ, Ms. KILPATRICK, Mr. TORRES, Mr. MEEKS of New York, Ms. CHRISTIAN-GREEN,

Mr. HASTINGS of Florida, Mr. SANDERS, Ms. CARSON, Mr. GUTIERREZ, Mr. WYNN, Mr. SERRANO, Ms. FURSE, Mr. RODRIGUEZ, Mr. ABERCROMBIE, Mr. RUSH, Mr. THOMPSON, Ms. MCKINNEY, Mr. HILLIARD, Mr. FALEOMAVAEGA, Mr. OWENS, Mr. PAYNE, and Mr. BLAGOJEVICH):

H.R. 4718. A bill to amend title VII of the Civil Rights Act of 1964 to make such title fully applicable to the judicial branch of the Federal Government; to the Committee on the Judiciary.

By Mr. BEREUTER:

H.R. 4719. A bill to establish the International Financial Institution Reexamination and Review Commission; to the Committee on Banking and Financial Services, and in addition to the Committee on Ways and Means, 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. CAPPS (for herself and Mr. GEJDENSON):

H.R. 4720. 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 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. ISTOOK (for himself, Mr. ADERHOLT, Mr. BACHUS, Mr. BARCIA of Michigan, Mr. BLUNT, Mr. CANNON, Mr. COBURN, Mr. CRANE, Mr. DOOLITTLE, Mr. HOSTETTLER, Mr. KING of New York, Mr. LARGENT, Mr. LEWIS of Kentucky, Mr. MANZULLO, Mrs. MYRICK, Mr. PITTS, Mrs. LINDA SMITH of Washington, Mr. SMITH of New Jersey, and Mr. WELDON of Florida):

H.R. 4721. A bill to establish restrictions on the provision to minors of contraceptive drugs and devices through family planning projects under title X of the Public Health Service Act, and for other purposes; to the Committee on Commerce.

By Mrs. MALONEY of New York (for herself, Ms. PRYCE of Ohio, Ms. NORTON, Mrs. ROUKEMA, Mr. ABERCROMBIE, Mr. ALLEN, Mr. BERMAN, Mr. BISHOP, Mr. BOUCHER, Mr. BRADY of Pennsylvania, Mr. BROWN of Ohio, Mrs. CAPPS, Ms. CARSON, Mrs. CLAYTON, Ms. DEGETTE, Ms. DELAURO, Ms. DUNN of Washington, Mr. FARR of California, Mr. FILNER, Mr. FOLEY, Mr. FORBES, Mr. FROST, Ms. FURSE, Mr. GOODE, Mr. GUTIERREZ, Ms. HOOLEY of Oregon, Ms. KAPTUR, Mr. KENNEDY of Rhode Island, Mrs. KENNELLY of Connecticut, Ms. KILPATRICK, Mr. KOLBE, Ms. LEE, Ms. JACKSON-LEE of Texas, Mr. LEWIS of Georgia, Ms. LOFGREN, Mr. MCNULTY, Mr. MEEHAN, Mrs. MEEK of Florida, Ms. MILLENDER-MCDONALD, Mrs. MINK of Hawaii, Mrs. MORELLA, Mrs. MYRICK, Mr. OBERSTAR, Ms. PELOSI, Mr. RANGEL, Ms. RIVERS, Mr. ROMERO-BARCELO, Ms. ROYBAL-ALLARD, Mrs. TAUSCHER, Mr. TOWNS, Mr. UNDERWOOD, Mr. WAXMAN, Ms. WOOLSEY, and Mr. YATES):

H.R. 4722. A bill to create a National Museum of Women's History Advisory Committee; to the Committee on Resources.

By Mr. MANZULLO:

H.R. 4723. A bill to amend title XIX of the Social Security Act to deduct a children's contribution from the amount of income applied monthly to payment for the cost of care in an institution for an individual receiving medical assistance under a State Medicaid plan; to the Committee on Commerce.

By Mr. RODRIGUEZ:

H.R. 4724. A bill to amend the National Trails System Act to designate El Camino Real de los Tejas as a National Historic Trail; to the Committee on Resources.

By Mr. SMITH of New Jersey:

H.R. 4725. A bill to provide surveillance and research to better understand the prevalence and pattern of autism and other pervasive developmental disabilities so that effective treatment and prevention strategies can be implemented; to the Committee on Commerce.

By Mr. STARK:

H.R. 4726. A bill to amend title XVIII of the Social Security Act to reduce the maximum financial risk permitted for physicians participating in MedicareChoice plans; 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. STARK (for himself, Mr. DINGELL, Mr. BROWN of Ohio, Mr. MATSUI, Mr. COYNE, Mr. LEVIN, Mr. CARDIN, Mr. MCDERMOTT, and Mr. MCGOVERN):

H.R. 4727. A bill to amend title XVIII of the Social Security Act to delay the 15% reduction and to make revisions in the per beneficiary and per visit payment limits on payment for health services under the Medicare Program, and for other purposes; to the House Committee on Ways and Means.

By Mr. WATKINS:

H.R. 4728. A bill to amend the Internal Revenue Code of 1986 to provide an increased credit for medical research; to the Committee on Ways and Means.

By Mr. YOUNG of Alaska (for himself, Mr. DOOLITTLE, Mr. MCINNIS, Mr. GIBBONS, Mrs. CUBIN, Mr. SESSIONS, Mr. POMBO, Mr. RADANOVICH, Mr. MCKEON, Mr. BOB SCHAFFER, and Mr. HANSEN):

H.R. 4729. A bill to provide for protection of the Minnesota Valley National Wildlife Refuge and endangered species and other wildlife that inhabit or uses that refuge, and to ensure that scarce refuge land in and around the Minneapolis, Minnesota, metropolitan area is not subjected to physical or auditory impairment; to the Committee on Resources.

By Mr. SOLOMON:

H.J. Res. 131. A joint resolution waiving certain enrollment requirements for the remainder of the One Hundred Fifth Congress with respect to any bill or joint resolution making general or continuing appropriations for fiscal year 1999; to the Committee on House Oversight.

By Mr. SOLOMON (for himself, Mr. GILMAN, Mr. BEREUTER, and Mr. BROWN of Ohio):

H. Con. Res. 334. Concurrent resolution relating to Taiwan's participation in the World Health Organization; to the Committee on International Relations.

By Mrs. NORTHUP (for herself and Mr. YOUNG of Florida):

H. Con. Res. 335. Concurrent resolution recognizing the 50th anniversary of the National Institute of Allergy and Infectious Diseases, and for other purposes; to the Committee on Commerce.

By Mr. SENSENBRENNER (for himself and Mr. EHLERS):

H. Res. 578. A resolution expressing the sense of the House of Representatives that the print of the Committee on Science entitled ''Unlocking Our Future: Toward a New National Science Policy'' should serve as a framework for future deliberations on congressional science policy and funding; to the Committee on Science.

By Mr. HASTINGS of Florida (for himself and Mr. KENNEDY of Rhode Island):

H. Res. 582. A resolution directing the Committee on the Judiciary to undertake an inquiry into whether grounds exist to impeach Kenneth W. Starr, an independent prosecutor of the United States; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. MCCOLLUM:

H.R. 4730. A bill for the relief of Robert Anthony Broley; to the Committee on the Judiciary.

By Mr. WATKINS:

H.R. 4731. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel EAGLE FEATHERS; to the Committee on Transportation and Infrastructure.

ADDITIONAL SPONSORS

H.R. 26: Mr. RILEY.
H.R. 158: Mr. BOSWELL.
H.R. 676: Mr. QUINN.
H.R. 746: Mr. FRANK of Massachusetts.
H.R. 900: Mr. SAWYER, Mr. LIPINSKI, Mr. COSTELLO, and Mr. BROWN of Ohio.
H.R. 902: Mr. SHAW.
H.R. 1061: Mr. DEAL of Georgia.
H.R. 1197: Mr. FARR of California.
H.R. 1354: Mr. MALONEY of Connecticut.
H.R. 1371: Mr. WATKINS.
H.R. 1401: Mr. BROWN of California.
H.R. 1441: Mr. PETERSON of Minnesota.
H.R. 2098: Mrs. WILSON.
H.R. 2263: Mr. MCHUGH.
H.R. 2346: Mr. GREEN, Mr. HOLDEN, Mr. BISHOP, Mr. UNDERWOOD, and Mr. FROST.
H.R. 2375: Ms. EDDIE BERNICE JOHNSON of Texas, Mr. JACKSON of Illinois, Mr. FILNER, Mr. FROST, Mr. CLAY, Mr. MCNULTY, Mr. POSHARD, Mr. ACKERMAN, and Mr. ENGEL.
H.R. 2754: Ms. ESHOO and Ms. RIVERS.
H.R. 2908: Mr. ALLEN and Mr. BILBRAY.
H.R. 2914: Mr. MCGOVERN and Mr. HASTINGS of Florida.
H.R. 2938: Mr. PETERSON of Pennsylvania, Ms. CHRISTIAN-GREEN, and Mr. ABERCROMBIE.
H.R. 2991: Ms. PELOSI and Mr. OXLEY.
H.R. 3046: Mrs. KELLY.
H.R. 3081: Mr. UNDERWOOD.
H.R. 3230: Mr. HAYWORTH.
H.R. 3236: Mr. ADAM SMITH of Washington.
H.R. 3553: Ms. DEGETTE and Ms. ESHOO.
H.R. 3707: Mr. EHRLICH.
H.R. 3783: Mr. ADERHOLT.
H.R. 3814: Mr. FORBES, Mr. REDMOND, Mr. FRANK of Massachusetts, Mr. SMITH of New Jersey, Mr. DOOLITTLE, Mr. CAMP, and Mr. MANZULLO.
H.R. 3815: Mr. MALONEY of Connecticut, Mr. INGLIS of South Carolina, Mr. TALENT, and Mr. MCDERMOTT.
H.R. 3835: Mr. MASCARA, Mr. PICKETT, Mrs. MINK of Hawaii, and Mr. DICKEY.
H.R. 3855: Mr. ADERHOLT.
H.R. 3879: Mrs. MYRICK, Mr. FOSSELLA, Mr. HUNTER, and Mr. COLLINS.
H.R. 3900: Mr. SANDLIN.
H.R. 3912: Mr. ROHRABACHER and Mr. BALLENGER.
H.R. 3949: Mrs. CHENOWETH.
H.R. 4012: Mr. BACHUS.
H.R. 4071: Mr. BUNNING of Kentucky and Ms. HOOLEY of Oregon.

H.R. 4126: Mr. CRAMER and Mr. ADERHOLT.
H.R. 4170: Mr. COMBEST.
H.R. 4213: Mrs. MCCARTHY of New York and Mr. NADLER.
H.R. 4214: Mr. UNDERWOOD.
H.R. 4339: Mr. LIPINSKI.
H.R. 4340: Mr. BILIRAKIS and Mr. WAMP.
H.R. 4377: Mr. KASICH.
H.R. 4383: Mr. SHIMKUS and Mr. STUMP.
H.R. 4395: Mr. RUSH.
H.R. 4403: Mr. SANDERS, Mr. HILLIARD, and Ms. MCCARTHY of Missouri.
H.R. 4449: Mr. WISE and Mr. HEFNER.
H.R. 4450: Mr. GUITIERREZ.
H.R. 4467: Mrs. KENNELLY of Connecticut, Mr. MANTON, and Mr. HILLIARD.
H.R. 4513: Mr. SKEEN.
H.R. 4522: Mr. RUSH.
H.R. 4552: Ms. LOFGREN and Ms. KAPTUR.
H.R. 4577: Mr. PETERSON of Minnesota.
H.R. 4590: Mr. DEFAZIO.
H.R. 4591: Mr. UNDERWOOD.
H.R. 4592: Mr. KENNEDY of Massachusetts.
H.R. 4596: Mr. MCHUGH.
H.R. 4611: Ms. SLAUGHTER and Mr. FROST.
H.R. 4621: Mr. WISE.
H.R. 4627: Mr. DELAHUNT, Mr. MCGOVERN, Mrs. MALONEY of New York, Mr. GREEN, Ms. JACKSON-LEE of Texas, and Ms. DEGETTE.
H.R. 4643: Mr. MCHUGH.
H.R. 4644: Mr. MCHUGH.
H.R. 4648: Mr. MOAKLEY and Mr. OLVER.
H.R. 4653: Mr. SANDLIN, Mr. PASCRELL, Mrs. CAPPS, Mr. BROWN of Ohio, and Ms. KILPATRICK.
H.R. 4672: Mr. MCHUGH.
H.R. 4683: Mr. DEUTSCH and Mr. GANSKE.
H. Con. Res. 13: Mrs. WILSON
H. Con. Res. 52: Mr. MCHUGH and Mr. BUNNING of Kentucky.
H. Con. Res. 69: Mr. DEAL of Georgia.
H. Con. Res. 114: Mr. ENGLISH of Pennsylvania.
H. Con. Res. 229: Mr. BALLENGER, Mrs. FOWLER, Mr. HEFNER, Mr. MENENDEZ, and Mr. MILLER of California.
H. Con. Res. 236: Mr. ISTOOK, Mr. INGLIS of South Carolina, Mr. ENGLISH of Pennsylvania, Mrs. MYRICK, and Mr. GIBBONS.
H. Con. Res. 249: Mr. DINGELL and Ms. SANCHEZ.
H. Con. Res. 258: Mr. ENGLISH of Pennsylvania, Mr. CONYERS, Mr. MARKEY, Ms. RIVERS, Mr. HORN, Ms. ROYBAL-ALLARD, and Mr. BERMAN.
H. Con. Res. 283: Ms. MCKINNEY.
H. Con. Res. 316: Mr. LUTHER.
H. Con. Res. 325: Mr. ABERCROMBIE.
H. Con. Res. 328: Mr. GILCHREST, Mr. MCHUGH, Mr. DUNCAN, and Mr. BARTON of Texas.
H. Con. Res. 331: Mr. SHERMAN.
H. Res. 559: Mr. LANTOS and Mr. PORTER.
H. Res. 565: Ms. ESHOO, Ms. STABENOW, Mrs. THURMAN, Ms. KAPTUR, and Ms. GRANGER.
H. Res. 566: Mr. LEVIN, Mr. KUCINICH, and Mr. QUINN.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3789

OFFERED BY: MR. TRAFICANT

AMENDMENT NO. 8: Page 5, line 3, strike the quotation marks and second period.

Page 5, after line 3, insert the following:

''(4) Paragraph (1) and section 1453 shall not apply to any class action that is brought for harm caused by a breast implant.''.

H.R. 4274

OFFERED BY: MR. REDMOND

AMENDMENT NO. 34: Page 61, line 11, after the dollar amount, insert the following: ''(increased by $14,000,000)''.

Page 63, line 16, after the dollar amount, insert the following: ''(decreased by $14,000,000)''.

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PROCEEDINGS AND DEBATES OF THE 105th CONGRESS, SECOND SESSION

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Senate

The Senate met at 9:29 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious God, without whom we can do nothing of lasting value, but with whom there is no limit to what we can accomplish, we ask You to infuse us with fresh strength and determination as we press toward the goal of finishing the work of this 105th Congress. Help us to do all we can, in every way we can, and as best we can to finish well. Inspire us to follow the cadence of Your drumbeat.

Bless the Senators in these crucial hours. Replace any weariness with the second wind of Your Spirit. Rejuvenate those whose vision is blurred by stress and deliver those who may be discouraged or disappointed. In the quiet of this moment, we return to You, recommit our lives to You, and receive Your revitalizing energy. We accept the psalmist's reorienting admonition, ''Wait on the Lord; be of good courage, and He shall strengthen your heart; wait, I say, on the Lord!''—Psalm 27:14. In the Name of our Lord and Saviour. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader is recognized.

SCHEDULE

Mr. ALLARD. Mr. President, this morning there will be a period for 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 adoption of the motion to proceed to H.R. 10, the financial services reform bill, followed by a second vote on the motion to invoke cloture on S. 442, which is the Internet tax bill. Assuming cloture is invoked, the Senate will remain on the Internet tax bill with amendments being offered and debated throughout today's session.

In addition to the Internet tax bill, the Senate may consider the VA–HUD appropriations conference report under a 40-minute time agreement reached last night. The Senate may also consider other available conference reports or any legislative or executive items cleared for action.

The leader reminds 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 very busy week, with votes beginning early each morning and extending late into the evenings.

I thank my colleagues for their attention, and I yield the floor.

Mr. HUTCHINSON addressed the Chair.

The PRESIDENT pro tempore. The able Senator from Arkansas is recognized.

TRIBUTE TO SENATOR DALE BUMPERS

Mr. HUTCHINSON. Mr. President, I rise today to pay tribute to my retiring colleague from Arkansas, Senator DALE BUMPERS. Arkansas is a State with a small population, and it is a State where politicians of even opposing political parties and philosophies find their lives and careers intersecting and intertwining.

As a high school student, I followed DALE BUMPERS' meteoric rise from an unknown country lawyer from Charleston, AR, to the Governor of the State and a man who became known in Arkansas politics as the giant killer, defeating such luminaries of Arkansas politics as Win Rockefeller and J.W. Fulbright.

I worked for DALE's opponent in 1980, not because I was enamored by his opponent, but because I was upset with some of DALE's votes. That has always been the way with DALE BUMPERS; you either agreed with him passionately or you disagreed vehemently.

While DALE has always been as smooth as honey, he has never tried to varnish his views or dilute his positions to make them more palatable to the general public, whether it was the Panama Canal or the space station.

Mr. President, I mentioned that in Arkansas, political lives and careers intersect frequently. In 1986, my brother ASA, then a U.S. attorney and now serving in the U.S. House of Representatives, ran against Senator BUMPERS in his second reelection campaign.

I worked in ASA's campaign, and I encountered and experienced firsthand the high esteem in which the people of Arkansas hold DALE BUMPERS. After Senator BUMPERS won that race resoundingly, delivering a good old country thumping to the HUTCHINSONs, I returned to my service in the Arkansas legislature and ASA became the State GOP chairman. We continued to follow Senator BUMPERS' career from afar, occasionally bumping into him at events in the State.

In 1990, ASA ran for attorney general of Arkansas. It was a politically tough, mean, even nasty race. It was hard fought and a very close race. I remember one day as I was working in ASA's headquarters in Little Rock, DALE BUMPERS walked in off the street unannounced. He came by, he said, to wish us well and to say that he always respected us and thought well of us. I saw a side of DALE BUMPERS that those who know him well see all the time. He knows well that there is life beyond the political arena and that politicians are, first and foremost, human beings.

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

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I saw this again in 1996 when I was running for the U.S. Senate. It was the closing days of a very close race. DALE and my predecessor, Senator David Pryor, were campaigning for my opponent in a fly-around of the State. I suppose DALE was returning the favor from a decade before when I was campaigning for his opponent.

In the closing days, my son Timothy was involved in a tragic and terrible automobile accident. Timothy was seriously injured, and I was in the hospital room, not sure whether he was going to make it or not. The phone rang, and it was DALE BUMPERS. He called to assure me of his thoughts and his prayers and to tell me that he and David were suspending campaigning until it was clear that my son was going to be OK.

DALE, we will miss you around this place. I won't miss your votes, but I will miss you. I will miss your stories, and I will miss your humor. I will miss your eloquence, and I will miss your passion. I am grateful that our Senate careers overlapped for these 2 years. Thanks for your advice and counsel, and best wishes on this next phase of your life.

Mr. President, I yield the floor.

Mr. ROBERTS addressed the Chair.

The PRESIDING OFFICER (Mr. ALLARD). The Senator from Kansas.

Mr. ROBERTS. I thank the Chair.

(The remarks of Mr. ROBERTS pertaining to the introduction of S. 2563 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. ROBERTS. I thank the Presiding Officer and yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Parliamentary inquiry.

Under the order, how much time does each Senator have in morning business?

The PRESIDING OFFICER. Five minutes.

Mr. DOMENICI. I ask I be given the 5 minutes.

The PRESIDING OFFICER. The Senator from New Mexico.

KOSOVO AND MILITARY READINESS

Mr. DOMENICI. Mr. President, I have asked for this time today to address two serious and interrelated concerns: One, the President's plans to intervene in Kosovo; and, two, the already evident crisis in readiness of the U.S. military.

There are some who believe that these two concerns should be dealt with separately. Some may argue that linking the two is merely an excuse for U.S. inaction. I wish to be very clear. Developments in Kosovo may compel the United States and our allies to intervene. However, this intervention should not be paid for by further hollowing out of the Armed Forces.

I and many of my colleagues, will not support airstrikes in Kosovo, and especially a ground force presence, unless the President agrees to submit a budget that addresses the related readiness and operational tempo requirements of the U.S. military.

Also, we must be careful not to believe that there is an easy or inexpensive long-term solution to the problems in Kosovo. The administration would have us believe that NATO airstrikes will somehow solve the problem. I, and many colleagues, disagree.

The recent massacre of ethnic Albanians in two small villages in Kosovo has heightened awareness and condemnation of Serbian aggression. Powerful airstrikes and military action could send a strong and unambiguous message to the Serbian leader. As in Bosnia, empty threats of NATO action never does anything to get the job done.

There is good reason to be concerned about 400,000 Albanians forced from their homes as winter approaches. I am concerned. I am deeply concerned about that. But I am more concerned about involving U.S. lives in ill-conceived military campaigns. I am deeply concerned that we will be sending an already weary and overextended military into a situation for which there is no quick and easy solution.

Mr. President, as you know, the U.S. defense budget has declined for the past several years. At the same time, nontraditional deployments have stretched an already extended military force to its limits. This is largely the result of downsizing of our force structure while increasing the number and the frequency of deployments overseas for purposes other than a war.

We have been asking our Armed Forces to do more with less for several years. They are finally admitting that they cannot do more with what the President has given them. Yet, the administration is asking them to still do more.

Now I and many of my colleagues wish to ask the administration one question: Will you do more? Will you ensure that readiness does not suffer further? Will you stop the hollowing out of our military forces?

Some may think that this readiness issue isn't real. I am sure there are those who think that there is no crisis in readiness. Well, I believe that a few examples of the crisis in readiness are absolutely persuasive.

Here are just a few of the symptoms of this crisis:

One, Navy pilot retention has sunk to an all-time low of 10 percent. This is the lowest in recorded history of pilot retention programs.

Air Force pilot retention is at 30 percent, and it is projected to decline further. The Air Force is now 700 pilots short.

The aircraft deployed on primary, peacekeeping deployments—such as Bosnia—are being ''cannibalized,'' meaning, they are being stripped for spare parts to keep at least a few flying. It is not uncommon for this to happen at a low-priority unit in the United States; however, allowing this to happen in the front-line deployments like Bosnia where we might soon go into combat is inexcusable.

Aircraft carriers are being deployed with personnel slots empty. A recent report has one carrier on a peacekeeping mission with a crew that is lacking 1,000 persons to perform the essential tasks. In other words, the United States has aircraft carriers on missions that are lacking about 20 percent of what is considered a full crew. How ready are these carriers to perform their missions?

We have Army units arriving for critical combat training at the Army's national training center in California with mechanics and ''mounted'' infantry simply missing. These units have junior noncommissioned officers filling roles traditionally filled by senior experienced noncommissioned officers.

This is a problem that permeates every branch of the Armed Forces. We simply are not retaining the seasoned, well-trained military personnel and professionals. I and Senator STEVENS are commissioning an important study by GAO to find out exactly why our military persons are leaving the service in unprecedented numbers.

The troops that I personally visited in the Persian Gulf made it clear that morale is low there. They are tired of constantly being separated from their families. I believe this separation would be tolerable if the operational tempo required of them were humane.

I believe the separation would also be eased, if they were assured that their families had adequate housing and food on the table.

I believe the separation would be tolerable and their loyalty to the military secure, if it weren't for the fact that they also question the purpose of the missions.

Mr. President, I believe we are failing own soldiers on all counts.

That brings us to the question of money. There is simply not enough money in the defense budget as it is currently projected to do everything that needs to be done. There is an effort underway to provide emergency supplemental funding for military readiness. I support that effort. However, this will not solve the bigger problems.

The U.S. defense budget has been in a constant decline since 1985. In the case of Bosnia, the administration has relied on Congress to repeatedly supply ''emergency supplemental'' moneys to provide for a ''contingency'' operation that started in December, 1995. We are currently supporting over 8,000 troops in Bosnia, and the President persists in asking us to join him in a charade that the U.S. presence in Bosnia is an ''unforeseen emergency.''

The budget shortfalls are eroding readiness, but, more importantly, they

are contributing to a precipitous decline in the moral of the soldiers in uniform.

Mr. President, we believe it would be an unacceptable policy to send our troops into harm's way without addressing the scarcity of spare parts and relevant readiness issues that currently permeate the forces. Of course, I am not prepared to support the half baked, not thought through ideas that I fear are still being contemplated by this administration for what currently serves as our ''policy'' in Bosnia and Kosovo.

We must send a clear signal to the administration that we will not paint ourselves into another Bosnia, especially without the administration's assurance that our military will not once again be asked to do more with even less.

Before we commit American lives to another dangerous mission overseas, we must clearly define our objectives and be realistic in the commitment required to achieve them. More importantly, we must give our men and women in uniform sufficient assurance that their loyalty is not a one-way street. This can only be achieved by stopping the decline in defense budgets and ensuring a higher quality of life for our soldiers.

I am pleased to be joined by the distinguished Senator from Texas in these remarks this morning.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DOMENICI. I yield the floor.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I want to really follow on what the distinguished Senator from New Mexico was saying, because I think he laid out very well the problems that we are facing with our military today. No one questions the job our military is doing. They are doing their jobs well. But it is clear that we are losing our experienced people.

As the Senator from New Mexico has just pointed out, we are losing our experienced pilots, we do not have enough parts to keep the airplanes running, and the Army had its worst recruiting year last year since the late 1970s.

At the time that we are looking at mission fatigue, our troops being overdeployed away from their families on missions that are not security threats to the United States, we are now seeing a mixed message from this administration about yet expanding their responsibilities.

We were told in the last few weeks that NATO is contemplating airstrikes in Serbia. This is, of course, a terrible and tragic situation in Kosovo. And, clearly, we want to try to do everything possible to curb atrocities that are happening and may happen in the future in Kosovo. But, Mr. President, a superpower cannot fling around the world without a plan, without a thought, and have credibility.

I ask the question of the administration, Have we done everything we can do at the bargaining table with Mr. Milosevic? Have we put every economic sanction that can be put? Have we isolated this country to the extent that we can—as we have also tried to do with Iraq—to show this leader that he cannot continue to act in an irresponsible manner toward human beings in his own country and get by with it?

Have we done everything we can do first? If we have—and I don't think we have—if the administration makes the case that we have, then, and only then, should we be considering other options.

Mr. President, if we are going to bomb another country because of a civil conflict, a sovereign country that is in a civil conflict, have we thought through what the exit strategy is? Have we thought through what our responsibility is going to be for doing that? I haven't seen a plan. I haven't seen any kind of ''after plan'' after bombing. Yes, we have talked about bombing. But if we are bombing for the purpose of saying to Milosevic, ''You must withdraw your police so that the Albanians who live in Kosovo can come out of the hills and go into their homes,'' how is that to be enforced?

We have been told by administration officials that there would not be American troops on the ground unless there is a peace agreement, something to enforce. Yet yesterday the Secretary of Defense opened the door on American troops on the ground with NATO forces. Yet we haven't seen a plan. We haven't seen what the American role will be. We have certainly not been consulted to determine if the United States is ready to expand its mission in the Balkans.

We were told we would be out of Bosnia a year ago. We were told a year and a half ago, we were told 2 years ago that our mission in Bosnia would be complete when the parties were separated and the elections had been held. The parties are separated. The elections have been held. Yet American taxpayers have spent $10 billion in Bosnia, and the President is now saying there is an ''unending mission'' there. He has refused to put a timetable on it. This week the President has asked the U.S. Congress for $2 billion more for Bosnia in a supplemental appropriation, as if this were an emergency. Why didn't the administration put this in the budget? He says it is an unending mission, yet we have an emergency appropriation.

I conclude by saying we cannot fling ourselves around the world without a clear strategy and a clear role for the United States. I am looking to the President for leadership and I haven't seen it.

I yield the floor.

DON'T TAMPER WITH THIS JURY

Mr. BYRD. Mr. President, I have recently read several articles in the press which are cause for concern. One such article appeared in the Sunday, October 4, edition of the Washington Post, titled ''Bid to Trump Inquiry Shelved.''

The piece discussed White House efforts to produce a letter signed by at least 34 Democratic Senators declaring that they would not vote to convict the President, should the House decide to write articles of impeachment. According to the report, Minority Leader TOM DASCHLE has discouraged such an attempt.

I commend the Democratic leader, Mr. DASCHLE, for his wise and judicious counsel on this matter. He has done the White House, he has done the President, he has done all Senators, and, indeed, the entire nation a great, great service.

I am concerned about the ugly and very partisan tone that has enveloped many discussions of this matter, and about the extreme polarization which has already occurred. The House Judiciary Committee has voted to begin an impeachment inquiry. I have had nothing to say about that. I don't intend to have anything to say about that. This is the House's business. There is a constitutional process in place. That process has begun. The ball is in the field of the House of Representatives at this point. We here in the Senate should await the decision of the House of Representatives as to whether or not articles of impeachment will, indeed, be formulated.

Senators may at some point have to sit as jurors. Let me say that again. Senators may at some point have to sit as jurors in this matter and will be required to take an oath before they do. I read this oath into the RECORD a few days ago. I want to read it again, because the Senate will shortly be going out, not to return at least until after the elections, and perhaps not until the new Congress convenes in January.

To repeat this oath at this point, might be well advised. The Bible says, ''a word fitly spoken is like apples of gold in pictures of silver,'' and so I think it is a good time to repeat this oath, which will be incumbent upon every Senator, should articles of impeachment come to this Chamber. Here it is:

> I solemnly swear that in all things appertaining to the trial of the impeachment now pending, I will do impartial justice according to the Constitution and laws: So help me God.

Note the word ''impartial.'' We all need to remember the solemn responsibility we may be required to shoulder.

I would suggest by way of friendly advice to the White House, don't tamper with this jury. Don't tamper with this jury. I have been in Congress 46 years. I have been in this Senate 40 years. There are some people here who take their constitutional responsibilities very seriously. This will not be politics as usual if articles of impeachment come to this body.

My friendly words of advice to my colleagues are these: We may have to

sit as jurors. Don't let it be said that we allowed ourselves to be tampered with, no matter who attempts the tampering, no matter how subtle the attempt. How can we commit ourselves to vote for or against articles of impeachment without having seen them, without having heard the managers on the part of the House prosecute the articles, without having heard the impeached person's lawyers and representatives or even the impeached person himself make the defense? How can we as Senators, who will be prospective jurors, commit ourselves at this point, or at any point, as to how we will vote on such articles? We cannot do it and live up to the oath that we will be required to take. It is a solemn matter, it is not politics as usual, and I personally will resent—and I hope every other Senator will personally resent—any effort on the part of anybody in these United States to tamper with Senators as prospective jurors. I will personally resent it on behalf of the Senate and on behalf of the Constitution. I urge all Senators to be on their guard.

There has been a great deal of gratuitous advice given by people on the outside, and some on the inside, who know very little, probably, about the history of impeachment, about the history of the Senate, about responsibilities of Senators under the Constitution in such an event. We don't know what the House may decide to include in articles of impeachment when and if they ever come to the Senate. There can be an inquiry by the House, yet never be any articles formulated. That is up to the House. But if the House decides to formulate articles of impeachment, we have no choice here in the Senate but to vote up or down. We can't amend such articles. We have no way of knowing what the House may consider to be an impeachable offense. An impeachable offense does not have to be an indictable offense at law.

So I warn Senators, and I warn those at the other end of the avenue, to exercise the utmost care lest somebody be unjustly prejudiced because of tongues that wag too easily and too early.

I also condemn the circus atmosphere which has overtaken this city. There are attack dogs on both sides, on the talk shows and in the press, and their wild and rabid rhetoric is hardly contributing to an atmosphere of reason or respect. I believe that everyone must stop playing for advantage. And by that, I mean Republicans and Democrats alike; I mean people at both ends of the avenue and in between.

If the Senate votes on impeachment articles, that will be the most solemn, the most sobering, and the most far-reaching vote that Senators in this body will ever cast. Voting for a declaration of war does not compete with voting to convict or not to convict a President. We won't be voting to convict a Federal judge and to remove that judge from office. In this case, it would be the ultimate vote on the ultimate question that could ever face this Senate. So I say to my colleagues: Be careful.

Mr. President, just to illustrate how close we are to making a total farce of the situation, I note that Larry Flynt, publisher of a magazine called Hustler, has offered $1 million to anyone who will come forward with evidence of a sexual liaison with a Member of Congress or other high-ranking official. How much lower can we go? Now, that makes a farce of the Constitution.

Such tactics and countertactics only serve to convince the people of this Nation that whatever course we eventually take will amount to nothing more than partisan politics at its very worst. Now, we all play partisan politics, but this is one thing that won't bear touching with partisan politics on either side, Republican or Democrat. This is the Constitution which we have sworn that we will support and defend. One may say, well, there is no impeachable offense. This is something we don't know. If Senators commit themselves prematurely and then find, in reading the articles, that there is one article that is very, very difficult to vote against, it may be your own seat that you are imperiling.

I urge all Senators, many of whom are going home to stand for reelection, to avoid making commitments on this matter and to resist lobbying attempts, no matter how subtle, and no matter who attempts to lobby them. We must resist pressure from all sides.

The people are watching. This should not, this cannot, this must not, become bad, boring, beltway ''politics as usual.'' This is a matter in which partisan politics should play no role. I say this to my Republican friends as well. There is far, far too much at stake for the President, for the Presidency, for the system of separation of powers, for Members of Congress, and for our country as well.

Mr. President, I ask unanimous consent to have printed in the RECORD the article from the October 4, 1998 Washington Post.

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

[From the Washington Post, Oct. 4, 1998]

BID TO TRUMP INQUIRY SHELVED—CLINTON LOBBYING BEHIND THE SCENES TO AVOID IMPEACHMENT

(By John F. Harris)

Hoping to quash the congressional impeachment process in its nascent stages, President Clinton in recent days discussed with Senate Minority Leader Thomas A. Daschle (D–S.D.) organizing an effort to have Democratic senators sign a letter declaring that none of the allegations or evidence in the Monica S. Lewinsky investigation would merit impeachment, according to Democratic sources.

Daschle discouraged the idea, which Clinton apparently first heard from another Democratic senator about a week ago, and for now it has been shelved.

But the effort illustrates the intensive behind-the-scenes lobbying Clinton is doing to ensure his future in office. The skepticism of Daschle and other Democrats in both the House and Senate also illustrated how even lawmakers who want Clinton to remain in office are placing clear limits on what they will do to short-circuit the constitutional process of reviewing the allegations of impeachable behavior that independent counsel Kenneth W. Starr presented last month.

The hope, as Democrats familiar with the discussions described it, was to get at least 34 Democrats—or more than one-third of the Senate—to declare up front that they would never vote to convict. Since two-thirds of the Senate must vote to evict a president, such a letter would make a House impeachment vote moot, for all practical purposes. Clinton, sources said, apparently hoped that the letter could defeat the gathering momentum for a full impeachment inquiry in the House, which is set to authorize the process later this week.

''This is an idea which was generated on the Hill which is not getting much traction, because it's premature,'' said a senior White House official.

Also yesterday, sources said U.S. District Judge Norma Holloway Johnson had appointed an outside expert known as a ''special master'' to help her determine whether Starr's office illegally leaked grand jury material to reporters, as Clinton's lawyers have complained.

Starr's office has denied illegal leaks, but Clinton's lead private attorney, David R. Kendall, contends that the independent counsel's office has been the source of grand jury material whose publication was damaging to Clinton. Late last month, Johnson decided instead to appoint a special master, whose identity was not revealed, to conduct the inquiry and report back to her.

Clinton's advisers have resigned themselves to the virtual certainty that an impeachment inquiry will be approved by the House this week, but they hope perceptions that the vote was a partisan rush to judgment can turn this legal setback into a political gain.

The House Judiciary Committee will begin its formal deliberations on authorizing an impeachment inquiry Monday, and is planning to vote that day or Tuesday. Democratic sources in the administration and Congress said yesterday they are confident a measure authorizing an open-ended impeachment inquiry will pass with only Republican support, over the objections of Democrats backing a more focused inquiry that would be completed by Thanksgiving.

A day after the last major release of documents from Starr, Clinton's legal and political team yesterday had focused its own vote-counting efforts on the full House floor, in anticipation of a vote authorizing an impeachment inquiry by the end of the week.

On the floor, Clinton's hopes for making the case that the effort against him is a partisan affair are more clouded. A significant number of Democrats are prepared to vote in favor of the impeachment inquiry, which many administration and congressional officials say is all but certain to pass. Estimates on the precise number of these Democratic defectors vary widely. One Democratic source who has consulted with lawmakers said lower-end scenarios would have about 20 Democrats voting with the GOP. A House Democratic leadership aide said the number may be as high as 50; many of these lawmakers are planning to vote yes for both the Democratic inquiry resolution and then, if that fails, the Republican version.

What was striking this weekend was the passive public posture of the White House. Although the Clinton administration usually engages in aggressive public advocacy, on the eve of a vote that is critical to Clinton's future the White House was not sending its representatives on the usual Sunday talk

show circuit. Lawyers yesterday did nothing to expand the public defense they offered Friday, when Clinton's team claimed the 4,610 pages of new material released were further evidence of what they said was Starr's tendency to suppress exculpatory evidence.

The strategy of staying quiet, aides said, reflected a confidence that public perceptions of the case are already breaking in Clinton's favor, and that Democratic House members were better positioned to make the case that the process Republicans are proposing is unfair.

The latest release of documents ''didn't even lead the news last night. There's no reason to look for opportunities to elevate this story,'' one White House official said of the quiet weekend. ''Not that we're uninvolved, but the ball has now shifted to the congressional realm.''

''Whatever was there hasn't caused a huge stir. Without any revelations, it hasn't changed the perception of what we have to do with the Hill and the American public. Our focus is still on the resolution and the Democratic alternative and how we can build on it,'' said another Clinton adviser outside the White House.

Mr. BYRD. Mr. President, I thank all Senators for their patience. I thank the Chair and yield the floor.

Mr. INHOFE addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma has sought recognition earlier.

Mr. INHOFE. Mr. President, first of all, let me associate myself with the remarks of the most distinguished senior Senator from West Virginia.

JUDICIAL NOMINATIONS

Mr. INHOFE. Mr. President, in the midst of all the confusion and anxiety of the last week, we are going to be asked to vote on the confirmation of three judges that I think should be looked at very carefully.

First is the nomination of William Fletcher to the Ninth Circuit Court of Appeals. Groups are in opposition due to a Law Review article in which he stated that judicial discretion trumps legislative discretion when a legislature fails to act.

Presently, Fletcher's mother is sitting on the Ninth Circuit, which is historically the most liberal and activist court in the United States. Over the last 3 years, the Supreme Court overturned the Ninth Circuit more than any other.

In a book review, about which Mr. Fletcher was questioned before the committee, he stated that political circumstances outweigh a literal reading of the Constitution. In short, the Constitution is what Judge Fletcher says it is. Judge Fletcher is an extremist and should not be confirmed.

Nomination of Richard Paez to the Ninth Circuit Court of Appeals: In an outrageous ruling in 1997, Judge Paez ruled that an American company could be liable for human rights abuses committed by their partners in another country.

Paez has shown a bias against religious and conservative groups. In one of the most publicized cases Paez heard as a District Judge was the 1989 trial of Operation Rescue leader Randall Terry. Paez became upset with some of the pro-life language Terry used and ''stormed off the bench.'' Additionally, he angrily warned the defendants that their Bible would be confiscated if they continued to wave or consult it.

While a sitting District Judge, Paez gave a speech at UC-Berkeley's law school in which he called California's Proposition 209 an ''anti-civil rights initiative.'' In that speech, he also said, ''legal action is essential'' to ''achieving the goal of diversifying the bench.'' He characterizes himself as a ''liberal.'' Judge Paez is an extremist and should not be confirmed.

Lastly, and briefly, the nomination of Timothy Dyk to the Federal Court: While in private practice, Mr. Dyk, successfully fought the FCC's ban on indecent programming to protect children.

He has sat on the board of People for the American Way, and while working as an attorney for People for the American Way, he successfully defended a county school board that forced students to read materials their parents believed violated their deeply held religious beliefs. A member of Mr. Dyk's legal team called the concerned parents ''somehow less important'' and said ''the enemy was really not'' the plaintiffs ''but [Rev. Jerry] Falwell.''

I believe that Mr. Dyk is also an extremist and should not be confirmed in his nomination.

I yield the floor.

THE FINANCIAL SERVICES ACT OF 1998—MOTION TO PROCEED

Ms. MIKULSKI. Mr. President, I will vote against the motion to proceed on H.R. 10, the Financial Services Act of 1998. I oppose this legislation because it is inappropriate to bring down the protective firewalls in U.S. financial services while a firestorm is sweeping global financial institutions. Mr. President, this is the wrong time to be relaxing our protective financial services regulations.

I understand the intellectual argument to reform our financial services. In fact, I do not dispute it. There is no doubt that the U.S. needs to be competitive in the global marketplace. I would suggest to my colleagues, though, that changes in the global economic picture make this bill unwise. The global economic situation is vastly different now than when this bill was being drafted.

There are a number of what I call ''yellow flashing lights'' or warning signals that now is not the right time to enact this legislation. Let me mention a few. Former Secretary of State Henry Kissinger recently stated in the Washington Post that no government and virtually no economist predicted this global economic crisis, understood its extent or anticipated its staying power.

Now the United States Senate is going to rearrange the national financial landscape? We need to modernize the United States to go global? I think we need to pause and ask what does going global mean and do we want to go there at this time? In this current global environment of national financial collapses, IMF bailouts and hedge funds rescue packages have become daily occurrences. These are the ''yellow flashing lights'' and I believe we must proceed with caution to avoid rash and irrevocable changes when the savings of hard working families and the viability of our communities could be put in serious jeopardy.

Frankly, I am also concerned that the bill before us is the result of last-minute deal making. The issues here are too important for hasty decision-making. The decisions this bill makes affect the financial security of average Americans who are working and saving to provide for their families, U.S. financial institutions, the American economy and the global financial marketplace.

These are not trivial issues. We are being asked to establish a legislative framework for the financial services industry for decades to come. These are irrevocable decisions.

As changes were made to accommodate this interest or that interest, I am concerned that we have lost sight of the overall impact of the bill before us. I am concerned that we do not know enough about what's in the bill at this juncture, and what it will mean for our economic security. In the haste to get the job done before the Congress adjourns for the year, I have serious and deep reservations that changes have been made that have not been well thought out or thought through. If enacted, we will end up with unintended, but nevertheless, negative consequences because we rushed to the finish line.

Advocates of this legislation always mention the free market. They believe that buyers and sellers acting in their own self-interests will produce winners and losers, and bring about the best and most efficient outcome for banking customers. But look at what the free market has brought us lately— a global financial meltdown and hedge funds that are ''too big to fail''. As Kissinger suggested, indiscriminate globalism has generated a world-wide assault on the concept of free financial markets. In the United States, where we used to boast about our well functioning capital markets, we now bail out those investors who make foolish decisions.

One need look no further than the Long-Term Capital debacle to see evidence that even the brightest minds on Wall Street, acting in the free market, sometimes make very poor decisions. The collapse of this high-flying hedge fund was a failure of proper supervision. As Kenneth Guenther explains in the Baltimore Sun, this raises serious questions about our regulatory structure: ''it doesn't make sense to have too-big-to-fail institutions if the regulatory structure is not up to regulating them. . . . if the regulators

have to make a choice between the safety of the financial system and the free market, the financial system will win. There is no free market and there never will be. It's the height of hypocrisy to talk about the free market in one breath and bail out Long-Term Capital . . . in the next breath.'' Mr. President, I oppose this legislation because in this environment, we need more oversight and enforcement in our financial services, not less.

Beyond these concerns that this is not the right time to enact these sweeping changes buttressed by the follies of the free market, I have other, structural concerns with the proposed changes to our financial services laws.

First, I am concerned that if we relax the laws about who can own and operate financial institutions, an unhealthy concentration of financial resources will be the inevitable result. The savings of the many will be controlled by the few. If we relax banking regulations in this country, Americans will know less about where their deposits are kept and about how they are being used.

Marylanders used to have savings accounts with local banks where the teller knew their name and their family. We have already seen the trend toward mega-mergers, accompanied by higher fees, a decline in service, and the loss of neighborhood financial institutions. This bill accelerates that trend.

With a globalization of financial resources, the local bank could be bought by a holding company based in Thailand. Instead of the friendly teller, consumers will be contacting a computer operator in a country half-way around the globe through an 800 number. Their account will be subject to financial risks that have nothing to do with their job, their community, or even the economy of the United States. I know impersonalized globalization is not what banking customers want when we talk about modernization of the financial services.

Second, I am concerned that complex financial and insurance products will now be sold in a cluttered market by untrained individuals. Investment and insurance planning for families is a very important process, one of the most important decisions a family makes. It should be done with a professional who is certified and who is someone you can trust. By breaking down these firewalls and allowing various companies to offer insurance and complex investment products, we run the risk that consumers will be confused, defrauded, and treated like market segments and not individuals with unique needs and goals.

Finally, I believe that any modernization of our financial services law should not just retain, but expand the important consumer protections and community investment policies currently in place.

Consumers need protections and regulations to guarantee the safety of their deposits and the availability of basic banking services and credit to help their communities grow. If we have a Consumer Product Safety Commission to protect children from flammable sleepware, I believe we should also have a strong regulatory framework to protect consumers, not just investors, in the financial services marketplace.

A strong regulatory framework will not be provided by the Federal Reserve, as is proposed in this legislation. I share the concerns of John Hawke, Undersecretary of the Treasury Department, that shifting the regulatory power from the Office of the Controller of the Currency to the Federal Reserve Board is a highly questionable regulatory protection. This would be like letting the bankers regulate themselves. The decision making of the Federal Reserve is directly linked to the banking industry that it would regulate. Bankers elect two thirds of the Federal Reserves directors. It is true that the Federal Reserve is independent of the administration, but it is not independent of the bankers and finance companies that it would regulate.

Mr. President, I am not opposed to a necessary reform of our financial services laws. But this is not the legislation and this is not the time to do it. The U.S. stock market has had one of the worst quarters since 1990 and world leaders are currently strategizing about how to stanch the global economic crisis.

The Congress will be back in 90 days. Hopefully, the world market will be calmer, it will be after the election, and we will be able to study the lessons learned from the financial events of the past three months. For all the hard work and all the negotiating and compromise, now is not the time to go forward and add more fuel to what is already a very troubling global financial firestorm.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

FINANCIAL SERVICES ACT OF 1998—MOTION TO PROCEED

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to vote on the motion to proceed to the consideration of H.R. 10, which the clerk will report.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to Calendar No. 588, H.R. 10, the financial services bill.

Trent Lott, Alfonse D'Amato, Wayne Allard, Tim Hutchinson, Dan Coats, Rick Santorum, Robert F. Bennett, Jon Kyl, Gordon Smith, Craig Thomas, Pat Roberts, John Warner, John McCain, Frank Murkowski, Larry E. Craig, and William V. Roth, Jr.

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

CALL OF THE ROLL

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call under the rule is waived.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the motion to proceed to Calendar No. 588, H.R. 10, the financial services bill, shall be brought to a close? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN), is necessarily absent.

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

The yeas and nays resulted—yeas 88, nays 11, as follows:

[Rollcall Vote No. 301 Leg.]

YEAS—88

Abraham	Enzi	Lott
Akaka	Faircloth	Lugar
Allard	Feinstein	Mack
Ashcroft	Ford	McCain
Baucus	Frist	McConnell
Bennett	Graham	Moseley-Braun
Biden	Grams	Moynihan
Bingaman	Grassley	Murkowski
Bond	Gregg	Murray
Boxer	Hagel	Nickles
Breaux	Harkin	Reed
Brownback	Hatch	Reid
Bryan	Helms	Robb
Burns	Hollings	Rockefeller
Byrd	Hutchinson	Roth
Campbell	Inhofe	Santorum
Chafee	Inouye	Sarbanes
Cleland	Jeffords	Smith (NH)
Coats	Johnson	Smith (OR)
Cochran	Kempthorne	Snowe
Collins	Kennedy	Specter
Conrad	Kerrey	Stevens
Coverdell	Kerry	Thomas
Craig	Kohl	Thompson
D'Amato	Kyl	Thurmond
Daschle	Landrieu	Torricelli
DeWine	Lautenberg	Warner
Dodd	Leahy	Wyden
Domenici	Levin	
Durbin	Lieberman	

NAYS—11

Bumpers	Gramm	Sessions
Dorgan	Hutchison	Shelby
Feingold	Mikulski	Wellstone
Gorton	Roberts	

NOT VOTING—1

Glenn

The PRESIDING OFFICER. On this vote, the yeas are 88, the nays are 11. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

INTERNET TAX FREEDOM ACT

CLOTURE MOTION

The PRESIDING OFFICER. Under a previous order, the cloture motion having been presented under rule XXII, the

Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on Calendar No. 509, S. 442, the Internet tax bill:

Trent Lott, John McCain, Wayne Allard, Connie Mack, Gordon Smith, Paul Coverdell, Spencer Abraham, Mike DeWine, Conrad Burns, James Inhofe, Judd Gregg, Rod Grams, Craig Thomas, Olympia Snowe, Rick Santorum, and Larry E. Craig.

CALL OF THE ROLL

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call under the rule is waived.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on S. 442, the Internet Tax Freedom Act, shall be brought to a close?

The yeas and nays are required under the rule.

The clerk will call the roll.

Mr. BYRD. Mr. President, the Senate is not in order. Will the Chair repeat what the question is upon which the Senators will be voting?

The PRESIDING OFFICER. The Senator is correct. The Senate is not in order.

By unanimous consent, the mandatory quorum call under the rule is waived.

The question is, Is it the sense of the Senate that debate on S. 442, the Internet Tax Freedom Act, shall be brought to a close?

The yeas and nays are required under the rule.

The clerk will call the roll.

Mr. BYRD. Thank you.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Vermont (Mr. JEFFORDS) is necessarily absent.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

The result was announced—yeas 94, nays 4, as follows:

[Rollcall Vote No. 302 Leg.]

YEAS—94

Abraham	Daschle	Kempthorne
Akaka	DeWine	Kennedy
Allard	Dodd	Kerrey
Ashcroft	Domenici	Kerry
Baucus	Durbin	Kohl
Bennett	Enzi	Kyl
Biden	Faircloth	Landrieu
Bingaman	Feingold	Lautenberg
Bond	Feinstein	Leahy
Boxer	Ford	Levin
Breaux	Frist	Lieberman
Brownback	Graham	Lott
Bryan	Gramm	Lugar
Burns	Grams	Mack
Byrd	Grassley	McCain
Campbell	Gregg	McConnell
Chafee	Hagel	Mikulski
Cleland	Harkin	Moseley-Braun
Coats	Hatch	Moynihan
Cochran	Helms	Murkowski
Collins	Hutchinson	Murray
Conrad	Hutchison	Nickles
Coverdell	Inhofe	Reed
Craig	Inouye	Reid
D'Amato	Johnson	Robb
Roberts	Smith (NH)	Thurmond
Rockefeller	Smith (OR)	Torricelli
Roth	Snowe	Warner
Santorum	Specter	Wellstone
Sarbanes	Stevens	Wyden
Sessions	Thomas	
Shelby	Thompson	

NAYS—4

Bumpers	Gorton
Dorgan	Hollings

NOT VOTING—2

Glenn	Jeffords

The PRESIDING OFFICER (Mr. HUTCHINSON). On this vote, the yeas are 94, the nays are 4. Three-fifths of the Senators having voted in the affirmative, the motion is agreed to.

IMPEACHMENT INQUIRY

Mr. LEAHY. Mr. President, as we wind down this session, certainly this body and the other body have much on their mind regarding the actions of the House Judiciary Committee and the whole area of an impeachment inquiry. Every Member will have to speak for himself or herself in both bodies in deciding what they believe is or is not an impeachable offense.

Many times we speak about what is an impeachable offense without discussing what it is not. I ask unanimous consent to have printed in the RECORD an excellent article written in Sunday's Washington Post by Professor Sunstein, entitled ''Impeachment?'' I feel it will be helpful, as his writings usually are, on this issue.

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

[From the Washington Post, Oct. 4, 1998]

IMPEACHMENT? THE FRAMERS

(By Cass Sunstein)

We all now know that, under the Constitution, the president can be impeached for ''Treason, Bribery, or other high Crimes and Misdemeanors.'' But what did the framers intend us to understand with these words? Evidence of the phrase's evolution is extensive—and it strongly suggests that, if we could solicit the views of the Constitution's authors, the current allegations against President Clinton would not be impeachable offenses.

When the framers met in Philadelphia during the stifling summer of 1787, they were seeking not only to design a new form of government, but to outline the responsibilities of the president who would head the new nation. They shared a commitment to disciplining public officials through a system of checks and balances. But they disagreed about the precise extent of presidential power and, in particular, about how, if at all, the president might be removed from office. If we judge by James Madison's characteristically detailed accounts of the debates, this question troubled and divided the members of the Constitutional Convention.

The initial draft of the Constitution took the form of resolutions presented before the 30-odd members on June 13. One read that the president could be impeached for ''malpractice, or neglect of duty,'' and, on July 20, this provision provoked extensive debate. The notes of Madison, who was representing Virginia, show that three distinct positions dominated the day's discussion. One extreme view, represented by Roger Sherman of Connecticut, was that ''the National Legislature should have the power to remove the Executive at pleasure.'' Charles Pinckney of South Carolina, Rufus King of Massachusetts and Gouvernor Morris of Pennsylvania opposed, with Pinckney arguing that the president ''ought not to be impeachable whilst in office.'' The third position, which ultimately carried the day, was that the president should be impeachable, but only for a narrow category of abuses of the public trust.

It was George Mason of Virginia who took a lead role in promoting this more moderate course. He argued that it would be necessary to counter the risk that the president might obtain his office by corrupting his electors. ''Shall that man be above'' justice, he asked, ''who can commit the most extensive injustice?'' The possibility of the new president becoming a near-monarch led the key votes—above all, Morris—to agree that impeachment might be permitted for (in Morris's words) ''corruption & some few other offences.'' Madison concurred, and Edmund Randolph of Virginia captured the emerging consensus, favoring impeachment on the grounds that the executive ''will have great opportunitys of abusing his power; particularly in time of war when the military force, and in some respects the public money, will be in his hands.'' The clear trend of the discussion was toward allowing a narrow impeachment power by which the president could be removed only for gross abuses of public authority.

To Pinckney's continued protest that the separation of powers should be paramount, Morris argued that ''no one would say that we ought to expose ourselves to the danger of seeing the first-Magistrate in foreign pay without being able to guard against it by displacing him.'' At the same time, Morris insisted, ''we should take care to provide some mode that will not make him dependent on the Legislature.'' Thus, led by Morris, the framers moved toward a position that would maintain the separation between president and Congress, but permit the president to be removed in extreme situations.

A fresh draft of the Constitution's impeachment clause, which emerged two weeks later on Aug. 6, permitted the president to be impeached, but only for treason, bribery and corruption (exemplified by the president's securing his office by unlawful means). With little additional debate, this provision was narrowed on Sept. 4 to ''treason and bribery.'' But a short time later, the delegates took up the impeachment clause anew. Mason complained that the provision was too narrow, that ''maladministration'' should be added, so as to include ''attempts to subvert the Constitution'' that would not count as treason or bribery.

But Madison, the convention's most careful lawyer, insisted that the term ''maladministration'' was ''so vague'' that it would ''be equivalent to a tenure during pleasure of the Senate,'' which is exactly what the framers were attempting to avoid. Hence, Mason withdrew ''maladministration'' and added the new terms ''other high Crimes and Misdemeanors against the State''—later unanimously changed to, according to Madison, ''against the United States'' to ''remove ambiguity.'' The phrase itself was taken from English law, where it referred to a category of distinctly political offenses against the state.

There is a further wrinkle in the clause's history. On Sept. 10, the entire Constitution was referred to the Committee on Style and Arrangement. When that committee's version appeared two days later, the words ''against the United States'' had been dropped, probably on the theory that they were redundant, although we have no direct evidence. It would be astonishing if this change were intended to have a substantive effect, for the committee had no authority to

change the meaning of any provision, let alone the impeachment clause on which the framers had converged. The Constitution as a whole, including the impeachment provision, was signed by the delegates and offered to the nation on Sept. 17.

These debates support a narrow understanding of ''high Crimes and Misdemeanors,'' founded on the central notions of bribery and treason. The early history tends in the same direction. The Virginia and Delaware constitutions, providing a background for the founders' work, generally allowed impeachment for acts ''by which the safety of the State may be endangered.'' And considered the words of the highly respected (and later Supreme Court Justice) James Iredell, speaking in the North Carolina ratifying convention: ''I suppose the only instances, in which the President would be liable to impeachment, would be where he had received a bribe, or had acted from some corrupt motive or other.'' By way of explanation, Iredell referred to a situation in which ''the President had received a bribe . . . from a foreign power, and under the influence of that bribe, had address enough with the Senate, by artifices and misrepresentations, to seduce their consent of pernicious treaty.''

James Wilson, a convention delegate from Pennsylvania, wrote similarly in his 1791 ''Lectures on Law'': ''In the United States and in Pennsylvania, impeachments are confined to political characters, to political crimes and misdemeanors, and to political punishments.'' Another early commentator went so far as to say that ''the legitimate causes of impeachment . . . can have referenced only to public character, and official duty . . . In general, those offenses, which may be committed equally by a private person, as a public officer, are not the subjects of impeachment.''

This history casts new light on the famous 1970 statement by Gerald Ford, then a representative from Michigan, that a high crime and misdemeanor ''is whatever a majority of the House of Representatives considers it to be.'' In a practical sense, of course, Ford was right; no court would review a decision to impeach. But in a constitutional sense, he was quite wrong, the framers were careful to circumscribe the power of the House of Representatives by sharply limiting the category of legitimately impeachable offenses.

The Constitution is not always read to mean what the founders intended it to mean, and Madison's notes hardly answer every question. But under any reasonable theory of constitutional interpretation, the current allegations against Clinton fall far short of the permissible grounds for removing a president from office. Of course, perjury and obstruction of justice could be impeachable offenses if they involved, for example, lies about unlawful manipulation of elections. It might even be possible to count as impeachable ''corruption'' the extraction of sexual favors in return for public benefits of some kind. But nothing of this kind has been alleged thus far. A decision to impeach President Clinton would not and should not be subject to judicial review. But for those who care about the Constitution's words, and the judgment of its authors, there is a good argument that it would nonetheless be unconstitutional.

Mr. LEAHY. Mr. President, I urge all Members to keep in mind the necessity to have a strong sense of history in whatever position they take on this matter. It is not something that is done for a 30-second spot on an ad, nor is it something that is done to determine the fate of any one of us in an election whether this year or subsequent years. Whatever we do affects the history and the course of the greatest democracy history has ever known.

In that regard, I believe Members will be wise to take the time to read an op-ed piece written by former President Gerald Ford from the New York Times on Sunday, October 4. After reading it, I was impressed enough to pick up the phone and call President Ford and speak to him at some length.

I had the privilege, when I was first a Member of the Senate, of serving with President Ford. I got to know him then. On many occasions in the 20 or so years since, I have been able to be with him or talk with him or seek his advice. I think what he says here is, again, very worthwhile. It may not be something that each Member would agree with. I find a great deal of merit in it. Again, President Ford speaks not only of the history involved, but of the country and of his own long experiences as a Member of the House. I commend every one of us to read President Ford's op-ed piece.

I ask unanimous consent that article be printed in the RECORD.

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

[From the New York Times, Oct. 4, 1998]

THE PATH BACK TO DIGNITY

(By Gerald R. Ford)

GRAND RAPIDS, MICH.—Almost exactly 25 years have passed since Richard Nixon nominated me to replace the disgraced Spiro Agnew as Vice President. In the contentious days of autumn 1973, my confirmation was by no means assured. Indeed, a small group of House Democrats, led by Bella Abzug, risked a constitutional crisis in order to pursue their own agenda. ''We can get control and keep control,'' Ms. Abzug told the Speaker of the House, Carl Albert. The group hoped, eventually, to replace Nixon himself with Mr. Albert.

The Speaker, true to form, refused to have anything to do with the scheme. And so on Dec. 6, 1973, the House voted 387 to 35 to confirm my nomination in accordance with the 25th Amendment to the Constitution.

When I succeeded to the Presidency, in August 1974, my immediate and overriding priority was to draw off the poison that had seeped into the nation's bloodstream during two years of scandal and sometimes ugly partisanship. Some Americans have yet to forgive me for pardoning my predecessor. In the days leading up to the hugely controversial action, I didn't take a poll for guidance, but I did say more than a few prayers. In the end I listened to only one voice, that of my conscience. I didn't issue the pardon for Nixon's sake, but for the country's.

A generation later, Americans once again confront the specter of impeachment. From the day, last January, when the Monica Lewinsky story first came to light, I have refrained publicly from making any substantive comments. I have done so because I haven't known enough of the facts—and because I know all too well that a President's responsibilities are, at the best of times, onerous. In common with the other former Presidents, I have had no wish to increase those burdens. Moreover, I resolved to say nothing unless my words added constructively to the national discussion.

This much now seems clear: whether or not President Clinton has broken any laws, he has broken faith with those who elected him. A leader of rare gifts, one who set out to change history by convincing the electorate that he and his party wore the mantle of individual responsibility and personal accountability, the President has since been forced to take refuge in legalistic evasions, while his defenders resort to the insulting mantra that ''everybody does it.''

The best evidence that everybody doesn't do it is the genuine outrage occasioned by the President's conduct and by the efforts of some White House surrogates to minimize its significance or savage his critics.

The question confronting us, then, is not whether the President has done wrong, but rather, what is an appropriate form of punishment for his wrongdoing. A simple apology is inadequate, and a fine would trivialize his misconduct by treating it as a more question of monetary restitution.

At the same time, the President is not the only one who stands before the bar of judgment. It has been said that Washington is a town of marble and mud. Often in these past few months it has seemed that we were all in danger of sinking into the mire.

Twenty-five years after leaving it, I still consider myself a man of the House. I never forget that my elevation to the Presidency came about through Congressional as well as constitutional mandate. My years in the White House were devoted to restoring public confidence in institutions of popular governance. Now as then, I care more about preserving respect for those institutions than I do about the fate of any individual temporarily entrusted with office.

This is why I think the time has come to pause and consider the long-term consequences of removing this President from office based on the evidence at hand. The President's harisplitting legialisms, objectionable as they may be, are but the foretaste of a protracted and increasingly divisive debate over those deliberately imprecise words ''high crimes and misdemeanors.'' The Framers, after all, dealt in eternal truths, not glossy, deceit.

Moving with dispatch, the House Judiciary Committee should be able to conclude a preliminary inquiry into possible grounds for impeachment before the end of the year. Once that process is completed, and barring unexpected new revelations, the full House might then consider the following resolution to the crisis.

Each year it is customary for a President to journey down Pennsylvania Avenue and appear before a joint session of Congress to deliver his State of the Union address. One of the binding rituals of our democracy, it takes on added grandeur from its surroundings—there, in that chamber where so much of the American story has been written, and where the ghosts of Woodrow Wilson, Franklin Roosevelt and Dwight Eisenhower call succeeding generations to account.

Imagine a very different kind of Presidential appearance in the closing days of this year, not at the rostrum familiar to viewers from moments of triumph, but in the well of the House. Imagine a President receiving not an ovation from the people's representatives, but a harshly worded rebuke as rendered by members of both parties. I emphasize: this would be a rebuke, not a rebutal by the President.

On the contrary, by his appearance the President would accept full responsibility for his actions, as well as for his subsequent efforts to delay or impede the investigation of them. No spinning, no semantics, no evasiveness or blaming others for his plight.

Let all this be done without partisan exploitation or mean-spiritedness. Let it be dignified, honest and, above all, cleansing. The result, I believe, would be the first moment of majesty in an otherwise squalid year.

Anyone who confuses this scenario with a slap on the wrist, or a censure written in disappearing ink, underestimates the historic impact of such a pronouncement. Nor should anyone forget the power of television to foster indelible images in the national memory—not unlike what happened on the solemn August noontime in 1974 when I stood in the East-Room and declared our long national nightmare to be over.

At 85, I have no personal or political agenda, nor do I have any interest in ''rescuing'' Bill Clinton. But I do care, passionately, about rescuing the country I love from further turmoil or uncertainty.

More than a way out of the current mess, most. Americans want a way up to something better. In the midst of a far graver national crisis, Lincoln observed, ''The occasion is piled high with difficulty, and we must rise with the occasion.'' We should remember those words in the days ahead. Better yet, we should be guided by them.

Ms. LANDRIEU. Mr. President, I ask unanimous consent to speak in morning business for the next 20 minutes for the purpose of introducing a piece of legislation.

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

(The remarks of Ms. LANDRIEU and Mr. BREAUX pertaining to the introduction of S. 2566 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

CONCERN ABOUT THE DEVELOPMENTS IN KOSOVO

Mr. MCCAIN. Mr. President, this is a letter I sent to the President this morning concerning Kosovo. It reads as follows:

DEAR MR. PRESIDENT: I am writing because of my serious concern about developments in Kosovo. With a brutality that would be almost unimaginable were anyone else responsible for it, Slobodan Milosevic has subjected yet another innocent population to the bloody carnage of ethnic cleansing. The stark depravity of his actions gravely offends the basic moral values of Western civilization. Moreover, the conflict in Kosovo threatens the stability of Europe, as the prospects are quite real that it may eventually embroil other countries in the region in a larger war. More than once, the United States has warned Serbia that NATO will not tolerate its continued aggression against Kosovo. Serbia has ignored our warnings, thereby challenging the credibility of the United States, obliging us and our NATO allies to consider using military force to prevent further aggression against our values and interests in Kosovo.

Congress has reservations about such a course of action, however. While I am inclined to support military action, I understand the basis for my colleagues' reservations, and I believe it is imperative that prior to ordering any military strike on Serbia you take all necessary steps to ensure both Congress and the American people that the action is necessary, affordable, and designed to achieve clearly defined goals.

First, you must state clearly the American interest in resolving this terrible conflict; describe in detail the facts on the ground; identify all parties responsible for perpetrating the terrible atrocities committed in Kosovo while making clear that Serbia is indisputably the primary culprit; explain how our own security is threatened by Serbian aggression and justifies risking the lives of American pilots, and how the use of air power can prevent further aggression. You must also define for the public what will constitute the operation's success so that Americans know that air strikes were launched with a realistic end game in mind.

Second, you must convincingly explain to the American people why it is that we should be involved in a conflict that to many people seems to affect our interests indirectly, and that should be resolved exclusively by those countries most directly threatened by it—our European allies. As I am sure you appreciate, Congress and the public's frustration over Europe's lack of willingness to bear a greater share of the burden for maintaining peace in their own backyard is at an all time high, threatening the nation's consensus that our leadership in NATO should remain a priority interest for the United States. You could go a long way toward alleviating that frustration by ensuring that any ground forces that might ultimately be needed to keep the peace in Kosovo will be provided by European countries alone.

Third, should you order air strikes you must ensure the nation that they will be of sufficient magnitude to achieve their objectives. I hope you will view the following criticism in the constructive spirit in which it is offered. In the past, your administration has too often threatened and then backed down from the use of force, or authorized cruise missile strikes that amounted to little more than ineffective gestures intended, I suspect, to send a message to our adversaries, but because of their small scale interpreted by our adversaries as a lack of resolve on the part of the United States to defend our interests vigorously. Your administration's failure to support UNSCOM inspectors in Iraq has also greatly exacerbated our adversaries' lack of respect for America's resolve.

Finally, you should explain how you intend to find additional resources to fund the operation in order to alleviate well-founded Congressional anxiety regarding the over-extension of U.S. military commitments at a time when spending on national defense is woefully inadequate.

Mr. President, should you convincingly address the issues I have raised, which I believe you can do, I am confident you will have the support of Congress and our constituents for operations against Serbia. You will certainly have mine. I believe there exists a clear and compelling case for such an action that Americans will accept if you avoid the mistakes made in the past when your administration has attempted to build public support for the use of force. I urge to give these concerns your most serious consideration.

INTERNET TAX FREEDOM ACT

The Senate continued with the consideration of the bill.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the pending Coats amendment be 20 minutes in length, 10 minutes on either side.

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

Mr. MCCAIN. I yield the floor.

Mr. COATS addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

AMENDMENT NO. 3695

(Purpose: To exempt from the moratorium on Internet taxation any persons engaged in the business of selling or transferring by means of the World Wide Web material that is harmful to minors who do not restrict access to such material by minors)

Mr. COATS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Indiana (Mr. COATS) proposes an amendment numbered 3695.

Mr. COATS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 17, between lines 15 and 16, insert the following:

(c) EXCEPTION TO MORATORIUM.—

(1) IN GENERAL.—Subsection (a) shall also not apply in the case of any person or entity who in interstate or foreign commerce is knowingly engaged in the business of selling or transferring, by means of the World Wide Web, material that is harmful to minors unless such person or entity requires the use of a verified credit card, debit account, adult access code, or adult personal identification number, or such other procedures as the Federal Communications Commission may prescribe, in order to restrict access to such material by persons under 17 years of age.

(2) SCOPE OF EXCEPTION.—For purposes of paragraph (1), a person shall not be considered to engaged in the business of selling or transferring material by means of the World Wide Web to the extent that the person is—

(A) telecommunications carrier engaged in the provision of a telecommunications service;

(B) a person engaged in the business of providing an Internet access service;

(C) a person engaged in the business of providing an Internet information location tool; or

(D) similarly engaged in the transmission, storage, retrieval, hosting, formatting, or translation (or any combination thereof) of a communication made by another person, without selection or alteration of the communication.

(3) DEFINITIONS.—In this subsection:

(A) BY MEANS OF THE WORLD WIDE WEB.—The term ''by means of the World Wide Web'' means by placement of material in a computer server-based file archive so that it is publicly accessible, over the Internet, using hypertext transfer protocol, file transfer protocol, or other similar protocols.

(B) ENGAGED IN THE BUSINESS.—The term ''engaged in the business'' means that the person who sells or transfers or offers to sell or transfer, by means of the World Wide Web, material that is harmful to minors devotes time, attention, or labor to such activities, as a regular course of trade or business, with the objective of earning a profit, although it is not necessary that the person make a profit or that the selling or transferring or offering to sell or transfer such material be the person's sole or principal business or source of income.

(C) 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.

(D) INTERNET ACCESS SERVICE.—The term ''Internet access service'' 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.

(E) INTERNET INFORMATION LOCATION TOOL.—The term ''Internet information location tool'' means a service that refers or links users to an online location on the World Wide Web. Such term includes directories, indices, references, pointers, and hypertext links.

(F) MATERIAL THAT IS HARMFUL TO MINORS.—The term ''material that is harmful to minors'' means any communication, picture, image, graphic image file, article, recording, writing, or other matter of any kind that—

(i) taken as a whole and with respect to minors, appeals to a prurient interest in nudity, sex, or excretion;

(ii) depicts, describes, or represents, in a patently offensive way with respect to what is suitable for minors, an actual or simulated sexual act or sexual contact, actual or simulated normal or perverted sexual acts, or a lewd exhibition of the genitals; and

(iii) taken as a whole, lacks serious literary, artistic, political, or scientific value for minors.

(G) SEXUAL ACT; SEXUAL CONTACT.—The terms ''sexual act'' and ''sexual contact'' have the meanings given such terms in section 2246 of title 18, United States Code.

(H) TELECOMMUNICATIONS CARRIER; TELECOMMUNICATIONS SERVICE.—The terms ''telecommunications carrier'' and ''telecommunications service'' have the meanings given such terms in section 3 of the Communications Act of 1934 (47 U.S.C. 153).

Mr. MCCAIN. Mr. President, I ask unanimous consent to vitiate the unanimous consent agreement.

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

AMENDMENT NO. 3695, AS MODIFIED

Mr. COATS. Mr. President, I also send a modification to this amendment to the desk and ask unanimous consent that my amendment No. 3695 be considered as modified.

I might just explain the amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment (No. 3695), as modified, is as follows:

On page 17, between lines 15 and 16, insert the following:

(c) EXCEPTION TO MORATORIUM.—

(1) IN GENERAL.—Subsection (a) shall also not apply in the case of any person or entity who in interstate or foreign commerce is knowingly engaged in the business of selling or transferring, by means of the World Wide Web, material that is harmful to minors unless such person or entity requires the use of a verified credit card, debit account, adult access code, or adult personal identification number, or such other procedures as the Federal Communications Commission may prescribe, in order to restrict access to such material by persons under 17 years of age.

(2) SCOPE OF EXCEPTION.—For purposes of paragraph (1), a person shall not be considered to engaged in the business of selling or transferring material by means of the World Wide Web to the extent that the person is—

(A) a telecommunications carrier engaged in the provision of a telecomunications service;

(B) a person engaged in the business of providing an Internet access service;

(C) a person engaged in the business of providing an Internet information location tool; or

(D) similarly engaged in the transmission, storage, retrieval, hosting, formatting, or translation (or any combination thereof) of a communication made by another person, without selection or alteration of the communication.

(3) DEFINITIONS.—In this subsection:

(A) BY MEANS OF THE WORLD WIDE WEB.—The term ''by means of the World Wide Web'' means by placement of material in a computer server-based file archive so that it is publicly accessible, over the Internet, using hypertext transfer protocol, file transfer protocol, or other similar protocols.

(B) ENGAGED IN THE BUSINESS.—The term ''engaged in the business'' means that the person who sells or transfers or offers to sell or transfer, by means of the World Wide Web, material that is harmful to minors devotes time, attention, or labor to such activities, as a regular course of trade or business, with the objective of earning a profit, although it is not necessary that the person make a profit or that the selling or transferring or offering to sell or transfer such material be the person's sole or principal business or source of income.

(C) 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.

(D) INTERNET ACCESS SERVICE.—The term ''Internet access service'' 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.

(E) INTERNET INFORMATION LOCATION TOOL.—The term ''Internet information location tool'' means a service that refers or links users to an online location on the World Wide Web. Such term includes directories, indices, references, pointers, and hypertext links.

(F) MATERIAL THAT IS HARMFUL TO MINORS.—The term ''material that is harmful to minors'' means any communication, picture, image, graphic image file, article, recording, writing, or other matter of any kind that—

(i) taken as a whole and with respect to minors, appeals to a prurient interest in nudity, sex, or excretion;

(ii) depicts, describes, or represents, in a patently offensive way with respect to what is suitable for minors, an actual or simulated sexual act or sexual contact, actual or simulated normal or perverted sexual acts, or a lewd exhibition of the genitals; and

(iii) taken as a whole, lacks serious literary, artistic, political, or scientific value for minors.

(G) SEXUAL ACT; SEXUAL CONTACT.—The terms ''sexual act'' and ''sexual contact'' have the meanings given such terms in section 2246 of title 18, United States Code.

(H) TELECOMMUNICATIONS CARRIER; TELECOMMUNICATIONS CARRIER SERVICE.—The terms ''telecommunications carrier'' and ''telecommunications service'' have the meanings given such terms in Section 3 of the Communications Act of 1934 (47 U.S.C. 153).

Mr. COATS. The modification is a technical amendment.

The underlying Finance Committee substitute was previously modified changing the definition of ''Internet,'' and the modification that I am sending to the desk simply brings my definition in my amendment in line with the underlying amendment now as modified by the underlying amendment.

Mr. President, I also ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. COATS. Thank you, Mr. President.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I send an amendment in the second degree to the desk.

The PRESIDING OFFICER. Is there objection to the consideration of the second-degree amendment?

Without objection, it is so ordered.

Mr. MCCAIN. Mr. President, did the Senator from Connecticut need unanimous consent in order for this amendment to be considered?

The PRESIDING OFFICER. The Senator may call up a previously filed amendment. He needs consent to modify it.

Mr. MCCAIN. 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. 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.

Mr. DODD. Mr. President, I also ask unanimous consent that the amendment be considered as read and, further, that my colleague from Indiana proceed to speak on his amendment. Then when he completes his discussion, I will make some comments on the amendment that I am offering.

AMENDMENT NO. 3780 TO AMENDMENT NO. 3695, AS MODIFIED

(Purpose: To provide an exception to the moratorium with respect to Internet access providers who do not offer customers screening software)

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Connecticut (Mr. DODD) proposes an amendment numbered 3780 to amendment No. 3695, as modified.

Mr. DODD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end of the amendment, add:

(d) ADDITIONAL EXCEPTION TO MORATORIUM.—

(1) IN GENERAL.—Subsection (a) shall also not apply with respect to an Internet access provider, unless, at the time of entering into an agreement with a customer for the provision of Internet access services, such provider offers such customer (either for a fee or at no charge) screening software that is designed to permit the customer to limit access to material on the Internet that is harmful to minors.

(2) DEFINITIONS.—In this subsection:

(A) INTERNET ACCESS PROVIDER.—The term 'Internet access provider' means a person engaged in the business of providing a computer and communications facility through which a customer may obtain access to the Internet, but does not include a common carrier to the extent that it provides only telecommunications services.

(B) INTERNET ACCESS SERVICES.—The term 'Internet access services' means the provision of computer and communications services through which a customer using a computer and a modem or other communications device may obtain access to the Internet, but does not include telecommunications services provided by a common carrier.

(C) SCREENING SOFTWARE.—The term ''screening software'' means software that is designed to permit a person to limit access to material on the Internet that is harmful to minors.

(3) APPLICABILITY.—Paragraph (1) shall apply to agreements for the provision of Internet access services entered into on or after the date that is 6 months after the date of enactment of this Act.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, I don't believe we will need all 20 minutes. There may be other Members who want to speak on this. But I will summarize this in the interest of time, because essentially what we are doing here is something that has already been done in the Senate. It has been passed unanimously by the Senate. But it is not attached to legislation that has as much chance of succeeding, or at least, if that legislation succeeds, we are not sure what the Senate has passed is going to survive the process. It might be dropped from that.

Let me begin by summarizing this just to refresh my colleagues' memory of what we have done before.

This amendment exempts from the moratorium which, if this bill passes—and I believe it will—will be applied to any kind of a taxation on the World Wide Web—my amendment simply exempts from that moratorium any commercial porn site on the World Wide Web that does not comply with the reasonable requirements that are incorporated in this amendment to restrict access by children to sexually explicit material on the site.

The amendment establishes specific measures that porn site operators—commercial porn site operators—must take to restrict access. These restrictions represent standard technology already on the web, and they reflect the technology and the requirements acknowledged by the Court as both technically and economically feasible.

In the Reno v. ACLU case—that is, the Court's decision that struck down the indecency provisions of the Communications Decency Act—the Court said there were two problems with that act.

That act, by the way, is the one that was passed by the Senate in I think a nearly unanimous vote. It was labeled the Exon-Coats amendment, offered in the last Congress by the Senator from Nebraska, the Democrat Senator from Nebraska, Senator Exon, and myself. We included in that amendment—which passed both the House and the Senate and was endorsed wholeheartedly by the President and the administration but did not survive a Court challenge for two reasons:

One, the Court said that the restrictions had to apply only to those engaged in the business; that is, those commercial providers.

Second, it said that our standard of indecency as described in the material not suitable for children was not acceptable, violated first amendment concerns, and they proscribed then a standard as harmful to minors, or suggested that.

We went back and adjusted that Communications Decency Act which was passed by the Congress, signed into law, but rejected by the Court. We revised it to comply with the Court's concerns, so that now it, we believe, will meet the constitutional standard. We have applied it strictly to commercial sites. We have adopted the requirements for establishing the types of technology that the commercial porn providers and the net can require that one will have to comply with and the other require, and we have adopted the definition of ''harmful to minors'' as outlined in the famous case on this issue, the Ginsberg, New York Ginsberg case. That defined ''harmful to minors'' in a way that means you have to be under 17, it has to be patently offensive as to what is suitable for minors, taken as a whole lacking serious literary, artistic, political, and scientific value for minors and appealing to prurient interests.

This is a standard that we are all familiar with. It has been the standard applied in obscenity cases now for several decades, and it is the generally accepted standard. That is the standard we have put into this bill.

So to summarize, what we are doing here is attaching to this legislation, which provides a tax moratorium for users of the World Wide Web, we are saying that that moratorium does not exist, will not be available to those who use the World Wide Web for the purpose of providing sexually explicit material to minors and have not put in place in terms of their provision to all other users restrictions which are technically feasible and already used, which are economically feasible, but restrictions which allow them to certify that the person requesting the material is, in fact, an adult; that is, 17 years and older.

This is exactly the language which was adopted unanimously by this Senate in this Congress. And so everyone here has already read it, understood it, voted for it, supported it. We are simply transferring it now over to this particular bill and applying it in a somewhat different way by denying the tax exemption.

It is inconceivable that we would grant a massive tax perk to commercial porn sites that make their smut available to children. We are going to give a golden egg to commercial entities on the Internet, or giving them a tax shelter, at least a moratorium for a tax shelter for a period of time, but to think that we would give that same tax break to those who are providing obscene material to minors without requiring any good-faith effort on their part to make sure that minors do not have free access to this material is unthinkable. That is the bottom line.

S. 442, the underlying bill that we are talking about, holds out a massive tax shelter to on-line businesses. The question is, Is the Senate going to extend this tax shelter to pornographers who are making their material available to every child in America.

People say, well, look, I mean, this is a proactive thing. Why don't the parents take control and control what their child clicks into and orders up.

Mr. President, I will not display this on the Senate floor because I think it is obscene, and whether or not you agree it is obscene for adults, I think it is absolutely not only obscene but totally inappropriate for minors. This is material that is available free. This is before you click in and say I want to purchase your material or send me more. These are the teasers. The teasers are almost beyond description, and it is something we don't want to talk about here.

There is no excuse in saying, well, an 11-year-old, if he clicks in to find out about a school project and uses the wrong word, all it is is a verbal version; he has to take a proactive effort to obtain the material. That is not true. That youngster, that child, whether they are in the library, whether they are in their school classroom, whether they are at home, is immediately given the most graphic of images and the most graphic of language as a teaser for them to go forward and obtain the material. We are saying that there has to be a provision whereby the provider of this material puts in place reasonable restrictions to assure that the person asking for the material is someone who is 17 years old or older.

We have complied with the Court requirements. This is language that has already been adopted by the Senate, and I hope my colleagues will see it in that light and support this vote that is coming up in the next few moments.

Mr. President, I do not see any other Members on our side who are wishing to speak at this particular time. And I am asking how much time is remaining of the Senator's time and I would reserve that time.

The PRESIDING OFFICER. The Senator has 52 minutes left under cloture.

Mr. DODD. Parliamentary inquiry, Mr. President.

There was no unanimous consent time agreement on this amendment?

The PRESIDING OFFICER. That is correct.

Mr. COATS. That is correct. It was asked, agreed to and vitiated.

The PRESIDING OFFICER. The Senator is correct.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. I commend my colleague from Indiana who is in his closing days in this body, having made the decision not to seek reelection. A lot of Members, as they wind down, spend their last few days winding up work and not being actively involved in the legislative process. It is a tribute to Senator COATS that in his remaining days in this body, he is still very active and involved in issues he has cared deeply about. This is one such issue. I commend him for this amendment. I think it is a very creative way to advance this issue and provide some safety for young people who are being exposed today to an alarming amount of pornography on the Internet.

I strongly support his amendment. Now, let me put my amendment in a framework for some people. My amendment is a second degree amendment, and really complements the Coats amendment. My amendment requires that Internet access providers either provide free of charge, or for a fee, screening software at the time they make sales to customers. Internet access providers that don't do this, as with the Coats amendment, would be denied the benefits of the tax breaks in the underlying bill. This amendment also relies on the Ginsberg definition that has been used in the Coats amendment.

How big is this problem, people say? Let me just put it in perspective for you. According to Wired Magazine, there are 28,000 web sites worldwide that have soft- or hard-core pornography on them. And, fifty new web sites with such material are added to the Internet every single day—50 a day.

My colleague from Indiana has some material he wisely decided not to show on the floor, but suffice to say, most Americans would find it highly offensive, to put it mildly. The idea that this material is available to children is something that ought to be a cause of alarm to all of us. Sadly, many of our children are unwittingly and accidentally exposed to such sites while surfing the web. They type in search terms as innocuous as ''toys''—pretty innocuous—only to find graphic images and language on their display terminals.

Mr. President, the Internet is profoundly changing the way we learn and communicate with people. Today our children have unprecedented access to educational material through the Internet. It provides children with vast opportunities to learn about art and culture and history. The possibilities are endless. It is an incredibly valuable technology for children all across this country and across the globe.

But as with any technology, Mr. President, this advanced technology also brings with it a dark side for our children. Many of these young people are browsing the net, often unaccompanied by an adult, and come across material that is unsuitable, to put it mildly. It is oftentimes very sexually explicit.

Every parent worries about strangers approaching their children in their neighborhood or on a playground at school.

And they teach their children how to avoid these strangers. But today, these strangers can literally enter our homes via the Internet. They are only a mouse click away from our children. In our libraries and bookstores, we store reading material that is harmful to minors in areas accessible only to adults. Yet, in cyberspace, these same materials are as accessible to a child as his or her favorite bedtime story. Pornographic images and sexual predators are now reaching our children, via the Internet, in the privacy and safety of their own homes and classrooms. This kind of access to our children is alarming, and this invasion of our children's privacy and innocence is unconscionable.

Just a few weeks ago, law enforcement agents in a sting operation apprehended 200 members of an Internet pornography ring that possessed and distributed sexually explicit images of children. Members of this ring traded inappropriate images of children on the Internet. One of the sites raided was in my own State of Connecticut. As I noted a moment ago, there are 50 new sites a day added to the Web that contain pornography, these sites are added to the 28,000 that already exist. Despite this successful operation by law enforcement agents, their raid only represents the elimination of approximately four days of new sites.

We, as a nation, have an obligation to ensure that surfing the web remains a safe and viable option for our children. We have a responsibility to make sure that they are able to learn and grow in an environment free of sexual predators and pornographic images. Clearly, there is no substitute for parental supervision; yet, I think we can all agree that many parents know less about the Internet than their children do. Parents are convinced of the Internet's educational value, but they also feel anxious about their ability to supervise their children while they use it. In my view, it is important that we encourage parents and children to use the Internet together. But clearly, it is difficult for any adult to monitor children on line all the time.

Therefore, I believe we need to provide our parents with tools that will help them to protect and to guide their children on the Internet. The amendment I have offered here is a modest measure. It is not a cure-all by any stretch of the imagination. It is a modest idea and just requires that Internet access providers make screening software available to customers purchasing Internet access services.

The amendment would allow customers to have the opportunity, as I said, to either buy or obtain free of charge, as determined by the provider, screening software that permits customers to limit access to material on the Internet that is harmful to minors. Like going to a pharmacy and being asked if you want to buy a childproof lid for prescription medication, my bill will require that Internet access providers ask parents whether they would like to obtain screening software to protect them from the very kind of dangers that we see on the 28,000 existing web sites and the 50 new ones that are added each day. This is a serious problem, and providing this kind of tool to parents is one way we can begin to combat the problem.

At any rate, I hope my colleagues will see fit to support this amendment. It has been offered once before on the floor and passed the Senate overwhelmingly and, not unlike the Coats amendment, we need to have it included in this bill today.

Again, I commend my colleague from Indiana for his fine work on many issues, but once again on this particular issue, and hope as well this second-degree amendment will be adopted.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. I am more than happy to accept the amendment offered by the Senator from Connecticut. I thank him for his tireless work on behalf of children. It has been my pleasure to serve with him on both sides, the majority and minority, of the Children and the Families Committee; under his chairmanship as ranking member, and now as chairman, with Senator DODD as ranking member. He has been a tireless advocate of children and addressing the particular concerns that children have to deal with, the problems they have to deal with growing up, and his support for this legislation and the amendment to my amendment, which I think strengthens what we are attempting to do and is very reasonable, earlier offered by Senator MCCAIN, to utilize the advantages of software that allows for blocking.

We see this as, certainly, a useful tool. It is not a totally useful tool because there are a myriad of ways of defeating it. As we speak, there are undoubtedly computer people far more savvy than this Senator, looking for ways to bypass this and looking for ways to defeat it. But it is a helpful tool, and it should be available to parents to help them in their efforts to protect their children from material that they do not deem appropriate and that certainly is not appropriate.

I will be more than happy to accept the amendment. I do not know that we need a rollcall vote on both. We can combine the two and I think we will have a very worthwhile amendment.

The PRESIDING OFFICER. Is there further debate on the Dodd amendment, No. 3780? The Senator from Montana.

Mr. BURNS. Mr. President, if my friend from Indiana and my friend from Connecticut will yield, I am not going to oppose this amendment. I congratulate both of them, as they have been dedicated to raising the awareness of the garbage that we have on the Internet. No technology that we can devise,

that stays in place very long, is going to actually protect our young children from the pitfalls of the stuff that we find on there. The only thing that we can do, and I think both of them have done this very well, is to raise the awareness of the need for adult supervision whenever young people go on the Internet. That is the only way. That is the only way we are going to get protection and also a public awareness and a public feeling that we are not going to do business with Internet providers who offer this stuff.

We cannot protect and use this great tool called the glass highway and bring any integrity to it unless, No. 1, we secure it when I send a message to you. Of course, that is the encryption issue, and that is an issue we have to fight another day, as far as law enforcement surveillance and this type of thing is concerned. But we cannot be lulled or rocked into a position of where we are in a basket of comfort, thinking we have done the job and protected our children from the pedophiles and the garbage that we find on the Internet, because the Internet is going to reflect what we have in society. No matter where you go, you will find what you are looking for. It is going to be there, too, just like it is downtown or any place in America.

So, I am not going to oppose this amendment. I do have some reservations about it because, No. 1, I think it is overreaching a little bit into industrial policy, as far as what we should be doing. But I tell Americans, don't get comfortable in this basket of security because we have this amendment or that we have this legislation, that we are still going to be susceptible to the people who prey on the Internet with garbage. We will never solve that problem. The only place it will be solved is through parents and us talking about it and raising the awareness that it is there. Parental supervision, supervision in our schools and our libraries, that is the only way we defeat this. Because basically we are decent people, that is what will defeat it. That is what will finally crowd it off of there, and also secure it, so maybe there will not be any room for it. I hope that would be the case, also.

I congratulate the Senator from Indiana. I will miss him and his service in the next U.S. Senate. But nobody has a more stellar record than Senator COATS on these issues of family and decency in the public place. I appreciate that.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, first, before my friend from Montana leaves the floor, I want to tell him how much I appreciate his work as chairman of the telecommunications subcommittee on the Commerce Committee. My friend from Montana and I have had spirited discussions and debates on this overall issue. I understand his deeply held views, and I appreciate them. There is great attraction to his argument. There is a fine line in America between the prevention of material which is offensive being forced on our young people and censorship. So I understand the arguments that the Senator from Montana has made. But let me say that it is a huge problem, and the Senator from Montana knows it as well as I do. It is a huge problem.

Anyone who operates the Internet today sees this proliferation of incredible trash that occurs, which is terribly, terribly disturbing to all of us—all of us on both sides of the aisle—because of the influence that it has on young Americans, not to mention older Americans.

We had a hearing in the Commerce Committee. There was testimony that there is a direct relation between pedophilia and the Internet. There are documented cases where pedophiles have corresponded with young people on the Internet and enticed them into meeting. These stories are so terrible and graphic that I am reluctant to discuss them on the floor of the U.S. Senate.

It is a problem in American society when you look at the growth of the Internet in America. All of us, especially those of us who serve on the Commerce Committee, are aware of the incredible potential of the Internet, the unbelievable effects it is going to have on the Nation and the world. With the wiring of schools and libraries in America, for the first time, every child in America, no matter whether they come from the Navajo Reservation and Chinlee High School or whether they attend Beverly Hills High School, are going to have access to knowledge and information like never before.

When you dial in the word ''teen'' on the Internet, or when you dial in the word ''nurse'' and the search engine comes up with a proliferation of pornography and advertisements for it, we have to try to address this problem.

The Senator from North Dakota has discussed this issue in committee hearings, the Senator from Oregon—all of us who are familiar with it. I will tell you right now, Mr. President, one of the problems is that a lot of us don't use the Internet like the now tens of millions of Americans do, so we are not aware of this problem. And, no, none of us would support censorship. No one is in favor of censorship.

I will tell you that when we have actual testimony before our committee by detectives who say that they go out and they find people who entice young children through the Internet to meet with them and then terrible things ensue, then obviously we have a problem. Recently in Phoenix, AZ, a young boy who was on the Internet viewing pornography walked out and molested a 4-year-old child. It is a fact. It is a documented fact. Or parents in the library see pornography as they walk by and their children are in the library and see this.

I am not sure I know the answers. I don't know the answers, but I firmly believe that we at least ought to make an effort to provide parents with the tools and institutions with the tools at least to filter out some of this garbage, which brings me to the Senator from Indiana.

I know of no one who is more involved in the issues of families and morals and decency in America than is Senator COATS. I miss many of my colleagues when they leave; some of them I don't miss. But the fact is, the majority of them I do. I will miss Senator COATS because I view him as a moral compass around here.

When Senator COATS speaks on these issues, we all listen because he is a living example of what we want families in America to be about. Senator COATS has been involved in this particular effort on this piece of legislation for a long, long time.

I believe there may be some question about the bill's constitutionality. Fine, we will let the courts decide that. I have some questions myself. But it is a sad, but inescapable fact that material harmful to children is pervasive on the Internet in America today. It is an indisputable fact. There is no Member of the Senate who is more qualified and has more credibility to address this issue than the Senator from Indiana.

It is my understanding that the Senator from Montana is not going to seek a recorded vote on the second-degree amendment of the Senator from Connecticut. Fairly shortly, if there is no other debate on this amendment, we will move to a vote around noon.

Mr. President, I ask unanimous consent that after adoption of the Dodd second-degree amendment that the Senate vote at 12 noon on the Coats amendment.

Mr. COATS. Reserving the right to object, I would like to reserve 1 minute for summation on the amendment that is being offered before the vote. Hopefully, I can do that before 12 o'clock. In case I can't, I would like that 1 minute.

Mr. MCCAIN. I amend my unanimous consent request that the Senator from Indiana have 2 minutes prior to the vote.

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

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I will take 1 minute. I want to use this unique opportunity to add my comments about the Senator from Indiana. I have told people that I am enormously proud to serve in this body. One of the major reasons for that is the men and women with whom I serve, both Republicans and Democrats, liberals and conservatives, I think are the best men and women I have been associated with in my entire life.

One of those is the Senator from Indiana. We became acquainted in 1981 when we both were elected to the House of Representatives in the same election, and although we perhaps have

agreed and disagreed many times on many issues throughout the years, I have deep admiration for Senator COATS and his family.

When he leaves the Senate, as is the case with so many of our colleagues, the Senate will have lost a very important contributor on a good many issues, this one most notable. He has been persistent on this issue and, as the Senator from Arizona just described, we have had hearings in the Commerce Committee about this issue. It desperately needs attention, desperately needs a solution, and the Senator from Indiana has been a significant contributor in that effort. I did not want to let this moment pass without sharing my respect for Senator COATS. I yield the floor.

Mr. COATS addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, I appreciate the kind words from my colleagues—the Senator from Connecticut, the Senator from North Dakota and the Senator from Arizona. I am also appreciative of their support for this effort.

I don't know if any of us has a perfect answer to this. We do see the Internet, the World Wide Web, as one of the most extraordinary invasions in the history of mankind. It can provide access to information that can revolutionize our world and provide opportunities for people who heretofore have not had those opportunities for knowledge and for learning that are extraordinary.

At the same time, there is a dark side to the Internet. As with most new technology, it can be used for good; it can be used for evil. Unfortunately, the Internet is no exception. None of us want to put ourselves in the position of being a censor. We decry that material. We don't think it sends the right kind of moral message. We wish we didn't have it.

Yet, as a country dedicated to the freedom of speech, enshrined in its Constitution, we have to accept certain types of material that some of us consider offensive, but doesn't necessarily meet the obscenity test that the Court has laid out, which is a pretty stringent test.

By the same token, surely—surely—we as a society can address the issue of how we protect the innocence of our children and whether we can use reasonable means to give parents tools to protect that innocence. That is what this amendment is about.

Software is an attempt to do that. We know from documented evidence that software is only a partial solution, that it can be defeated, but I think it is helpful and we ought to utilize that and encourage it.

Beyond that, however, we need a sanction, a sanction that imposes some requirements—technologically feasible requirements and economically feasible requirements—on those who seek to bypass the effort to put any kind of restrictions on the availability of this material to children.

We passed legislation earlier, the Communications Decency Act. Even though the Congress and the people of America and the President supported it, the Court did not support it. It struck it down. We have carefully modified and changed this language in this bill that I offered earlier that the Senate passed to comply with those Court restrictions.

We have made sure that it applies to minors; that the requirements put in place meet the Court's standard; that the language harmful to minors meets the Court-ordered test that was given to us years ago in the Ginsberg case. We believe we have something here that not only is acceptable to the American people and to the Congress of the United States and to the administration, but hopefully acceptable to the standards imposed by the Supreme Court. So I thank my colleagues for their generous words. I thank them for their support.

The hour of 12 noon having approached, if there is any time left, I yield it back and hope we can go to a vote and pass this unanimously and send the kind of signal that we need to send, and that is that this country and this Congress is not going to stand for obscene material to be pushed into children's minds through the Internet without reasonable restrictions on that material.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The question now occurs on agreeing to the Dodd amendment No. 3780 to the Coats amendment, as modified.

The amendment (No. 3780) was agreed to.

Mr. DODD. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 3695, AS MODIFIED, AS AMENDED

The PRESIDING OFFICER. The question now occurs on agreeing to the Coats amendment No. 3695, as modified and as amended. 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) is necessarily absent.

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

The result was announced—yeas 98, nays 1, as follows:

[Rollcall Vote No. 303 Leg.]

YEAS—98

Abraham	Breaux	Cochran
Akaka	Brownback	Collins
Allard	Bryan	Conrad
Ashcroft	Bumpers	Coverdell
Baucus	Burns	Craig
Bennett	Byrd	D'Amato
Biden	Campbell	Daschle
Bingaman	Chafee	DeWine
Bond	Cleland	Dodd
Boxer	Coats	Domenici
Dorgan	Jeffords	Reed
Durbin	Johnson	Reid
Enzi	Kempthorne	Robb
Faircloth	Kennedy	Roberts
Feingold	Kerrey	Rockefeller
Feinstein	Kerry	Roth
Ford	Kohl	Santorum
Frist	Kyl	Sarbanes
Gorton	Landrieu	Sessions
Graham	Lautenberg	Shelby
Gramm	Levin	Smith (NH)
Grams	Lieberman	Smith (OR)
Grassley	Lott	Snowe
Gregg	Lugar	Specter
Hagel	Mack	Stevens
Harkin	McCain	Thomas
Hatch	McConnell	Thompson
Helms	Mikulski	Thurmond
Hollings	Moseley-Braun	Torricelli
Hutchinson	Moynihan	Warner
Hutchison	Murkowski	Wellstone
Inhofe	Murray	Wyden
Inouye	Nickles	

NAYS—1

Leahy

NOT VOTING—1

Glenn

The amendment (No. 3695), as modified, as amended, was agreed to.

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

Mrs. HUTCHISON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mrs. HUTCHISON. 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. Without objection, it is so ordered.

AMENDMENTS NUMBERED 3734; 3723, AS MODIFIED, 3717, 3713, 3710, 3712, 3735; AND 3721, AS MODIFIED

Mr. MCCAIN. Mr. President, I understand the following amendments which were filed earlier are acceptable to both sides.

Therefore, I ask unanimous consent that the following amendments be considered en bloc, and agreed to:

Amendments numbered 3734, 3723, as modified, 3717, 3713, 3710, 3712, 3735, and 3721, as modified.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. Mr. President, reserving the right to object, I shall not object, the amendments have been cleared on our side. We have no objection.

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

The amendments (Nos. 3734; 3723, as modified, 3717, 3713, 3710, 3712, 3735; and 3721, as modified) were agreed to, as follows:

AMENDMENT NO. 3734

(Purpose: To modify the Commission membership)

Beginning on page 18, line 17, strike all through page 19, line 21, and insert:

(B) Eight representatives from State and local governments (1 of whom shall be from a State or local government that does not impose a sales tax) and 8 representatives of the electronic commerce industry, telecommunications carriers, local retail businesses, and consumer groups, comprised of—

(i) five representatives appointed by the Majority Leader of the Senate;

(ii) three representatives appointed by the Minority Leader of the Senate;

(iii) five representatives appointed by the Speaker of the House of Representatives; and

(iv) three representatives appointed by the Minority Leader of the House of Representatives.

AMENDMENT NO. 3723, AS MODIFIED

(Purpose: To establish the relationship between the bill and certain other provisions of existing law, and to set forth the role of the National Commission on Uniform State Legislation)

On page 25, between lines 6 and 7, insert the following:

(3) EFFECT ON THE COMMUNICATIONS ACT OF 1934.—Nothing in this section shall include an examination of any fees or charges imposed by the Federal Communications Commission or States related to—

(A) obligations under the Communications Act of 1934 (47 U.S.C. 151 et seq.); or

(B) the implementation of the Telecommunications Act of 1996 (or of amendments made by that Act).

(h) NATIONAL TAX ASSOCIATION COMMUNICATIONS AND ELECTRONIC COMMERCE TAX PROJECT.—The Commission shall, to the extent possible, ensure that its work does not undermine the efforts of the National Tax Association Communications and Electronic Commerce Tax Project.

AMENDMENT NO. 3717

(Purpose: To add a severability provision for the entire bill)

At the end of the bill, add the following:

SEC. . SEVERABILITY.

If any provision of this Act, or any amendment made by this Act, or the application of that provision to any person or circumstance, is held by a court of competent jurisdiction to violate any provision of the Constitution of the United States, then the other provisions of that section, and the application of that provision to other persons and circumstances, shall not be affected.

AMENDMENT NO. 3713

(Purpose: To correct a reference to ''interstate'', rather than ''electronic'' commerce)

On page 22, line 25, strike ''interstate'' and insert ''electronic''.

AMENDMENT NO. 3710

(Purpose: To correct a reference to ''consumers'' to refer to ''users'')

On page 28, line 6, strike ''consumers.'' and insert ''users.''.

AMENDMENT NO. 3712

(Purpose: To define the term ''Internet'')

On page 27, strike lines 14 through 23, and insert the following:

(4) 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.

AMENDMENT NO. 3735

(Purpose: To make it clear that the delayed effective date for the Children's Online Privacy Act is keyed to the filing date of the application)

In section 208(2) of title II of the bill, as added by amendment, insert ''filed'' after ''application'' the first place it appears.

Mr. BRYAN. Mr. President, this bill was reported out of Committee last week by voice vote. Because of time constraints at the end of the session, we have been unable to file a committee report before offering it as an amendment on the Senate floor. Accordingly, I wish to take this opportunity to explain the purpose and some of the important features of the amendment.

In a matter of only a few months since Chairman MCCAIN and I introduced this bill last summer, we have been able to achieve a remarkable consensus. This is due in large part to the recognition by a wide range of constituencies that the issue is an important one that requires prompt attention by Congress. It is due to revisions to our original bill that were worked out carefully with the participation of the marketing and online industries, the Federal Trade Commission, privacy groups, and first amendment organizations.

The goals of this legislation are: (1) to enhance parental involvement in a child's online activities in order to protect the privacy of children in the online environment; (2) to enhance parental involvement to help protect the safety of children in online fora such as chatrooms, home pages, and pen-pal services in which children may make public postings of identifying information; (3) to maintain the security of personally identifiable information of children collected online; and (4) to protect children's privacy by limiting the collection of personal information from children without parental consent. The legislation accomplishes these goals in a manner that preserves the interactivity of children's experience on the Internet and preserves children's access to information in this rich and valuable medium.

I ask unanimous consent that a section-by-section summary be printed in the RECORD.

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

SECTION-BY-SECTION SUMMARY

Section 1. Short title

This Act may be cited as the ''Children's Online Privacy Protection Act of 1998.''

Section 202. Definitions

(1) Child: The amendment applies to information collected from children under the age of 13.

(2) Operator: The amendment applies to ''operators.'' This term is defined as the person or entity who both operates an Internet website or online service and collects information on that site either directly or through a subcontractor. This definition is intended to hold responsible the entity that collects the information, as well as the entity on whose behalf the information is collected. This definition, however, would not apply to an online service to the extent that it does not collect or use the information.

The amendment exempts nonprofit entities that would not be subject to the FTC Act. The exception for a non-profit entity set forth in Section 202(2)(B) applies only to a true not-for-profit and would not apply to an entity that operates for its own profit or that operates in substantial part to provide profits to or enhance the profitability of its members.

(7) Parent: The term ''parent'' includes ''legal guardian.''

(8) Personal Information: This is an online children's privacy bill, and its reach is limited to information collected online from a child.

The amendment applies to individually identifying information collected online from a child. The definition covers the online collection of a first and last name, address including both street and city/town (unless the street address alone is provided in a forum, such as a city-specific site, from which the city or town is obvious), e-mail address or other online contact information, phone number, Social Security number, and other information that the website collects online from a child and combines with one of these identifiers that the website has also collected online. Thus, for example, the information ''Andy from Las Vegas'' would not fall within the amendment's definition of personal information. In addition, the amendment authorizes the FTC to determine through rulemaking whether this definition should include any other identifier that permits the physical or online contacting of a specific individual.

It is my understanding that ''contact'' of an individual online is not limited to e-mail, but also includes any other attempts to communicate directly with a specific, identifiable individual. Anonymous, aggregate information—information that cannot be linked by the operator to a specific individual—is not covered by this definition.

(9) Verifiable Parental Consent: The amendment establishes a general rule that ''verifiable parental consent'' is required before a web site or online service may collect information online from children, or use or disclose information that it has collected online from children. The amendment makes clear that parental consent need not be obtained for each instance of information collection, but may, with proper notice, be obtained by the operator for future information collection, use and disclosure. Where parental consent is required under the amendment, it means any reasonable effort, taking into consideration available technology, to provide the parent of a child with notice of the website's information practices and to ensure that the parent authorizes collection, use and disclosure, as applicable, of the personal information collected from that child.

The FTC will specify through rulemaking what is required for the notice and consent to be considered adequate in light of available technology. The term should be interpreted flexibly, encompassing ''reasonable effort'' and ''taking into consideration available technology.'' Obtaining written parental consent is only one type of reasonable effort authorized by this legislation. ''Available technology'' can encompass other online and electronic methods of obtaining parental consent. Reasonable efforts other than obtaining written parental consent can satisfy the standard. For example, digital signatures hold significant promise for securing consent in the future, as does the World Wide Web Consortium's Platform for Privacy Preferences. In addition, I understand that the FTC will consider how schools, libraries and other public institutions that provide Internet access to children may accomplish the goals of this Act.

As the term ''reasonable efforts'' indicates, this is not a strict liability standard and looks to the reasonableness of the efforts made by the operator to contact the parent.

(10) Website Directed to Children: This definition encompasses a site, or that portion of a site or service, which is targeted to children under age 13. The subject matter, visual content, age of models, language or other characteristics of the site or service, as well

as off-line advertising promoting the website, are all relevant to this determination. For example, an online general interest bookstore or compact disc store will not be considered to be directed to children, even though children visit the site. However, if the operator knows that a particular visitor from whom it is collecting information is a child, then it must comply with the provisions of this amendment. In addition, if that site has a special area for children, then that portion of the site will be considered to be directed to children.

The amendment provides that sites or services that are not otherwise directed to children should not be considered directed to children solely because they refer or link users to different sites that are directed to children. Thus a site that is directed to a general audience, but that includes hyperlinks to different sites that are directed to children, would not be included in this definition but the child oriented linked sites would be. By contrast, a site that is a child-oriented director would be considered directed to children under this standard. However, it would be responsible for its own information practices, not those of the sites or services to which it offers hyperlinks or references.

(12) Online Contact Information: This term means an e-mail address and other substantially similar identifiers enabling direct online contact with a person.

Section 203. Regulation of unfair and deceptive acts and practices

This subsection directs the FTC to promulgate regulations within one year of the date of enactment prohibiting website or online service operators or any person acting on their behalf from violating the prohibitions of subsection (b). The regulations shall apply to any operator of a website or online service that collects personal information from children and is directed to children, or to any operator where that operator has actual knowledge that it is collecting personal information from a child.

The regulations shall require that these operators adhere to the statutory requirements set forth in Section 203(b)(1):

1. Notice—Operators must provide notice on their sites of what personal information they are collecting online from children, how they are using that information, and their disclosure practices with regard to that information. Such notice should be clear, prominent and understandable. However, providing notice on the site alone is not sufficient to comply with the other provisions of Section 202 that require the operator to make reasonable efforts to provide notice in obtaining verifiable parental consent, or the provisions of Section 203 that require reasonable efforts to give parents notice and an opportunity to refuse further use or maintenance of the personal information collected from their child. These provisions require that the operator make reasonable efforts to ensure that a parent receives notice, taking into consideration available technology.

2. Prior Parental Consent—As a general rule, operators must obtain verifiable parental consent for the collection, use or disclosure of personal information collected online from a child.

3. Disclosure and Opt Out for a Parent Who Has Provided Consent: Subsection 203(b)(1)(B) creates a mechanism for a parent, upon supplying proper identification, to obtain: (1) disclosure of the specific types of personal information collected from the child by the operator; and (2) disclosure through a ''means that is reasonable under the circumstances'' of the actual personal information the operator has collected from that child. It would be inappropriate for operators to be liable under another source of law for disclosures made in a good faith effort to fulfill the disclosure obligation under this subsection. Accordingly, subsection 203(a)(2) provides that operators are immune from liability under either federal or state law for any disclosure made in good faith and following procedures that are reasonable. If the FTC has not issued regulations, I expect that such procedures would be judged by a court based upon their reasonableness.

Subsection 203(b)(1)(B) also gives that parent the ability to opt out of the operator's further use or maintenance in retrievable form, or future online collection of information from that child. The opt out of future collection operates as a revocation of consent that the parent has previously given. It does not prohibit the child from seeking to provide information to the operator in the future, nor the operator from responding to such a request by seeking (and obtaining) parental consent. In addition, the opt out requirement relates only to the online site or sites for which the information was collected and maintained, and does not apply to different sites which the operator separately maintains.

Subsection 203(b)(3) provides that if a parent opts out of use or maintenance in retrievable form, or future online collection of personal information, the operator of the site or service in question may terminate the service provided to that child.

4. Curbing Inducements to Disclose Personal Information: Subsection 203(b)(1)(C) prohibits operators from inducing a child to disclose more personal information than reasonably necessary in order to participate in a game, win a prize, or engage in another activity.

5. Security Procedures: Subsection 203(b)(1)(D) requires that an operator establish and maintain reasonable procedures to protect the confidentiality, security, and integrity of personal information collected online from children by that operator.

Exceptions to Parental Consent: Subsection 203(b)(2) is intended to ensure that children can obtain information they specifically request on the Internet but only if the operator follows certain specified steps to protect the child's privacy. This subsection permits an operator to collect online contact information from a child without prior parental consent in the following circumstances: (A) collecting a child's online contact information to respond on a one-time basis to a specific request of the child; (B) collecting a parent's or child's name and online contact information to seek parental consent or to provide parental notice; (C) collecting online contact information to respond directly more than once to a specific request of the child (e.g., subscription to an online magazine), when such information is not used to contact the child beyond the scope of that request; (D) the name and online contact information of the child to the extent reasonably necessary to protect the safety of a child participant in the site; and (E) collection, use, or dissemination of such information as necessary to protect the security or integrity of the site or service, to take precautions against liability, to respond to judicial process, or, to the extent permitted under other provisions of law, to provide information to law enforcement agencies or for an investigation related to public safety.

For each of these exceptions the amendment provides additional protections to ensure the privacy of the child. For a one-time contact, the online contact information collected may be used only to respond to the child and then must not be maintained in retrievable form. In cases where the site has collected the parents' online contact information in order to obtain parental consent, it must not maintain that information in retrievable form if the parent does not respond in a reasonable period of time. Finally, if the child's online contact information will be used, at the child's request, to contact the child more than once, the site must use reasonable means to notify parents and give them the opportunity to opt out.

In addition, subsection (C)(ii) also allows the FTC the flexibility to permit the site to recontact the child without notice to the parents, but only after the FTC takes into consideration the benefits to the child of access to online information and services and the risks to the security and privacy of the child associated with such access.

Paragraph (D) clarifies that websites and online services offering interactive services directed to children, such as monitored chatrooms and bulletin boards, that require registration but do not allow the child to post personally identifiable information, may request and retain the names and online contact information of children participating in such activities to the extent necessary to protect the safety of the child. However, the company may not use such information except in circumstances where the company believes that the safety of a child participating on that site is threatened, and the company must provide direct parental notification with the opportunity for the parent to opt out of retention of the information. For example, there have been instances in which children have threatened suicide or discussed family abuse in such fora. Under these circumstances, an operator may use the name and online contact information of the child in order to be able to get help for the child.

Throughout this section, the amendment uses the term ''not maintained in retrievable form.'' It is my intent in using this language that information that is ''not maintained in retrievable form'' be deleted from the operator's database. This language simply recognizes the technical reality that some information that is ''deleted'' from a database may linger there in non-retrievable form.

Enforcement.—Subsection 203(c) provides that violations of the FTC's regulations issued under this amendment shall be treated as unfair or deceptive trade practices under the FTC Act. As discussed below, State Attorneys General may enforce violations of the FTC's rules. Under subsection 203(d), state and local governments may not, however, impose liability for activities or actions covered by the amendment if such requirements would be inconsistent with the requirements under this amendment or Commission regulations implementing this amendment.

Section 204. Safe harbors

This section requires the FTC to provide incentives for industry self-regulation to implement the requirements of Section 203(b). Among these incentives is a safe harbor through which operators may satisfy the requirements of Section 203 by complying with self-regulatory guidelines that are approved by the Commission under this section.

This section requires the Commission to make a determination as to whether self-regulatory guidelines submitted to it for approval meet the requirements of Commission regulations issued under Section 203. The Commission will issue, through rulemaking, regulations setting forth procedures for the submission of self-regulatory guidelines for Commission approval. The regulations will require that such guidelines provide the privacy protections set forth in Section 203. The Commission will assess all elements of proposed self-regulatory guidelines, including

enforcement mechanisms, in light of the circumstances attendant to the industry or sector that the guidelines are intended to govern.

The amendment provides that, once guidelines are approved by the Commission, compliance with such guidelines shall be deemed compliance with Section 203 and the regulations issued thereunder.

The amendment requires the Commission to act upon requests for approval of guidelines for safe harbor treatment within 180 days of the filing of such requests, including a period for public notice and comment, and to set forth its conclusions in writing. If the Commission denies a request for safe harbor treatment or fails to act on a request within 180 days, the amendment provides that the party that sought Commission approval may appeal to a United States district court as provided for in the Administrative Procedure Act, 5 U.S.C. §706.

Section 205. Actions by States

State Attorneys General may file suit on behalf of the citizens of their state in any U.S. district court of jurisdiction with regard to a practice that violates the FTC's regulations regarding online children's privacy practices. Relief may include enjoining the practice, enforcing compliance, obtaining compensation on behalf of residents of the state, and other relief that the court considers appropriate.

Before filing such an action, an attorney general must provide the FTC with written notice of the action and a copy of the complaint. However, if the attorney general determines that prior notice is not feasible, it shall provide notice and a copy of the complaint simultaneous to filing the action. In these actions, state attorneys general may exercise their power under state law to conduct investigations, take evidence, and compel the production of evidence or the appearance of witnesses.

After receiving notice, the FTC may intervene in the action, in which case it has the right to be heard and to file an appeal. Industry associations whose guidelines are relied upon as a defense by any defendant to the action may file as amicus curiae in proceedings under this section.

If the FTC has filed a pending action for violation of a regulation prescribed under Section 3, no state attorney general may file an action.

Section 206. Administration and applicability

FTC Enforcement: Except as otherwise provided in the amendment, the FTC shall conduct enforcement proceedings. The FTC shall have the same jurisdiction and enforcement authority with respect to its rules under this amendment as in the case of a violation of the Federal Trade Commission Act, and the amendment shall not be construed to limit the authority of the Commission under any other provisions of law.

Enforcement by Other Agencies: In the case of certain categories of banks, enforcement shall be carried out by the Office of the Controller of the Currency; the Federal Reserve Board, the Board of Directors of the Federal Deposit Insurance Corporation, the National Credit Union Administration Board, and the Farm Credit Administration. The Secretary of Transportation shall have enforcement authority with regard to any domestic or foreign air carrier, and the Secretary of Agriculture where certain aspects of the Packers and Stockyards Act apply.

Section 207. Review

Within 5 years of the effective date for this amendment, the Commission shall conduct a review of the implementation of this amendment, and shall report to Congress.

Section 208. Effective date

The enforcement provisions of this amendment shall take effect 18 months after the date of enactment, or the date on which the FTC rules on the first safe harbor application under section 204 if the FTC does not rule on the first such application filed within one year after the date of enactment, whichever is later. However, in no case shall the effective date be later than 30 months after the date of enactment of this Act.

LIST OF SUPPORTERS OF CHILDREN'S INTERNET PRIVACY LANGUAGE

The Federal Trade Commission.
The Direct Marketing Association (representing 3,500 domestic members).
GeoCities.
Time Warner.
Commercial Internet eXchange Association.
Disney.
AOL.
Highlights for Children.
American Academy of Pediatrics.
American Advertising Federation.
American Association of Advertising Agencies.
Center for Democracy & Technology.
Center for Media Education.
Viacom.

AMENDMENT NO. 3721, AS MODIFIED

(Purpose: To make minor changes in the commission established by the bill)

On page 17, beginning with line 18, strike through line 21 on page 19 and insert the following:

(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 19 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) 3 representatives from the Federal Government, comprised of the Secretary of Commerce, the Secretary of the Treasury, and the United States Trade Representative (or their respective delegates).

(B) 8 representatives from State and local governments (one such representative shall be from a State or local government that does not impose a sales tax * * *) and one representative shall be from a state that does not impose an income tax.

(C) 8 representatives of the electronic commerce industry, telecommunications carriers, local retail businesses, and consumer groups, comprised of—

(i) 5 individuals appointed by the Majority Leader of the Senate;

(ii) 3 individuals appointed by the Minority Leader of the Senate;

(iii) 5 individuals appointed by the Speaker of the House of Representatives; and

(iv) 3 individuals appointed by the Minority Leader of the House of Representatives.

AMENDMENT NO. 3722

(Purpose: To direct the Commission to examine model State legislation)

Mr. MCCAIN. Mr. President, I ask unanimous consent that amendment numbered 3722 be the pending business.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arizona (Mr. MCCAIN), for himself, Mr. GREGG, and Mr. LIEBERMAN, proposes an amendment numbered 3722.

Mr. MCCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 23, beginning with line 14, strike through line 2 on page 25 and insert the following:

''(D) an examination of model State legislation that—

''(i) would provide uniform definitions of categories of property, goods, service, or information subject to or exempt from sales and use taxes; and

''(ii) would ensure that Internet access services, online services, and communications and transactions using the Internet, Internet access service, or online services would be treated in a tax and technologically neutral manner relative to other forms of remote sales; and''.

Mr. MCCAIN. Mr. President, this amendment is simple. It is offered by myself for Senators GREGG and LIEBERMAN. The amendment instructs the commission created in this bill to examine model state legislation and provide definitions of what should be subject to or exempt from taxation. Additionally, the Commission would be instructed to look specifically at Internet transactions.

Some would like to see the scope of the commission expanded. This is not necessary. The Commission may look at any form of remote sales, but it is not forced to.

This bill is about the Internet, and its potential as a new technology—but more importantly, as a medium for electronic commerce. The Internet is not like the mail. It is not a monopoly. It is unlike anything that we have seen to date. For that reason we believe that it should be protected from discriminatory taxation.

Mr. President, there will be some who seek to defeat this amendment or will offer second degree amendments to it regarding remote sales, specifically mail order sales. We dealt with that subject specifically the other day. My good friend from Arkansas offered an amendment to overturn the Quill decision regarding mail order sales. Senator GRAHAM of Florida spoke in favor of the amendment. And then the Senate voted on the matter. The amendment was defeated handily: 65–30. We don't need to revisit this issue again. If we do, I would hope the vote to table would be the same.

We should let this commission do its work. We should not prejudge what they will decide or attempt to force them to examine certain subjects or come to certain conclusions. That would be wrong and would undermine the mission of the Commission. The bipartisan amendment before the Senate gives the commission free reign to decide what it believes is best and report such findings to the Congress. I urge my colleagues to support the McCain/Gregg/Lieberman amendment and defeat any second degree amendments that may be offered.

Mr. President, I yield the floor.

Mr. HUTCHINSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

AMENDMENT NO. 3760 TO AMENDMENT NO. 3722

(Purpose: Relating to the duties of the Advisory Commission on Electronic Commerce)

Mr. HUTCHINSON. Mr. President, I call up second-degree amendment 3760.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arkansas (Mr. HUTCHINSON), for himself, Mr. ENZI, and Mr. GRAHAM, proposes an amendment numbered 3760 to amendment No. 3722.

Mr. HUTCHINSON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end of the McCain amendment, add the following:

(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.

Mr. HUTCHINSON. I ask unanimous consent that Senator ENZI be added as cosponsor to my amendment.

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

Mr. HUTCHINSON. Mr. President, I ask unanimous consent that the amendment be modified by deleting the word ''local'' on line 6 of page 1 of the amendment.

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

The modification is accepted.

Mr. HUTCHINSON. Mr. President, this amendment amends the McCain first-degree underlying amendment to allow the commission to establish by the Internet Tax Freedom Act a study of the effects of taxation on interstate sales, or the lack thereof on retail businesses and State and local governments.

I can think of nothing more reasonable and nothing more common sense than saying that the commission that we are creating should conduct a study to look at and examine the implications upon retail businesses and the implications upon local and State governments that this moratorium and this bill would have.

The Senate rejected an amendment last week which would have immediately authorized States to require out-of-State sellers to collect sales taxes and remit them to the State in which the purchase was made. My colleague from Arkansas, Senator BUMPERS, offered that amendment. I think that many of my colleagues who joined me in voting against this amendment would agree that this issue warrants further study.

Why not have the commission establish by this bill conduct a study and examine the issue that is so important to State and local governments and which is so important to local businesses that are trying to survive and who are remitting those sales taxes. This issue, which is so critical, ought to be, I believe, examined and studied. For the sake of small mom-and-pop businesses who find themselves in competition with Internet entities and other out-of-State sellers who do not have to collect State sales taxes from out-of-State buyers, we should allow the commission to study the impact that the lack of taxation on these transactions has on small businesses.

For the sake of out-of-State sellers who do collect and remit sales taxes while their competitors do not, let's allow the commission to study this issue. This is, in fact, a commission study.

It should be noted that Congress and Congress alone can either accept or eject the recommendations that the commission might make. The Supreme Court decided in the case of *Quill* v. *North Dakota* that States cannot require out-of-State sellers to collect and remit sales taxes on goods purchased for use in a particular State, unless Congress authorizes them to do so.

My amendment does not overturn Quill. I want to emphasize that. This amendment does not overturn the Quill decision. It simply allows the commission to study the implications, to study the ramifications of Quill on small businesses and State and local governments.

Electronic commerce is estimated to reach $8 billion in 1998. And by the year 2002, electronic commerce is expected to reach $300 billion.

Let me say that the Internet is an incredible tool both for education purposes and business promotion. My amendment in no way is intended to thwart the growth of the Internet. Again, it merely says that in light of the incredible growth in electronic commerce that we have witnessed over the last 5 years and that we anticipate in the next 5 years that this commission that we are about to create should have the right to examine its impact on businesses serving local markets.

We will have an argument that my good friend from Arizona has argued—that this Internet Tax Freedom Act should focus solely on the Internet. But I argue that the Internet is a form of interstate commerce just like mail order, just like catalog sales. And when we talk about the impact of such interstate sales on local businesses, there is no distinction between the three. We should not address this issue in a vacuum.

So the commission that is created ought to have the right to examine all of the implications of what we are doing and its impact upon that small businessman, that small businesswoman, that city, that county, that State government, and the effect upon their revenue stream.

So the amendment I propose is a compromise. It is, I believe, one that is worthy of support.

I ask my colleagues to support this second-degree amendment.

Mr. WYDEN. Mr. President, first, let me say that I strongly support the Gregg amendment. Let me say to the Senator from Arkansas, I think his amendment is in the wrong place. I think it is supposed to go at page 25. But if we could work with him, we want to make sure that there is fair consideration of his amendment.

Mr. President, let me also say that the whole point of the Internet Tax Freedom Act is to focus on electronic commerce. We have had, since the beginning of this discussion, efforts to bring into this debate a variety of other kinds of subjects, but it seems to me at a time when we have 30,000 taxing jurisdictions, many of which have varied and sundry ideas with respect to electronic commerce and the Internet, what we ought to do is stick to the subject at hand, and that is calling a brief time-out to look at these issues, a time-out in which the Internet would be treated like everything else, by the way.

At various points in this debate we have heard about how we are establishing a tax haven for the Internet. That is simply wrong. During the moratorium, sales on the Internet would get treated just like other sales. It is very important now, with the extraordinary growth of the Internet, as our colleagues have noted, that we do this job right, which requires that we go forward with language such as that offered by the Senator from New Hampshire to ensure that we focus on electronic commerce.

By doing that, we also increase the prospects for making sure that at the end of our work we have a policy that guarantees technological neutrality. We don't have that today in America. We have parts of the country, for example, where you get the newspaper through traditional mail, and you pay no tax on it. But if you read that very same newspaper on line, you pay a tax. That is not technologically neutral. That is what our legislation is all about. The Internet should not get a preference, nor should the Internet be discriminated against. It seems to me that by adopting the Gregg amendment we will ensure that the focus is on electronic commerce, No. 1; No. 2, we will have a chance to look at the very complicated and technical questions dealing with what is close to 30,000 taxing jurisdictions, and I urge my colleagues to support the original Gregg amendment.

I yield the floor.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I rise in opposition to the amendment offered by the Senator from Arkansas as a second degree to the amendment offered by myself, Senator MCCAIN, and Senator LIEBERMAN, which is the underlying amendment here. I think the Senator from Oregon, who has certainly

been a core player in bringing this matter to the Senate, outlined the issue rather well by pointing out that the purpose of this moratorium and the commission that is created under the moratorium should be to review the electronic commerce under the Internet and to pursue a path which will make that commerce more efficient.

This bill, this attempt to protect the Internet from arbitrary taxation across the country with the 30,000 potential municipalities that could assess against the Internet and thus create chaos in what is truly one of the great engines of prosperity and economic entrepreneurship which has occurred within this century, and may be the economic engine for the next century—this bill, which is an attempt to put a hold on that sort of tax policy which might undermine, fundamentally harm, the expansion of the Internet during this formative period is a good bill, but it should not be used to bootstrap other issues onto the question.

What is being attempted here is a backdoor bootstrapping of the whole issue of tax policy as it relates to the question of sales at distant points, whether it happens to be under the Internet, cable, catalogs or by telephone. And another study in this area, which is the proposal that is put forward by the Senator from Arkansas, is simply an attempt to broaden the scope of the underlying effort, which is to protect and address the issues that evolve around the Internet. It is totally inappropriate. There is no reason we should go down that road.

There have been enumerable studies of this issue already. In fact, I have two right here, one done by the League of Cities and the other done by the Center for Budget and Policy Priorities. I also understand there has been one done by the Governors' Association, I believe. The fact is, the issues which are being raised by the Senator from Arkansas have been studied and studied extensively. Putting another study into this bill is not going to in any way change the tenor of the debate. It is simply going to attempt to expand the debate into a whole separate arena, which is inappropriate to this moratorium.

The bottom line of this moratorium—and I will come to that after we have disposed of the amendment of the Senator from Arkansas, but the bottom line issue here is whether or not by voting to expand the moratorium and to get into areas such as the Senator from Arkansas has proposed we wish to dramatically expand the taxing authority of States and local jurisdictions and basically use this bill to become a huge vehicle for expansion in tax policy and expansion of taxes.

I do not think that most Members of this body want to do that, and we already voted on this issue once with the Bumpers amendment. The vote was overwhelming. This body said no, it did not want to use this vehicle for the purposes of creating an explosion in new taxes. And yet there is another attempt being made now to do that, this time through a study. We will hear another attempt, I suspect, from the Senator from Florida who will do that with his amendment to this bill and this underlying amendment.

So I guess what it comes down to is that this body has to make a policy decision: Does it want to use the Internet bill and the protection of the Internet, which has been proposed through the moratorium, which has been energized in large part by the Senator from Oregon, and obviously the Senator from Arizona, and which I have strongly supported, does it want to use that effort to try to protect the Internet to also be an effort to grossly expand the tax laws of this country and the tax policy of this country and the tax activity of municipalities and States, or do we want to stay focused on the subject at hand, which is how to make the Internet an efficient and effective place to do business, how to keep it as a dynamic engine for entrepreneurship and prosperity that it has become through a moratorium on taxes which might be assessed at the local community level?

Although this amendment is couched in the terms of a study, it really gets back to that core issue of whether or not we want to have a moratorium which addresses the Internet or whether we want to use this moratorium as a bootstrapping event for purposes of dramatically increasing taxes and the tax collection capacity of local communities and States across the country.

I oppose this study. I think it is misdirected to be attached to this bill, and I would say that if you really are interested in such a study, here is one you can read. Here is another one you can read. And the Governors' Association has one you can read. You don't have to pay for a new one.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Florida.

Mr. GRAHAM. Mr. President, parliamentary inquiry. Is there a time limit on this amendment?

The PRESIDING OFFICER. No time limit has been agreed to.

Mr. GRAHAM. Mr. President, first let us come back to what we are fundamentally about. What the Internet Tax Freedom Act says is that there shall be a moratorium, a pause, in the State and local governments' exercise of their otherwise legal authority to impose a tax on access to or transactions consummated over the Internet.

That is an unusual action. For the Congress of the United States to preempt State and local governments from their otherwise lawful responsibilities to establish what they feel to be appropriate policy for their citizens is an unusual act for the Congress and one which we should only take after careful consideration.

Why should we exercise such care? Because the consequences of this action, of establishing a moratorium on the taxation of one form of commerce as opposed to all forms of commerce, is to create or to continue a competitive disparity. In this case, it is the comparative disparity between the Main Street retailer, the person who is selling hardware on Main Street and is legally responsible for collecting a sales tax from those who purchase hammers and saws, and those who buy the same hammers and saws over the Internet where they are not subject to the requirement to pay, and the seller to collect, that same sales tax. That is a level of obvious inequity that we would, only under exception circumstances, impose.

Second, at a time when we are underscoring our commitment to fundamental activities such as law enforcement and education, we are about to drive a major hole in the ability to do so of those levels of government which have the primary responsibility for law enforcement and education, which are our colleagues at the State and local level. I will be giving some current examples, as recently as today's newspaper, of the potential that we are about to open up.

So it would only take an extremely persuasive argument to convince the Congress of the United States that it ought to inflict that inequality in the marketplace and the threat to the ability to deliver fundamental police, fire, and educational services at the local level as this legislation does.

What is that rationale? The rationale: This is a new, rapidly evolving technology and we need to have this pause so we can assure that whatever tax policies are developed are developed with uniformity, with nondiscrimination, with predictability, so as not to interfere with the natural growth and evolution of this very important part of our commerce at the end of the 20th century that no doubt will play even a larger role as we go into the 21st. That is the argument for the discrimination and threat to State and local governments for which we are about to be asked to vote.

I will personally support the basic proposition of a pause. But I will only do so if that pause is for a reasonable period of time, that period of time that we would consider necessary to carry out this review and recommendation as to uniform, nondiscriminatory, predictable tax policy, and, second, that we have a commission, which is going to be making this study, which will represent all of the diversity of interests on this matter and will have a charter broad enough to look at all the questions that are relevant to establishing proper policy for the Internet.

The argument here is a direct clash between what the Senate Finance Committee found and what the authors of this amendment support. The language which I support is the language which is in the bill that was reported by the Senate Finance Committee with 19 favorable votes.

If you will look in the bill that appears on our desk, starting on page 22, which is the beginning of the issues to be studied, as stated by the Senate Finance Committee, on page 23, under paragraph (d), the Finance Committee, under the leadership of Senator ROTH, who advocated this language, states that:

. . . there will be an examination of 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 contact sufficient to permit a State or local government to impose such taxes on such interstate commerce.

That is the essence of the language that the McCain-Gregg-Lieberman amendment is going to strike.

Mr. President, I ask my fellow colleagues, is that unreasonable for a commission we are going to set up to study the effects of Internet taxation on State and local governments and on fairness in the marketplace? Is that language unfair? I do not believe it is. The McCain amendment would strike that language.

Senator HUTCHINSON of Arkansas, who has worked very diligently on this issue—and I commend him for his leadership on this matter and his deep understanding of the implications of this issue—has offered a second-degree amendment to the McCain amendment which essentially inserts the same concept of Senator ROTH's language that was in the Finance Committee. His amendment would provide for ''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.''

That is the amendment that Senator HUTCHINSON has offered which I think is as eminently reasonable as the language which was offered by Senator ROTH in the Finance Committee. So I strongly support Senator HUTCHINSON's very thoughtful and significant amendment and would go on to say that current events are underscoring the urgency of this look at all forms of remote sales.

One of the purposes of the underlying bill is to eliminate discrimination. That raises the question, Discrimination in relationship to what? If we end up with a bill that says that the commission cannot even look at the taxation and the effect of that taxation on fairness in the marketplace and on the ability of State and local governments to support their police and fire and schools, we are already guaranteeing that the commission will give us a report that, in order to be nondiscriminatory, the Internet should not be subject to taxation. That would make it the same as catalog sales. That would be a result with very serious long-term implications.

If, on the other hand, we are able to adopt the language that either was in the underlying bill or the language that Senator HUTCHINSON has offered, then the commission is going to look at the taxation of all forms of remote sales and will be able to come back with a set of policy regulations that will in fact meet the test of uniformity, nondiscrimination, and predictability, which is the whole purpose of this exercise.

I said the issue is one that is as topical as today's paper. I refer you to the Washington Post of October 7, on page C–10, which carries a story, ''Publisher, Bookseller Join Forces.''

I will not read the whole article but let me just give you a flavor of what it says:

Taking direct aim at Amazon.com, publishing conglomerate Bertelsmann AG said [yesterday] it will spend $200 million to buy half of the online book service of Barnes & Noble.

So, what we have is a major bookseller which already has an on-line service, where they are selling through the Internet as well as through their Barnes & Noble megabookstores; now they have sold half of their on-line service to yet another publisher, the publisher who has well known book houses such as Random House, Doubleday, and Bantam Publishing. They now together own an on-line bookselling firm which is going to try to compete with Amazon.com.

Why are they doing this? While still a tiny segment of the book retailing marketplace, on-line sales are exploding in popularity. I underscore ''exploding in popularity.''

Seattle-based Amazon.com, founded three years ago, had revenues of $204 million in the first six months of 1998.

The implications of this to the independent bookstores in Helena, MT, or in Concord, NH, are obvious. In addition to the other benefits of convenience of the Internet, we are now going to have a situation where, if you buy a copy of your book at the Main Street independent bookstore, you are going to be paying the State and local sales tax, but if you buy it over the Internet, you will not be paying the sales tax, and, thus, we are institutionalizing a significant competitive disadvantage.

Why we would want to adopt the policy that puts the Main Street seller at a disadvantage to cyberspace is beyond me. It also happens to be beyond a number of important organizations, whose letters I will ask unanimous consent be printed in the RECORD immediately after my remarks, beginning with the National Home Furnishings Association, which states:

The home furnishing industry has struggled with the issue of whether there is an obligation for remote sellers to collect and remit sales/use taxes to the state in which the purchaser resides on sales of furniture, long before the first sale was made on the Internet.

It goes on to say:

In addition to the lost revenue to the state, the in-state retailer is placed at a distinct disadvantage. There is, of course, the differential in the customer's total cost reflecting the sales/use tax. . . . Indeed, many times they serve as the unwilling ''showroom'' and sales adviser for the remote seller, as customers visit their store, discuss a purchase with the sales staff, scribble down model numbers and then call the remote seller.

That is an example of the kind of institutionalization of competitive disadvantage we are about to enact.

I also ask to have printed immediately after my remarks a letter from the Newspaper Association of America representing 1,700 newspaper members. This organization has supported the Internet Tax Freedom Act, but they state:

. . . I am writing to express support for your efforts to amend the Internet Tax Freedom Act to ensure that the advisory commission examines the tax treatment of all remote sales. . . . The major thrust behind the Internet Tax Freedom Act is to ensure that the Internet is not subjected to unfair, discriminatory and inconsistent taxes at the state and local level. Proponents of the legislation—including NAA—have argued that business transactions and services should be treated similarly regardless of whether they are offered through electronic means or through existing channels of commerce. However, if the commission is not directed in the legislation to examine all remote sales, a discriminatory tax structure could be established that treats one form of remote sales—the Internet—differently from other forms of remote sales. Therefore, we believe a comprehensive approach works best.

Mr. President, I ask unanimous consent that the letter from the National Home Furnishings Association and the Newspaper Association of America be printed in the RECORD immediately after my remarks.

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

(See Exhibit 1.)

Mr. GRAHAM. Mr. President, the second issue which is directly related to the first, the first being the discrimination against the local Main Street sale, is the impact on the ability of local governments and State governments to carry out their fundamental educational, health, and other responsibilities. I will be a Floridian for a moment and cite some of the statistics about the potential impact that an out-of-control moratorium leading to permanent exemption from taxation of the Internet could have on a State such as mine.

In 1996, the State of Florida collected a total of $11.4 billion in general sales tax revenue. This represented 77.3 percent of Florida's tax revenue generated from sales and excise taxes, excise taxes representing $3.8 billion of that total.

Florida is not unique in having a high percentage of its tax revenue generated by sales and excise taxes. For instance, Nevada gets 84.3 percent of its total revenue from these two

sources; Texas, 81 percent; South Dakota, 78.4 percent; Tennessee, 76.7 percent; Washington, 74.3 percent; Mississippi, 67.3 percent; Hawaii, 61.7 percent; Arizona, 57 percent; North Dakota, 56.8 percent; and New Mexico, 56.7 percent. They are examples of States which are heavily dependent on sales and excise taxes, the kind of taxes that are generated by Main Street activity.

Currently, mail order nationwide has sales of $100 billion to $120 billion a year. That is the catalog of remote selling. This results in an estimated $3.5 billion to $4 billion in lost sales tax. It is estimated, for instance, in the State of Florida that that would represent something in excess of $200 million a year in lost sales. That is, if the same sale had taken place at the local shopping mall that took place over the remote sales catalog process, it would have been an additional $200 million of sales tax collected.

Internet sales are expected to grow by the year 2004, not to the $100 billion to $120 billion of current catalog sales, but rather to $400 billion to $500 billion. So Internet sales, by the year 2004, are expected to be four to five times what current catalog sales are. If $100 billion in sales loses $3.5 billion, then the $500 billion would represent a loss of $17.5 billion. For Florida, this means there could be an estimated loss of $875 million in sales tax per year as a result of this removing of the responsibility of the Internet seller to collect the taxes on those transactions.

Florida's Department of Revenue states that the cost of exempted Internet taxation costs the State $60 million in sales tax revenue and $18 million for the gross receipts tax. This gross receipts tax is what is used to fund our school construction costs.

Mr. President, the impact of this on State and local governments in their ability to put an adequate number of police on the streets and an adequate fire defense, and particularly an adequate number of schools and teachers and the other support personnel necessary for their educational system, will be extremely vulnerable if this legislation gets out of control.

This is the amendment which I believe begins to break the dam of reasonability. It is reasonable to have a brief pause to look at all of the implications of Internet taxation. I support that brief pause. It is also reasonable to look at one that is conducted by people who represent all the interests that will be affected by these decisions and that those persons have a charter broad enough to give us wise, comprehensive policy.

To adopt the McCain-Gregg-Lieberman amendment, which would essentially say we are going to put a blindfold over our eyes and we will not be able to look at those remote sales activities which are the most analogous to what the potential for Internet sales would be, is, in my opinion, to render this legislation ineffective in terms of its purpose and to strengthen the doubts that some of us have that its real purpose is, not to have a thoughtful examination, but rather to have this as the beginning of what will be a permanent bar to State and local governments' ability to manage their fiscal affairs and that the principal loser of this will be the shuttered stores along Main Street of the traditional seller, like the bookstore unable to compete when he or she has to collect the local sales tax but its competitor thousands of miles away does not, and will also be seen in the diminishment of vital public services, especially the education of our children.

So, Mr. President, for those reasons, I strongly support the amendment offered by the Senator from Arkansas as eminently reasonable and consistent with the stated purpose of this legislation, and I urge its adoption.

EXHIBIT 1

NATIONAL HOME FURNISHINGS ASSOCIATION,
Washington, DC.

NHFA CONCERNS WITH PROPOSED MANAGER'S AMENDMENT TO S. 442, THE INTERNET TAX FREEDOM ACT

The home furnishings industry has struggled with the issue of whether there is an obligation for remote sellers to collect and remit sales/use taxes to the state in which the purchaser resides on sales of furniture, long before the first sale was made on the Internet. Sales are frequently made over the telephone or through the mails.

In addition to the lost revenue to the state, the in-state retailer is placed at a distinct disadvantage. There is, of course, the differential in the customer's total cost reflecting the sales/use tax. However, the in-state retailer also makes a significant investment in the community. Indeed, many times they serve as the unwilling ''showroom'' and sales adviser for the remote seller, as customers visit their store, discuss a purchase with the sales staff, scribble down model numbers and then call a remote seller.

NHFA has long sought a consistent, realistic definition of what constitutes nexus for the purpose of determining the sales/use tax obligation of a remote seller.

S. 442 imposes a moratorium on so-called telecommunication taxes, and establishes a commission to examine a variety of issues. Both the Senate Finance and Commerce Committees' versions of the bill, as does the House bill, include language authorizing the commission to examine the issue of the obligation of remote sellers to collect and remit a variety of taxes includes sales and use taxes. For example, the Senate Finance Committee bill states: ''an examination of 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 contracts sufficient to permit a State or local government to impose such taxes on such interstate commerce.''

We have learned that a proposed manager's amendment would severely limit the scope of the commission's mission and strike the language allowing an examination of the broader sales/use tax issue.

If a moratorium on telecommunication taxes is enacted, even though it does not technically apply to sales/use taxes on the purchase of the goods themselves, the moratorium will still have a chilling impact on the collection of those taxes. We thought we could live with that moratorium, in the belief we would gain more in the long run, if the commission could resolve once and for all, the broader issue of jurisdiction over remote sellers for all tax purposes including sales and use taxes. It would seem to us, if the manager's amendment strips the commission of the authority to examine the nexus issue, we get the worst of both worlds.

NEWSPAPER ASSOCIATION OF AMERICA,
Vienna, VA, October 6, 1998.

Hon. ROBERT GRAHAM,
U.S. Senate,
Washington, DC.

DEAR SENATOR GRAHAM: On behalf of the more than 1,700 newspaper members of the Newspaper Association of America (NAA), I am writing to express support for your efforts to amend the Internet Tax Freedom Act to ensure that the advisory commission examines the tax treatment of all remote sales. As you are aware, we have supported and continue to support enactment of the Internet Tax Freedom Act.

The major thrust behind the Internet Tax Freedom Act is to ensure that the Internet is not subjected to unfair, discriminatory and inconsistent taxes at the state and local level. Proponents of the legislation—including NAA—have argued that business transactions and services should be treated similarly regardless of whether they are offered through electronic means or through existing channels of commerce. However, if the commission is not directed in the legislation to examine all remote sales, a discriminatory tax structure could be established that treats one form of remote sales—the Internet—differently from other forms of remote sales. Therefore, we believe a comprehensive approach works best.

We believe the Internet Tax Freedom Act provides a unique opportunity for a thoughtful and deliberative examination of a uniform tax structure for goods and services. By including all remote sales in the scope of the advisory commission's work, the Congress is encouraging the development of tax policies that present one set of rules that will be applied to all businesses. A uniform approach not only promotes fairness and consistency—it's sound public policy.

Sincerely,

JOHN F. STURM,
President and CEO.

Mr. WYDEN addressed the Chair.

The PRESIDING OFFICER (Mr. SANTORUM). The Senator from Oregon.

Mr. WYDEN. Thank you, Mr. President.

Mr. President, I urge adoption of the Gregg amendment and the rejection of the Hutchinson amendment. First, it is quite clear that this legislation is going to, in fact, study all of the questions related to the subject this bill deals with thoroughly. Let me just read into the RECORD exactly what it says with respect to what will be studied. It says:

> 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.

So it is right there at pages 21 and 22.

Mr. HUTCHINSON. Will the Senator yield?

Mr. WYDEN. In just 1 minute I will be happy to yield.

It is quite clear, at page 21 and page 22, that there will be ''a thorough study'' of the issues and that the commission will look at ''comparable interstate or international sales activities.''

The question, Mr. President, and colleagues, is whether or not we are going to focus on yesterday's concerns, which are the mail-order or catalog issues—and they are important ones—or are we going to look at trying to come up with some sensible policies with respect to tomorrow's issues which essentially involve the ground rules for the digital economy.

Somehow, those that want to look at mail-order and catalog sales feel that they can resolve all of their concerns on this legislation. We feel otherwise. The reason that it is so important to have the Gregg language is that it does put the focus on electronic commerce. I and others believe that if we do look at electronic commerce, and look at it thoughtfully, that it may, in fact, come up with some answers to these other issues—mail-order and catalog questions, which are important—but if we change the focus of this bill, which is essentially what the Senator from Arkansas wants to do, I believe what is going to happen is, A, we will not get any sensible ground rules for electronic commerce, nor will we deal with the issues with respect to mail orders.

The fact of the matter is that Main Street America overwhelmingly has endorsed this bill. We have entered into the RECORD the list of the groups that are for it. And the reason that Main Street has endorsed this legislation is that if you are a small business on a main street in rural Arkansas or rural Oregon, or any other part of the country that is essentially rural, right now you are having a lot of difficulty competing against the Wal-Marts and the economic giants in our country.

The Internet is a great equalizer. By having a web page, by having the ability to do business on line, that Main Street business in rural Oregon or rural America, for the first time, has the ability, in an inexpensive way, to market and look at lucrative markets around the world.

Picture, if we will, what will happen to a home-based business in Wyoming or Arkansas or Oregon if we do nothing. There are 100,000 of these home-based businesses in my State alone. They are the fastest growing part of our economy, and if we do not come up with some uniform tax treatment for these home-based businesses, what is going to happen is they will be subject to scores of different taxes all over America.

How is a home-based business in the State of Oregon or the State of Arkansas going to go out and hire a battery of accountants and lawyers and experts to help them sort this out? They are not going to be able to do it. And that is why, when we had the hearings on this legislation in the Senate Commerce Committee, we heard from a small Tennessee business that tried to operate through this thicket of different kinds of State and local rules and ended up going out of business.

These home-based businesses are simply not going to be able to hire the battery of experts and accountants and lawyers that some of those who have opposed this legislation are going to mandate on these small businesses. So I hope that we can stick to the issue in front of us. That would mean going forward with the Gregg amendment and rejecting the amendment of the Senator from Arkansas.

The Senator from Arkansas did ask me to yield, and I am happy to do so.

Mr. HUTCHINSON. I thank the Senator for yielding.

In the early part of your remarks, you emphasized and read from the bill that the commission would be authorized to conduct a thorough study. You emphasized the word ''thorough.'' I think you found a couple places where the term is used. It seems you are implying they will look at all issues affected by this legislation and by Internet sales.

My question is, why, if in fact it is to be a thorough study looking at all issues and all the implications and ramifications of Internet sales on retailers and on government, why then would the Gregg amendment exclude, in effect, say this is off the table, this is one area of issues you cannot look at? When the Finance Committee, by a vote of 19–1, said this should be included, this should be an area that should be examined, this should be the purview of the commission, why then, if it is to be a thorough study, would this amendment, the Gregg amendment, exclude this particular area from study?

Mr. WYDEN. Reclaiming my time, as I said, the debate here is over, Do you want to focus on the subject of this bill, which is electronic commerce—that is what the legislation does; that is what the Gregg amendment seeks to do—or are we going to go back and study in this legislation essentially yesterday's economy?

We believe that if you put the focus on electronic commerce—that is what the Gregg amendment does—we are going to be able to deal with the digital economic issues; and we may well, in fact, come up with some ideas and some innovative approaches that may well resolve the mail-order and catalog question as well.

My concern, and the concern of the Senator from New Hampshire, is that essentially this is going to change the focus of this legislation to put it on the mail-order and catalog issues. There are Members of the U.S. Senate who feel that mail-order and catalog sales are insufficiently taxed. I am not one of them. I am one who believes that we all ought to work together, on a bipartisan basis, to deal with tomorrow's set of economic concerns, which involves the digital economy.

I tell the Senator from Arkansas that as the original sponsor of this legislation, I have made more than 30 separate changes to this legislation in an effort to accommodate what I think are valid concerns which come from States and municipalities and others who are advocating the viewpoint of the Senator from Arkansas.

But what I am not willing to support is essentially changing the focus of this legislation. If we do that, I believe that the 100,000 home-based businesses in my State, and the hundreds of thousands across this country, are not going to see their concerns addressed; I think we will not be taking advantage of the opportunity to look at the Internet issues objectively, and we will lose that focus and take it off into another area which is, in my view, likely to not produce consensus with respect to the mail-order or catalog issue, nor make the progress we need to with respect to the Internet.

Mr. President, I yield back the time.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Mr. President, I rise in strong support of the amendment offered by my friend from Arkansas. This amendment addresses the issue that is being changed by the Senator from New Hampshire. The second-degree amendment would change things back to the way that they were.

We have to take a look at the Internet sales tax issue for people who might be using this piece of legislation to develop huge loopholes in our current system. I am not talking about changing the system. I am talking about preserving for those cities, towns, counties, and States that rely on sales tax the ability to collect the tax they are currently getting.

We are talking about a 2-year moratorium. Do you know how much the Internet will change in a 2-year period? Right now, with the current technology in the Internet, there are ways I could eliminate every single bit of retail sales tax in the United States, every day, if this bill passes. And I don't think that is our intent.

I don't care if we have 30 amendments; if it needs 40 amendments, we will have to have 40 amendments. The number of amendments has nothing to do with the issue that we are addressing. There are some critical issues here that have to be solved to keep the stability of State and local government—just the stability of it—not increase sales tax, just protect what is there right now.

We introduce these amendments because we don't think there is adequate protection now. An increase in catalog sales, I agree, is a topic for another time. It is very important we don't build electronic loopholes on the Internet, an ever-changing Internet, one that is growing by leaps and bounds, one that is finding new technology virtually every day. What we know as the Internet today is not what we will be using by the time this report comes

out. More people are using it every day.

It is fascinating to me that one of the biggest areas of increased use of the Internet is by senior citizens. It probably has something to do with the quality of entertainment. If they do use computers, they are spending an average of 6 hours a day on the Internet. Part of that is purchasing; part of that is learning.

The stated purpose of this bill is:

To establish a national policy against state and local government interference with interstate commerce on the Internet or interactive computer services, and for other purposes.

Let me repeat that:

To establish a national policy against State and local government interference. . . .

Mr. President, I recognize this body has a constitutional responsibility to regulate interstate commerce. Furthermore, I understand the desire of the bill's sponsors to protect and promote the growth of Internet commerce. Internet commerce is an exciting field. It has a lot of growth potential. The new business will create millions of new jobs in the coming years.

The exciting thing about that for Wyomingites is that our merchants don't have to go where the people are. For people in my State, that means their products are no longer confined to a local market. They don't have to rely on expensive catalogs to sell merchandise to the big city folks. They don't have to travel all the way to Asia to display their goods. The customer can come to us on the Internet. It is a remarkable development, and it will push more growth for small manufacturers in rural America, especially in my State. We are just beginning to see some of the economic potential in the Internet. It is a valuable resource because it provides access on demand. It brings information to your fingertips when you want it and how you want it.

We should probably take another look at using it on the Senate floor, but we need laptops for that; I will save that issue for another day.

Having said that, I do have concerns about the bill before the Senate today. I come to this debate having been the mayor of a small town, Gillette, WY, for 8 years. I later served in the State house for 5 years and the State senate for 5 years. Throughout my public life I have always worked to reduce taxes, to return more of people's hard-earned wages to them.

I am not here to argue in favor of taxes. There were times in Gillette when we had to make tough decisions. I was mayor during the boom time when the size of our town doubled in just a few years. We had to be very creative to be sure that our revenue sources would cover the necessary public services—important services like sewer, water, curb and gutter, filling in potholes, shoveling snow, collecting garbage, mostly water. It is a tough job because the impact of your decision is felt by all of your neighbors. They can look you in the eye. One of the biggest problems with local government is the ''Oh, by the ways.'' You go to dinner and somebody says, ''By the way, I have a little problem. Don't get up and solve it. Tomorrow morning will be fine.'' And tomorrow morning they know if you solved that problem.

Hardly any of those problems is solved without money. When you are the mayor of a small town, you are on call 24 hours a day. You are in the phone book. People can call you at night and tell you that the city sewer is backing up into their house. I was fascinated how they were always sure that it was the city's sewer that was doing it. When they call to say that the power is out, they don't want a delay before it is fixed. When they call to tell you a neighbor has stolen a D–8 Cat and is tearing up the street and driving over sports cars and mailboxes and ripping up sprinkler systems, you have to go to work. Those are exciting things that happen from time to time in cities.

The point is that the government that is closest to the people is also on the shortest time line to get results. I think it is the hardest work. I am very concerned with any piece of legislation that mandates or restricts local government's ability to meet the needs of its citizens. This has the potential to provide electronic loopholes that will take away all of their revenue. It may not seem like a big restriction, it may not exceed the $50 million limit that Congress set in the Unfunded Mandates Reform Act, but it does establish a national policy against State and local government. It does take an affirmative step to tie the hands of local government.

Congress has to be very careful when we pass a law like this. We have to realize the effect of all of those people living at the local level—not the Federal level. I have not met anybody who lives on the Federal level; they all live at the local level.

I am also concerned about the bill's impact on small businesses. My wife Diana and I owned a shoestore on Main Street, Gillette, for 28 years. My wife did most of the managing on that. She greeted the people, she sold the shoes, ran the cash register, swept the floor, all the things that have to be done by a small business.

We recognize the advantage of the Internet for these small businesses, these home-based businesses that were mentioned earlier. Yes, we understand the complications of trying to keep track of every kind of sales tax that is levied across the whole United States regardless of what kind of jurisdiction it is in. That is current law. That is current collection, to some degree, particularly if you have a presence in the State where the product is being sold.

What is a ''presence'' in the State? Internet goes into absolutely every State. There is now the easy capability to set up another corporation in another State that does not have sales tax and still make the sale local, with immediate delivery, and avoid all sales tax through the Internet. That is going to be a problem.

The problem with small business is, we talk about whether a business is 500 employees or just 150 employees. That is not the kind of small business I am talking about. I am talking about sweeping the sidewalk, carrying out the trash, filling out the myriad reams of required Federal paperwork. It really doesn't have much application to your business—probably five employees or less. These are the people who sponsor Little League, the basketball camps, the yearbooks, and all of the other things that happen in municipalities. They donate the raffle prizes and uniforms and they support all kinds of community activity. Every kid in town comes to the local small business and asks for help. Fortunately for America, they donate, and they donate gladly. They serve on the parade committees. They serve on the fair committees. They are the volunteers in the church and in the school and in local government. They are not only the neighbors, they are the customers for a small town for any retailer.

We buy mail-order goods often because they are cheaper; there is no sales tax. That is a part of the pitch that is used. That is like a 5- to 7- to 9-percent reduction.

Congress is now going to decide to prohibit local governments from taxing certain businesses—easy businesses to set up, easy businesses to locate in a State that has no sales tax whatever. We haven't seen anything like this before in the history of the United States, but we are about to see the biggest boom in the Internet that we have ever seen. We need a few amendments to this bill to provide some protection for the current system. I am not talking about expanding, I am talking about the current system.

Are we going to be in the business of picking the tax winners and the tax losers? I am talking about the towns where the people of America live. We know who the losers will be. It will be the small retailer in your town, the one that you rely on to run down and pick up the emergency item.

I do support this amendment. The commission should be allowed to study all of the issues with the Internet, all of the issues related to taxation. They definitely ought to be able to look at those that change with the technology so that the current system of collecting revenues for those towns and States can be preserved. I don't think we have all the answers, or we wouldn't be asking for this bill.

I don't think we are going to have all the answers on the technology that is going to transpire in the next 2 years. So whatever we do, we have to have some amendments that will preserve the way that small business and small towns function at the present time. This amendment will help Congress to

make a decision in the future. It restores language that would be taken out with the Gregg amendment. It is critical for towns, small businesses, and you and me. I urge my colleagues to support it.

I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, I rise in support of the second-degree amendment for all of the reasons previously stated by the Senator from Wyoming, the Senator from Arkansas and the Senator from Florida. I have, beginning with the origin of this bill in the Senate Commerce Committee, been very concerned about exactly what the language in this legislation will mean to this country, to our Main Streets, to our States and local governments.

The issue here is a relatively simple one, and I don't need to restate all of the reasons that were offered by the Senator from Wyoming for being concerned about it. But the genesis of this bill was to be concerned about State and local governments applying ''punitive'' tax programs against Internet commerce. They were worried that this growth of the Internet and the expansion of commerce on the Internet would be retarded by local governments or State governments, seeing that as a big, juicy target, and apply some kind of new discriminatory or punitive tax regime upon it. Therefore, they said, let us at least have a time-out until we understand how to impose some sort of tax system that is fair to the Internet sellers and that does not discriminate against the Internet sellers.

Well, the question here, then, is, if in this legislation where you have a time-out, or a moratorium, and you create a commission during that moratorium to investigate or evaluate all of these issues, why then would you say to that commission that you can take a look at all of this, you can take a look at what this means with respect to Internet commerce, but you cannot look at the other issues; you cannot look at how it relates, Internet commerce versus mail-order firms; you cannot look at how it relates to Internet commerce versus Main Street sellers? What kind of logic is that? If you are going to have a commission to try to figure out how this piece fits in the puzzle, then make sure all the pieces are there. That is all this second degree says—make sure all the pieces are there.

The people who are here saying we don't want to solve this puzzle are people who have a vested interest. They are here, frankly, because of mail-order firms and the Internet. They are saying we don't want anybody to look at all of this. We want a moratorium for the Internet over here, and over here we don't want anybody discussing mail-order issues.

The Senator from Wyoming said he and his wife had a shoestore. I didn't know that. I have never been to their shoestore. I have never shopped in Gillette, WY, and I probably never will shop there. But the issue he raises is essential to this point. When he and his wife opened the door in the morning and displayed shoes for sale in that store, they knew a couple of things: They rented the building, they hired the employees, and they bought an inventory. They opened their door and said: We are in business on Main Street in Gillette, WY. They knew that when somebody came through the door and took their shoes off and got fitted up and bought a brand new shiny pair of shoes, when they paid for it, they had to apply the local sales tax. That is what you have to do on Main Street. You are a tax collector for the local consumption tax in the State of Wyoming. I didn't hear him complain about that. That is what they do on Main Streets all across this country. I believe 45 States have a sales tax.

Another thing he and his wife knew, I am sure, and he is not here to answer the question, but I am sure they knew that if someone three blocks away decided they were not going to go to Main Street to buy shoes today, they were going to buy them through a mail-order catalog, in most cases they will buy those through the catalog without paying a local sales tax or a State sales tax, which means that his local business ended up being undersold by someone, perhaps by 4 percent, maybe 6, or maybe even 7 or 8 percent, because the catalog seller, in most cases, didn't charge the State sales tax.

Is that discriminatory vis-a-vis the Main Street businessperson? I think it is. Of course, it is. Does it mean there is not a tax on the transaction? No, there is a tax. When they mail that pair of shoes from the mail-order catalog house to the person in Gillette, WY, or Fargo, or Bismarck, ND, the person who receives that pair of shoes has a responsibility in most every State to pay a use tax. Of course, they don't know that and they won't ever pay that, but that is the responsibility.

The net result of all of this is that the Main Street folks will end up always being at a disadvantage with respect to taxation versus those who are doing business elsewhere, those who have constructed a catalog and haven't hired the employees, haven't rented a place to do business, and they haven't hired local folks; they have just operated through a catalog.

I happen to think catalog sellers are very important to this country. Frankly, they are wonderful marketers. I think it is wonderful for a lot of people in this country to be able to shop that way. There is no question about that. I think when you look at the tax issue here—whether it is buying it through a catalog or going through a computer and getting on the Internet and buying it through a seller on the Internet or buying it on Main Street—there ought to be some symmetry here in the tax treatment to make sure the tax treatment is not going to retard the growth of the business on Main Street, it is not going to retard the business growth of people who have catalogs and the business opportunities of the people on the Internet.

But what is being said in the underlying amendment is, let's take a look at this only with respect to how it relates to the Internet, and you must ignore everything else. My friend, the Senator from Oregon, says, well, we want to explore everything. But, of course, this says you cannot, you must not; in fact, we are going to fight to the end here to see that you are unable to explore everything. That doesn't make any sense to me. That is what the second-degree amendment is about.

The Senate Finance Committee got this right. It passed a bill, came to the floor, created a commission and said, take a look at all of this. We will have a commission that evaluates and studies all of this with respect to the tax neutrality, with respect to the opportunities in growth, and the impact of these taxes on a wide range of commerce—not just Internet commerce, but a wide range of commerce.

The Senate Finance Committee got it right. The underlying amendment now offered by a couple of good legislators, I think for understandable reasons, would say that the Finance Committee is wrong; this commission must not, cannot, and will not be able to study the whole range of circumstances. The second degree says, no, we don't accept that; we want to insert language that is effectively the language coming out of the Senate Finance Committee.

I say again, as I did yesterday when the Senator from Florida was on the floor, and I say it now to the Senator from Arkansas, who along with the Senator from Florida and the Senator from Wyoming were primary sponsors of the second degree, in my judgment, they are dead right. They are absolutely right on target. I hope that the Senate, notwithstanding whatever curves and straightaways we find with this legislation—I assume this legislation will be worked out in the coming hours and days and, perhaps, be passed tomorrow, and I hope it will be passed in a satisfactory form.

But one of the ways that this legislation will be made a better piece of legislation is to pass this second-degree amendment and restore it to the condition it was in when it came out of the Senate Finance Committee. These folks spent a lot of time on tax issues in the Finance Committee. I used to be on the House Ways and Means Committee in the other body for 10 years, and I spent a lot of time on tax issues. I think the Senate Finance Committee got it right. They said, study these issues, evaluate them all, understand the consequences of them all, and then, with that knowledge, let's make some judgments. That is the purpose of the time-out; that is the purpose of the moratorium.

I have, as the Senator from Oregon stated, spent a fair amount of time

with him, and I think we have made a lot of progress on these issues.

My expectation is we will pass a piece of legislation that is an acceptable piece of legislation that has a timeout moratorium. But it must, in my judgment, include this in order to really give us the assurance that that moratorium is used effectively by a commission that has divisions to look at all of these issues.

I yield the floor.

Mr. LIEBERMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. I thank the Chair.

Mr. President, I rise to oppose the amendment offered by the Senator from Arkansas and others and to express my support of the underlying amendment offered in the first instance by the Senator from Arizona, the chairman of the committee. I am proud to be a cosponsor of that one.

I was a cosponsor of the initial legislation, one of the pieces of legislation earlier in the session, along with my colleague from New Hampshire, Senator GREGG, which had the intention of trying to create some order and predictability and a little space for this extraordinary new area of economic activity, activity which has benefited so many people around our country, which is to say, e-commerce over the Internet.

The aim was to say to the taxing jurisdictions, of which there are thousands and thousands and thousands—30,000, as a matter of fact—potential taxing jurisdictions which exist in the United States, catch your breath, sit back, and let this new sector of our economy—Internet commerce, e-commerce, which the United States is heading and which has benefited so many people, which has created so many jobs—let it grow out of its infancy before we begin to put the teeth of the taxman into various parts of its anatomy; and let's let this commission begin to grow some ground rules for the consistent and fair handling of this new area of economic activity.

The fact is today that an Internet service provider, or a merchant selling goods or services over the Internet, has no way of knowing in advance whether a State decides to tax them. As an example, in New Mexico, Internet access charges are subject to New Mexico gross receipts taxes. In Ohio, their sales are taxed as an electronic information service; in Tennessee, it is a telecommunications service; in my own State of Connecticut, as a computer and data processing services. Texas officials, I gather, have threatened to tax transactions that go through Internet servers in its State, even if the buyer and seller, in conventional terms, are not located in the State of Texas.

The uncertainty of this tax liability is real and is having what you would expect—a negative, destabilizing effect on this business. Peat Marwick, a respected, recognized firm, just released a survey of industry executives of companies that sell over the Internet. Fifty percent of the executives said that the current State tax ambiguities and conflicting tax treatment of electronic commerce among the States are inhibiting their companies' involvement in electronic commerce. Ninety percent describe the current State sales tax procedures with regard to electronic commerce as ''overly burdensome,'' and 75 percent expressed their concern that State and local tax laws will place their companies at a disadvantage. It is because the industry is in its infancy.

A predictable legal environment is exactly what the President's Report on Electronic Commerce recommended that we promote internationally. In fact, the administration has been sending out emissaries over the last year to persuade international organizations and individual countries to agree to create a predictable legal environment for the spread of electronic commerce. That is not only fair, it is good for American business, which happens to have a lead over business in any other countries in the effective use of the Internet.

What the underlying bill, the underlying amendment, is saying is that it is time that we create the same sense of predictability here in the United States that our Government is urging on countries around the world. That is what this commission would do.

The commission is asked to draft model State legislation that creates uniform definitions and categories of commercial transactions on the Internet so that States will be using the same vocabulary when it comes to categorizing the tax liabilities of an Internet company, or transaction—not unifying a tax rate among States, but creating a legal environment in which companies can do business.

The National Commission on Uniform State Legislation has been working for the past 2 years on updating the treatment of Internet transactions according to various State laws. But it has not looked directly at taxes. This commission that would be created by this legislation would work with the national commission and other groups that have already been active in trying to update laws to be certain that Internet commerce is treated fairly. We would extend their work through this commission in the tax arena.

I want to stress that the measure introduced by the distinguished chairman of committee, the Senator from Arizona—Senator GREGG, I, and others are proud to be cosponsors—does not preclude the commission created by this legislation from considering the question of nexus or taxation of remote sales. The danger in this amendment before us, the second-degree amendment, is that it singles these particular questions out as a requirement and thereby, I think, puts the commission in danger of falling into a very dense thicket.

A battle has been waging for more than three decades, and taken right to the Supreme Court at one point, as to how remote sales by catalog-telephone sales would be taxed by the 30,000 taxing jurisdictions in the States in the country. In so doing, I think the amendment threatens what is and should be the focus of the commission, which is to direct its attention on this extraordinary new sector of commerce, Internet commerce, and it runs the risk really of getting the commission so tied up in the thicket of remote sales that it will never really contribute what we hope it will to creating some order and predictability in e-commerce.

Mr. President, the fact is that this commission that is created by the underlying legislation may well—I think we who are its sponsors hope it will—create some language to reach some judgments that may in fact offer some counsel and help in this ongoing debate about taxation of remote sales, but let that happen naturally—that is my hope and prayer—as opposed to forcing it into the second-degree amendment in a way that would run the risk of destroying the underlying purpose of the proposal, and in that sense doing damage to Internet commerce and all who both benefit from it as consumers and benefit from it because they work in companies that are using it.

I want to mention one other matter before closing. That is this: There are times when we talk about Main Street and the effect of Internet commerce on Main Street as if it were, one wins and one loses.

The reality is that e-commerce has the potential to expand the winner's circle, to make more winners. I want to cite real cases from Connecticut which I learned about in the last 6 months to a year, and I think are typical of what is happening all over the country.

First, let me say that a recent survey in Connecticut found that 38 percent of small- and medium-sized companies have a web page—almost two out of five. A little over half of those are using their web page to sell goods and services—right now. And 21 percent are planning to add a web page next year. I am sure those numbers are going to grow dramatically in coming years.

The fact is, insofar as some folks who are in taxing jurisdictions and the concern of this amendment has to do with treatment of direct mail-order sales or phone sales, if the mail-order catalogs that I get at my house are any indication of what the future is, I am being truly encouraged, aggressively encouraged by those catalogs instead of calling up, to use the Internet. So I think more and more of that kind of commerce will be done by e-commerce.

But let me give you two great examples from home about the effect that the Internet is having on Main Street. A small company in old Broad Brook, CT, beautiful town by the water on Long Island Sound, called Stencil Ease, family-owned, 18 employees, sells stencils for home decorating and crafts. It

started a web page in 1996. They have been averaging 100 to 200 hits a day. Their sales increased 10 percent the first year due to the web site and 20 percent the next year.

Here is a startling story in the second one—Coastal Tool & Supply. I have been there. It is a small, family-run hardware store in Hartford, CT, capital city. It was threatened, interestingly, by a location nearby of one of the large chain hardware stores. It was having a hard time. They decided to go on the Internet, in a sense to leap over the big competitor down the street. I think it was Home Depot, but it doesn't matter—a big competitor down the street and in a sense enter the global main street and hired a very able young man, skilled in computer matters, who put their catalog essentially on the Internet. Sales have grown almost 500 percent. They are doing more business over the Internet than they are from people coming into the store.

So this is what the future holds, and it is a situation, if we do it right, where not only the big companies, but a lot of mom-and-pop stores and businesses are going to be able to benefit from Internet sales.

Now, as it grows, it will actually have an effect on taxing jurisdictions, and we will naturally, in the normal order of business, want to create an opportunity for equity and to protect State and local jurisdictions that we represent. But this is not the time to do it, and this amendment is not the place to do it. Let's let this commission deal with the unique problems of e-commerce.

Mr. WYDEN. Will the Senator yield?

Mr. LIEBERMAN. I will be glad to yield to my friend from Oregon.

Mr. WYDEN. I want to say that I think the Senator has made an especially effective approach and tell him that hardware account he gave is essentially what this legislation is all about. There has been discussion about who benefits here, huge corporations and the like. The people who benefit here are the 100,000 home-based businesses in my State, the hardware store that the Senator from Connecticut is talking about.

The reason why that is the case is that the Internet is a great equalizer for those small businesses. The small businesses now that we are seeing in the State of the Senator from Connecticut and rural Oregon are having great difficulty today competing against the Wal-Marts of the world. They do not have huge advertising budgets like Wal-Mart. They don't have batteries of lawyers and accountants. These are small, entrepreneurial operations that now look at the Internet as a tool that can trampoline them into extraordinary economic opportunities they have never had.

Without this legislation and the good work that has been done by the Senator from Connecticut and the Senator from New Hampshire, if you are a small, home-based business in Oregon or Connecticut, you may well face a good chunk of the thousands of taxing jurisdictions in our country looking at your business as a cash cow.

One of our colleagues said the threat here is the World Wide Web would become the ''World Wide Wallet'' if that kind of approach went forward.

So what the Senator was talking about with respect to that hardware store account is why I introduced this legislation early in 1997. That is the very kind of operation that I think we ought to be looking to grow in the 21st century.

I thank the Senator for yielding me this time. I heard his account of the hardware store from the Cloakroom, and I think some have said—in fact, I heard it again today—that this was about Amazon.com or someone like that. Those people are not going to be in need of this kind of approach. This is going to benefit the small entrepreneurs, the home-based business, the kind of person the Senator from Connecticut is talking about. I thank him for yielding me this time.

Mr. LIEBERMAN. I thank the Senator from Oregon for his comments. I thank him for his leadership. Senator GREGG and I were happy to merge together with the work the Senator from Oregon and the Senator from Arizona have done.

I want to end with one story the Senator from Oregon has stimulated in my memory when I visited that hardware store. It shows how you not only jump over the big store down the block but into the global shopping mall.

One of their favorite stories—and this is not a pure market example because the particular customer I am about to refer to is from a Middle Eastern country—is about a man who happened to work for his country's national airlines, so his trip here was paid for, but he needed some large, heavy tools. He went on the Internet, found his way to the Coastal Tool & Supply web site, competitively priced, figured out the advantage, was on a flight to New York as part of his normal work, got off the plane, rented a truck, drove up to Hartford, bought the tools that he needed, drove back, put them on the plane, and went back to the Middle East, all smart shopping and good for business.

So I hope that our colleagues will resist the allures of this second-degree amendment and will not disrupt the noble and, I think, very necessary intention of the underlying bill. We can come back some other day, hopefully, informed by the work of the commission created herein to deal with the border problems that I know concern the Senator from Arkansas and the other cosponsors of the amendment.

I yield the floor.

Mr. HUTCHINSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. HUTCHINSON. I thank the Chair. I just want to make a few closing observations of my perspective on this second-degree amendment and clarify a few things that I think are not representative at all of what this second-degree amendment does.

May I just say also, being the Senator from the State of Arkansas and being from the hometown in which Wal-Mart stores are nationally headquartered, world wide headquartered, and Wal-Mart has been disparagingly mentioned several times——

Mr. WYDEN. Will the Senator yield?

Mr. HUTCHINSON. Not at this time. In my office in the Dirksen Building I have a hanging portrait of the 5-&-10-cent store where Sam Walton started the Wal-Mart stores. There is nothing in this amendment that is antientrepreneur. The fact is that Wal-Mart, with their huge advertising budget, as it was alluded to, started as a little 5-&-10-cent store, as a mom-and-pop store in Arkansas. That is an American success story which ought to be applauded, not disparaged. Every American ought to have that opportunity, to have that dream. We ought not with legislation undercut that little Main Street store that cannot be replicated, cannot be replaced. No matter how great the Internet is, no matter how great catalogs are, they cannot replace that store on Main Street giving to the little league and supporting the local efforts and local initiatives.

A couple other things. It has been implied that somehow this amendment, this second-degree amendment would mandate that they focus the study, the commission focus their study on interstate sales. Nothing could be further from the truth. If you look at the bill, it says, and I quote, ''may include in the study *under subsection,'' may include a study of. It is, in fact, the Gregg amendment, the McCain-Gregg amendment that excludes even their authorization to study the impact, the obvious impact of remote sales including catalog, including Internet, all of the Internet remote sales, its impact upon small businesses and upon local and State government. It simply says ''may.'' It is simply authorizing, permissive language. It is, in fact, the House bill that mandated that they study this area and its impact, because it is so obvious the impact that it could potentially have, and that any study that should be done, if it is in fact to be a thorough study, must include this area.

It is the proponents of the Gregg amendment who would say what the Finance Committee did by a vote of 19 to 1 should be overturned. The Finance Committee, led by Senator ROTH, included a study of these issues—and they should be included. They should be studied. The language in the bill says ''thorough study.'' How can you have a thorough study and then delete the area of interstate sales? It puzzles me. How can anyone object to having a broader study that would include all of the various issues involved in a very complex subject?

It has been implied that somehow this second-degree amendment, which would say this issue ought to be studied, is protax. My goodness, anybody who has ever looked at TIM HUTCHINSON's record in the statehouse in Arkansas, the U.S. House of Representatives, and the U.S. Senate, would have a hard time believing this amendment I am offering is protax or somehow a roadmap to higher taxes. Nothing could be further from the truth. We are not prejudging any kind of conclusions or any kind of recommendations that this commission might make. And, I remind my colleagues, it requires a two-thirds vote of the members of the commission to make any recommendation, and that is all they can make, is a recommendation. The final say remains with the Congress.

How in the world can you say this somehow is going to lead to higher taxes or somehow thwart the growth of the Internet? And that, may I say, has been another mischaracterization of this amendment—that it is somehow not only protax but anti-Internet.

We have applauded, and I applaud, the growth of the Internet. I quoted the statistics, from $8 billion in 1998 to the estimated $300 billion in sales in the year 2002; that is a good thing. But while it is a good thing, we should not be so blind as to think it is not going to have serious consequences, serious impacts, that ought to be examined in advance.

I support the bill. I support the timeout. I support the pause. I support the moratorium. But I also believe, if we are going to have a study, it ought to truly be a thorough study. It ought not say look at everything but don't look at the impact upon business, don't look at the impact upon the city government or the State government. It ought to truly be a thorough study. You cannot deal with these issues in a vacuum. They are interrelated, all of these, and they need to be, in fact, thoroughly studied.

Let me just conclude by saying I thought Senator ENZI's comments were moving. I, like Senator DORGAN, did not realize that he and his wife operated a little Main Street shoestore for over 20 years in Gillette, WY. I did not know that. I had a great appreciation for Senator ENZI. I have a greater appreciation now. But I think also that, as he paid those sales taxes day in and day out, as he made the struggles that any small business person makes in order to stay in existence, as he contributed to the Little League, as he contributed to the United Way, as he did everything that only a physical entity actually being right there in the community can do—irreplaceable—that we need to consider them, we need to think about them, as we pass this needed legislation.

I believe if they will simply look at the language of the second-degree amendment restoring what the Finance Committee did by a 19-to-1 vote and saying this is an area that ought to be examined, ought to be looked at, then I think my colleagues will realize that in fact it does make good sense and they will support it. I ask for their support.

I yield the floor.

The PRESIDING OFFICER (Mr. SESSIONS). The Senator from Arizona.

Mr. MCCAIN. Mr. President, the amendment does not say anything about what to do or not to do. What we are talking about here is whether the commission should say we should overturn the Quill decision. That is what we get down to, if we want to get through all the rhetoric and language about this. We don't think the Quill decision should be overturned. Obviously, the proponents of the amendment do, and that really is, to a significant degree, what this amendment is all about.

Mr. President, I move to table the amendment and ask for the yeas and nays.

Mr. BUMPERS. Mr. President, will the Senator withhold for about 2 minutes?

Mr. MCCAIN. I will be glad to withhold for 2 minutes before I make the motion to table.

Mr. BUMPERS. I thank the distinguished manager very much.

Mr. President, this is really a strange scenario for me. I have fought for years to allow States to do exactly what the Supreme Court, in the Quill decision, said we had the right to do, and that was to allow States to make mail order houses collect sales taxes on merchandise being shipped into our respective States. That is what the Supreme Court said. We would not be overturning the Quill decision. We would simply be taking advantage of what the Supreme Court said we had a right to do: Remove the interstate commerce clause as a burden and allow the States, 45 of whom have sales taxes on merchandise from out of State—allow those States who have passed those laws to implement them. They cannot be implemented. We are saying we do not care what kind of laws you pass at the State level, we are not going to allow you to implement them.

Last week we once again killed my amendment to allow states to mandate that remote sellers collect the taxes they ought to. Yesterday, the Senate decided that we cannot even make Internet sellers alert consumers to the fact that there is a sales tax in the State. We cannot even tell them to alert people to the fact that somebody may knock on their door from their state revenue department and try to collect the unpaid use tax. Think about that. Mr. President, 45 States have a sales tax and we voted yesterday not to even require Internet sellers to tell consumers there may be a tax on their purchases.

Now we come here today saying we cannot even study it. My God, how far are we going to go?

The PRESIDING OFFICER. The 2 minutes has expired.

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

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 legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) and the Senator from South Carolina (Mr. HOLLINGS) are necessarily absent.

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

The result was announced—yeas 30, nays 68, as follows:

[Rollcall Vote No. 304 Leg.]

YEAS—30

Boxer	Gregg	Moseley-Braun
Burns	Hagel	Murray
Campbell	Kempthorne	Shelby
Coats	Kerry	Smith (NH)
Collins	Kohl	Smith (OR)
Craig	Kyl	Snowe
Dodd	Lautenberg	Stevens
Faircloth	Lieberman	Thompson
Frist	McCain	Torricelli
Grams	McConnell	Wyden

NAYS—68

Abraham	Dorgan	Levin
Akaka	Durbin	Lott
Allard	Enzi	Lugar
Ashcroft	Feingold	Mack
Baucus	Feinstein	Mikulski
Bennett	Ford	Moynihan
Biden	Gorton	Murkowski
Bingaman	Graham	Nickles
Bond	Gramm	Reed
Breaux	Grassley	Reid
Brownback	Harkin	Robb
Bryan	Hatch	Roberts
Bumpers	Helms	Rockefeller
Byrd	Hutchinson	Roth
Chafee	Hutchison	Santorum
Cleland	Inhofe	Sarbanes
Cochran	Inouye	Sessions
Conrad	Jeffords	Specter
Coverdell	Johnson	Thomas
D'Amato	Kennedy	Thurmond
Daschle	Kerrey	Warner
DeWine	Landrieu	Wellstone
Domenici	Leahy	

NOT VOTING—2

Glenn	Hollings

The motion to lay on the table the amendment (No. 3760), as modified, was rejected.

Mr. MCCAIN. Mr. President, the Senate has spoken. I move that we adopt the underlying amendment and the pending amendment.

The PRESIDING OFFICER. The question is on the second-degree amendment.

Without objection, the amendment is agreed to.

The amendment (No. 3760), as modified, was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 3722, AS AMENDED

The PRESIDING OFFICER. The question is on the first-degree amendment.

The amendment (No. 3722), as amended, was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENTS NOS. 3732 AND 3733, EN BLOC

Mr. MCCAIN. Mr. President, I send two amendments to the desk, en bloc, and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN] proposes amendments numbered 3732 and 3733, en bloc.

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

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

The amendments are as follows:

AMENDMENT NO. 3732

(Purpose: To modify the duties of the Commission)

On page 22, line 2, strike ''interstate'' and insert ''instrastate, interstate''.

AMENDMENT NO. 3733

(Purpose: To modify the report of the Commission)

On page 25, line 12, insert ''Any recommendation agreed to by the Commission shall be tax and technologically neutral and apply to all forms of remote commerce.'' after ''this title.''.

Mr. MCCAIN. These have been accepted by both sides. I know of no further debate.

The PRESIDING OFFICER. If there is no further debate, without objection, the amendments are agreed to.

The amendments (No. 3732 and No. 3733), en bloc, were agreed to.

Mr. MCCAIN. Mr. President, we are now down to basically two issues about which the Senator from Wyoming, the Senator from North Dakota, and the Senator from Oregon are deeply concerned. We are negotiating those. We hope we can get an agreement on those so that we can finish up on this legislation. If not, we will probably have votes on those two issues. But we have resolved the remaining amendments, except for those two. There is more than one amendment associated with those two issues. But if we can get that agreement within the next half hour or so, I think we can move to final passage. I thank the Senator from North Dakota for his cooperation with this difficult issue.

I yield the floor.

Mr. DORGAN. Mr. President, it is also my hope that in a relatively short period of time we will be able to resolve the remaining issues. We have made a lot of progress on the bill. I will say again that the Senator from Arizona has done an excellent job, and the Senator from Oregon and others have pushed very hard to get us to this point. There are other significant issues, but I expect to get them resolved in relatively short order. I hope we will make the final progress necessary on this piece of legislation.

I yield the floor.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. LOTT. Mr. President, we are working on a unanimous consent agreement now that we hope we can get approved, which would allow us to get to a conclusion and a final vote on the Internet tax freedom bill. I commend all who have been involved, including Senators MCCAIN, DORGAN and WYDEN. I believe we can actually get to a conclusion. There has been the possibility that it would be tangled up in other matters, but I think maybe we have an agreement that will allow us to complete that.

UNANIMOUS CONSENT REQUEST—S.J. RES. 40

Mr. LOTT. Mr. President, I ask unanimous consent that the majority leader, after consultation with the Democratic leader, may proceed to the consideration of S.J. Res. 40, proposing an amendment to the Constitution of the United States prohibiting the physical desecration of the flag; further, that there be 2 hours of debate equally divided on the resolution, with no amendments or motions in order, and at the conclusion or yielding back of time, the Senate proceed to vote on passage of the resolution.

The PRESIDING OFFICER. Is there objection?

Mr. KERREY. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

UNANIMOUS CONSENT REQUEST—S. 505

Mr. LOTT. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. 505, and that the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Is there objection?

Mr. DODD. Mr. President, reserving the right to object, is this the copyright bill?

Mr. LOTT. Yes.

Mr. DODD. I don't want to object, but I have been asked about clearing this. Maybe a couple of us have questions about this. If the majority leader will withhold for about 15 minutes so we might be able to clear it up, we would appreciate it.

Mr. LOTT. That is a reasonable request. I will withhold on that. I had believed that we cleared it with both sides of the aisle, but some Members may not have had a chance to check on it.

Mr. LEAHY. Mr. President, I take the blame for that. I assumed it had been cleared. The Senator from Connecticut said he had an issue, so if the majority leader will give us a few minutes to see if we can work it out.

Mr. LOTT. I will do that.

Let me just say again that I hope we can get this cleared because it looks like, after a lot of hard and good work by a number of Senators—Senator HATCH worked very hard on this—that we are now in the position of being able to move the music licensing issue, the copyright bill, the international property issue, the international treaty; those are three major achievements that I thought a week ago we probably could not get done. They are all interrelated, actually. I hope we can get clearance to move forward on these issues. This is a reasonable request, and I withhold the unanimous consent request at this time.

Mr. LEAHY. Mr. President, will the Senator from Mississippi yield to me for a moment on this?

Mr. LOTT. I yield to the Senator from Vermont.

Mr. LEAHY. The Senator from Mississippi is right. He has been working very hard with both sides of the aisle to clear the items he has mentioned. As he knows, we have been working very hard, as well. These are extraordinarily complex pieces of legislation. Unfortunately, the more complex they are, the more like a Rubik's Cube they are. I think we are extremely close, and we will continue to work with him. I compliment him on his efforts to help work these out.

Mr. LOTT. Again, I say that I appreciate the help from Senator LEAHY, and I also urge that we do this as soon as we can, because, as you know, at this late stage of the game, sometimes people come in with unrelated issues that start causing problems. Let's do it as quickly as we can.

I yield the floor.

OBJECTION TO 2–HOUR TIME AGREEMENT ON S.J. RES. 40

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I will be very brief on this. There was another unanimous consent request just now to which the distinguished senior Senator from Nebraska objected. I join in that objection. The Senator from Nebraska is a distinguished veteran. In fact, he is the only person I have ever served with in either body that has been awarded the Congressional Medal of Honor. He is a servant of his country in every sense of the word.

Mr. President, the reason we were objecting is not that people would hesitate to vote on this, but a 2-hour proposal is not realistic. We are dealing here with a proposal to amend the Constitution of the United States. That is something that, as Madison put it, should be reserved for ''certain great and extraordinary occasions.''

This is a serious issue—one deserving of our full attention, our most thoughtful consideration, and our most serious debate. Instead, we are asked to consider this at the most hectic time of

the entire legislative calendar—at the end of a session when the attention of Senators quite properly is focused on passing the necessary appropriations bills so that we will not once again shut down the Federal Government. This is inappropriate timing. I might say that it is entirely unnecessary.

This amendment was reported by the Judiciary Committee on June 24, over 3 months ago. The committee report was sent to the Senate on September 1, over a month ago. This amendment could have been brought up at any time.

I ask, why is it being proposed to be brought up now? It would be nothing less than irresponsible for us to consider it in the short, hectic time line that is available. As if this matter could be made worse, we are asked to consider it not only during 2 hours of debate, but also when one of our most distinguished colleagues, also a distinguished veteran of World War II and of the Korean conflict, Senator GLENN, necessarily is absent on a dangerous and important project on behalf of the Nation.

Frankly—I don't want to interrupt the conversation going on to the right of me, Mr. President. So I will withhold for a moment.

The PRESIDING OFFICER. May we please have order on the Senate floor?

The Senator from Vermont.

Mr. LEAHY. I thank the Chair.

No one has fought harder for the flag than JOHN GLENN. No one has fought harder than he to protect the Bill of Rights. It shocks and really offends me that the proponents of this amendment would take advantage of his absence to debate this proposal as he embarks once again in harm's way in the service of the United States.

I am astounded to have something as important as an amendment to the Constitution of the United States called up at this late date in the session. We are less than a week away from adjournment. We have important work to do—work that cannot wait. And to call this up seems even less responsible when you consider the restraint of some of our other Members.

This is not the only constitutional amendment pending before the Congress. The Senator from Arizona, Mr. KYL, and the Senator from California, Mrs. FEINSTEIN, have worked long and hard on an amendment to the Constitution to deal with the rights of victims of crime. While I have not supported that amendment and very much am for a statutory approach to that important issue, I know that it was propounded in a responsible fashion. Both Senator KYL and Senator FEINSTEIN came to the floor just a few days ago, on September 28, to acknowledge that as much as they support the amendment, there simply is not time left in the session to consider it properly.

The Senator from Arizona made this point: ''It has been very difficult in the waning days of the session to get floor time to take up even the most mundane of bills, because the Senate is very much concentrated on getting the appropriations bills passed so that we can fund the Government.'' He went on to note: ''We understood that for something as important as amending the Constitution we want to do it right. The last thing Senator FEINSTEIN and I would ever do is hurry an amendment to the U.S. Constitution to try to push this through without an adequate debate without giving everyone an opportunity to have their say.''

The last thing we would ever do, as these two distinguished Senators said, is to hurry an amendment to the U.S. Constitution. Frankly, that should be the last thing any U.S. Senator should do—Republican or Democrat. But to ask to consider an amendment to the Constitution that would for the first time in our history cut back on the First Amendment and to propose that the Senate do so under a 2-hour time agreement would be just that. It comes across as just politics.

The sponsor of this amendment, the distinguished senior Senator from Utah, told reporters last Friday that he did not have the votes to win it, that this amendment was not going to pass. If it is not going to pass, why are we even being asked to bring it up as a constitutional amendment in these waning days? It is because it is not a question of passing this amendment that the request is being made. It is to get some material for a campaign commercial. It is for a sound bite, for 30-second attack ads, politics at its worst. It has less to do with passing an amendment than with avoiding things that we should be doing, like HMO reform, or protecting the Social Security system, or protecting veterans' health care.

In the closing days of a session, where Congress has not passed a budget, which was required to be passed by April 15, where both sides flirt with the idea of what might happen with another Government shutdown, we should be completing the matters that must be completed this week.

Obviously, there will be amendments that may come up from all sides for political points. But the one place that should be off limits for such political points is the Constitution of the United States—this short and powerful document that holds the greatest democracy history has ever known together. We should not trivialize it by talking about a 2-hour debate to amend it.

Mr. President, even as we speak here today, this Congress is facing a major test of our Constitution just down the hall in the other body. This is a test that no matter how one looks at it, no matter what position one takes, whether that of special prosecutor Starr, that of the President, or that of anybody else, the American people, no matter how they feel about this, have some sense that the bedrock of our country is our Constitution, and somehow the Constitution, if upheld by 535 people, men and women who are sworn in a most solemn oath to uphold that Constitution, that somehow the Constitution will pull us through.

Mr. President, having said that, I believe that no matter how much politics may or may not get played, that in the end the American people will be justified in relying on us and the Constitution. But we do not give them hopes in that if we in turn trivialize the Constitution.

At one time this year, I am told, there were over 100 amendments filed in the Congress to the Constitution—over 100 amendments. Somehow some feel that Congress should be considering over 100 amendments and asking this great country to consider 100 amendments to its Constitution.

Mr. President, the genius of our Constitution and the reason why this democracy has been able to survive is that we have been very careful about amending it—extremely careful about amending it, because we like the integrity of it, the consistency of it, and in some ways the comfort of a Constitution that we know so well.

So we should never hurry through an amendment to the U.S. Constitution. We should never try to push one through without an adequate debate. We should never try to do it without giving everyone an opportunity to have their say. Especially today, Mr. President, with the crisis the country faces, we of all people—the Members of the U.S. Senate—should make it very clear to the country that we revere the Constitution, and that, whatever else we may get involved in with regard to politics, the Constitution will not be part of that.

There are over a quarter billion Americans—over a quarter of a billion Americans. Only 100 of us get the opportunity to serve in this Chamber at any time. The seat I now hold, in the last 58 years only two Vermonters have held this seat. I am one of the two in 58 years. It is a great privilege. Frankly, it is one that humbles me every day when I come to work. I still feel the same thrill coming up this Hill and coming into this Chamber as I felt when I was a day away from being a 34-year-old prosecutor in Vermont and was the junior-most Member of the U.S. Senate.

Part of that thrill is to know that it is a rare opportunity, a rare privilege, an honor that I have never been absolutely sure I deserve, but one I cherish, given to me by the people of Vermont to represent them and to speak as one of the 100 voices for this country, in full knowledge that there will be somebody else outstanding at this seat who will also represent my State of Vermont and the United States. But I hope that they will carry with them the same reverence for the Constitution that I feel I carry. There will be times to amend the Constitution. We did it after the tragic death of President Kennedy to allow for the succession of a Vice President. Time showed the necessity for it and the American public

came together and knew the need for it.

But let us make it very clear how we feel about the Constitution and the Bill of Rights, as the 100 who hold this responsibility, so that the American people know that if we are going to change our Constitution, we will do it with real debate and real consideration, and all 100 of us will be able to stand up on this floor and vote.

Now, the entire Senate has known—in fact, the Nation has known—for weeks that Senator GLENN would be unavailable this week, and certainly that alone would be a reason not to bring this up now. Senator GLENN is one of the most distinguished Americans of all time. He obviously should have a chance to vote on this. So I am glad the Senator from Nebraska has lodged the objection he did. I concur with it. I have voted on this proposed constitutional amendment before. I am not afraid to do so again. But the First Amendment, the Constitution, the Bill of Rights deserve more than cursory attention.

Let us all make it clear to the people of this country that the Constitution stands first and foremost. We serve here only for the time our States allow us to serve. The Constitution predated us and will be here after us.

I see the distinguished majority leader once again in the Chamber, and so I will yield the floor.

UNANIMOUS CONSENT REQUEST—S. 505

The PRESIDING OFFICER (Ms. COLLINS). The majority leader is recognized.

Mr. LOTT. I thank the Chair. I thank Senator LEAHY for completing his remarks so we could proceed with this unanimous consent agreement.

This is with regard to S. 505, the copyright bill. I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. 505 and the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection——

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Madam President, I am told there is one other Senator who still has a question on this, and I would tell my friend from Mississippi that as a result of that, while I have no objection to this unanimous consent agreement, and I will be supporting the bill and have worked hard on the bill, there is an objection over here and I will have to lodge an objection.

Mr. LOTT. I will withhold the unanimous consent request, but I would once again like to urge my colleagues to agree to this. This is a very important bill that work has been done on for a period of months, and it also is connected to the music licensing issue which has been worked out. It has been extremely tedious, working with all the interested parties, but they have been responsible, they have agreed, and I want to commend and thank all of those who worked with us and helped us reach agreement with music licensing, including the Restaurant Association, the National Federation of Independent Businesses, and the writers who have been involved in this music issue, including BMI and ASCAP and others. They have all given more than they wanted to, but I think we have come to a reasonable agreement. And then also, it is connected to the treaty with regard to intellectual property.

So I will withhold at this time, but I hope Senators will not begin putting a hold on this very important legislation because of unrelated issues that we probably are going to get resolved in the next 2 days anyway.

Mr. LEAHY. Madam President, I say to my friend from Mississippi, I have worked on each one of these pieces of legislation so much. There are times when I have attempted to pull out what little bit of hair I have left, and, frankly, I hope we can move this. I will personally go to anybody who is lodging objection to see what I can do to clear it up, because I absolutely concur with the Senator from Mississippi and the Senator from South Dakota, the Democratic leader, that this is something which should be moved forward; we want to move it forward. I hope I can tell the distinguished majority leader within a few minutes we do have it cleared.

Mr. LOTT. I yield the floor, 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.

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.

COPYRIGHT TERM EXTENSION ACT OF 1997

Mr. LOTT. I renew my unanimous consent request that the Judiciary Committee be discharged from further consideration of S. 505, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will report.

The bill clerk read as follows:

A bill (S. 505) to amend the provisions of title 17, United States Code, with respect to the duration of copyright, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 3782

Mr. LOTT. Senator HATCH has a substitute amendment at the desk. I ask for its consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Mississippi [Mr. LOTT], for Mr. HATCH, proposes an amendment numbered 3782.

Mr. LOTT. Madam 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. LEAHY. Madam President, I am delighted that the Senate is finally considering the Copyright Term Extension Act.

Copyright has been the engine that has traditionally converted the energy of artistic creativity into publicly available art and entertainment. Historically, government's role has been to encourage creativity and innovation by protecting rights that create incentives for such activity through copyright.

On July 1, 1995, the European Union issued a directive to its member countries mandating a copyright term of 20 years longer than the term in the U.S. As a result, the E.U. will not have to guard American works beyond the American term limit, whereas European works will have 20 years more security and revenues in the marketplace.

The songwriter Carlos Santana put it eloquently in his statement submitted to the Senate Judiciary Committee three years ago on this subject, ''As an American songwriter whose works are performed throughout the world, I find it unacceptable that I am accorded inferior copyright protection in the world marketplace.''

His reasons are as relevant today as the day he made that statement. The 1998 Report on Copyright Industries in the U.S. Economy issued by the International Intellectual Property Alliance indicates just how important the U.S. copyright industries are today to American jobs and the economy and, therefore, how important it is for the U.S. to give its copyright industries at least the level of protection that is enjoyed by European Union industries.

The Report indicates that from the years 1977 through 1996, the U.S. copyright industries' share of the gross national product grew more than twice as fast as the remainder of the economy. During those same 20 years, job growth in core copyright industries was nearly three times the employment growth in the economy as a whole. These statistics underscore why it is so important that we finally pass this legislation today.

I cosponsored the original Senate copyright term legislation, the Copyright Term Extension Act of 1995, S. 483. The Senate Judiciary Committee held a hearing on that bill on September 20, 1995. At that hearing, we heard the testimony of Marybeth Peters, Register of Copyrights, and Bruce Lehman, Assistant Secretary of Commerce and Commissioner of the Patent and

Trademark Office. We also heard testimony of Jack Valenti, President and CEO of the Motion Picture Association of America, Alan Menken, a composer and lyricist, Patrick Alger, President of the Nashville Songwriters Association International, and Peter Jaszi, Professor at American University, Washington, College of Law. That bill was favorably reported to the Senate, and the Committee filed its report, Senate Report No. 104–315, on May 23, 1996.

Alert to the possibility that copyright term extension could impose unintended costs, I, along with Senators KENNEDY, DODD, Brown and Simpson, asked Marybeth Peters, Register of Copyrights, and Daniel Mulhollan, Director of Congressional Research Service, to conduct a study and issue a report to Congress on the financial implications of copyright term extension. The Congressional Research Service issued its report on February 17, 1998, and the Copyright Office issued its report February 23, 1998.

This Congress, I introduced the Copyright Term Extension Act, S. 505, on March 20, 1997, along with Senators HATCH, D'AMATO, THOMPSON, ABRAHAM and FEINSTEIN. Despite the merits of passing copyright term extension legislation, the bill has been held hostage to other matters far too long. In the global world of the next century, competition in the realm of intellectual property will reach a ferocity even more ruthless than it is today. Congress should equip American creators with a full measure of protection for their copyrighted works, else U.S. intellectual property owners are reduced in their reach and their effectiveness. I am therefore pleased that the Senate is finally considering the Copyright Term Extension Act, and I urge its passage.

Mr. KENNEDY. Madam President, I am pleased that the Senate is enacting this legislation to extend the period of copyright protection for an additional twenty years. This extension is needed to coordinate the term of copyright for our creative authors and artists with their European counterparts.

The principles of copyright are established in the Constitution. They reflect our enduring belief that our nation prospers when it advances knowledge, understanding and the arts. As President Kennedy said, ''There is a connection, hard to explain logically but easy to feel, between achievement in public life and progress in the arts. The age of Pericles was also the age of Phidias. The age of Lorenzo de Medici was also the age of Leonardo da Vinci. The age of Elizabeth was also the age of Shakespeare.''

Effective copyright protection is an important national priority. If the United States is to continue its leadership in world of ideas and creativity, we must continue to provide a climate that encourages America's authors, artists, inventors and composers and the important work that they do.

The pending legislation also includes an important compromise on the music licensing issue that has prevented adoption of copyright term legislation until now. I am pleased that agreement has been reached between the business and the music licensing communities so that musical authors and composers can enjoy an appropriate return from their creative achievements.

Finally, the bill also includes an important reference to the current negotiations between the film industry and its guilds. It is gratifying that negotiations will be taking place on the appropriate division of residuals from the earliest films, and I hope that the negotiations will be resolved to the satisfaction of both sides on this important issue of fairness.

Overall, I commend the bipartisan cooperation that has produced this worthwhile legislation. Our cultural heritage will be strengthened by this measure, and I urge the Senate to approve it.

Mr. THURMOND. Madam President, I wish to express my support for S. 505, the Copyright Term Extension Act, as amended. I wish to thank the Majority Leader, Senator HATCH, and others in the Senate for their commitment to this important issue. I also wish to thank Speaker GINGRICH, Congressman SENSENBRENNER, and others in the House for their hard work in this regard.

This bill will greatly benefit the American copyright community by making our copyright term protections consistent with Europe. At the same time, it provides meaningful relief to small businesses, including restaurants, hair salons, and many other establishments, regarding licensing fees for broadcast music. It exempts eating and drinking establishments to a certain square footage and other establishments to a certain square footage of a lesser degree. It also creates a fairer venue for rate dispute resolution through the circuit court venue.

It is also my understanding that nothing in Section 512(4) of the Copyright Act, as amended by the bill, is intended to change the burden of proof with respect to rates or fees under applicable consent decrees, which places the burden of showing a reasonable rate or fee on the performing rights society.

The agreement is not nearly as extensive as S. 28, the Fairness in Musical Licensing Act, which I introduced at the start of this Congress. However, this legislation represents a fair compromise to this important and complex issue of National significance. I am pleased that we have reached this resolution.

Mr. LOTT. I ask unanimous consent that the amendment be agreed to, the bill be read a third time and passed, as amended, the motion to lay on the table be agreed to, and any statements relating to the bill be printed in the RECORD.

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

The amendment (No. 3782) was agreed to.

The bill (S. 505), as amended, was passed, as follows:

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

TITLE I—COPYRIGHT TERM EXTENSION

SEC. 101. SHORT TITLE.

This title may be referred to as the ''Sonny Bono Copyright Term Extension Act''.

SEC. 102. DURATION OF COPYRIGHT PROVISIONS.

(a) PREEMPTION WITH RESPECT TO OTHER LAWS.—Section 301(c) of title 17, United States Code, is amended by striking ''February 15, 2047'' each place it appears and inserting ''February 15, 2067''.

(b) DURATION OF COPYRIGHT: WORKS CREATED ON OR AFTER JANUARY 1, 1978.—Section 302 of title 17, United States Code, is amended—

(1) in subsection (a) by striking ''fifty'' and inserting ''70'';

(2) in subsection (b) by striking ''fifty'' and inserting ''70'';

(3) in subsection (c) in the first sentence—

(A) by striking ''seventy-five'' and inserting ''95''; and

(B) by striking ''one hundred'' and inserting ''120''; and

(4) in subsection (e) in the first sentence—

(A) by striking ''seventy-five'' and inserting ''95'';

(B) by striking ''one hundred'' and inserting ''120''; and

(C) by striking ''fifty'' each place it appears and inserting ''70''.

(c) DURATION OF COPYRIGHT: WORKS CREATED BUT NOT PUBLISHED OR COPYRIGHTED BEFORE JANUARY 1, 1978.—Section 303 of title 17, United States Code, is amended in the second sentence by striking ''December 31, 2027'' and inserting ''December 31, 2047''.

(d) DURATION OF COPYRIGHT: SUBSISTING COPYRIGHTS.—

(1) IN GENERAL.—Section 304 of title 17, United States Code, is amended—

(A) in subsection (a)—

(i) in paragraph (1)—

(I) in subparagraph (B) by striking ''47'' and inserting ''67''; and

(II) in subparagraph (C) by striking ''47'' and inserting ''67'';

(ii) in paragraph (2)—

(I) in subparagraph (A) by striking ''47'' and inserting ''67''; and

(II) in subparagraph (B) by striking ''47'' and inserting ''67''; and

(iii) in paragraph (3)—

(I) in subparagraph (A)(i) by striking ''47'' and inserting ''67''; and

(II) in subparagraph (B) by striking ''47'' and inserting ''67'';

(B) by amending subsection (b) to read as follows:

''(b) COPYRIGHTS IN THEIR RENEWAL TERM AT THE TIME OF THE EFFECTIVE DATE OF THE SONNY BONO COPYRIGHT TERM EXTENSION ACT.—Any copyright still in its renewal term at the time that the Sonny Bono Copyright Term Extension Act becomes effective shall have a copyright term of 95 years from the date copyright was originally secured.'';

(C) in subsection (c)(4)(A) in the first sentence by inserting ''or, in the case of a termination under subsection (d), within the five-year period specified by subsection (d)(2),'' after ''specified by clause (3) of this subsection,''; and

(D) by adding at the end the following new subsection:

''(d) TERMINATION RIGHTS PROVIDED IN SUBSECTION (c) WHICH HAVE EXPIRED ON OR BEFORE THE EFFECTIVE DATE OF THE SONNY BONO COPYRIGHT TERM EXTENSION ACT.—In the case of any copyright other than a work made for hire, subsisting in its renewal term on the effective date of the Sonny Bono Copyright Term Extension Act for which the

termination right provided in subsection (c) has expired by such date, where the author or owner of the termination right has not previously exercised such termination right, the exclusive or nonexclusive grant of a transfer or license of the renewal copyright or any right under it, executed before January 1, 1978, by any of the persons designated in subsection (a)(1)(C) of this section, other than by will, is subject to termination under the following conditions:

''(1) The conditions specified in subsection (c)(1), (2), (4), (5), and (6) of this section apply to terminations of the last 20 years of copyright term as provided by the amendments made by the Sonny Bono Copyright Term Extension Act.

''(2) Termination of the grant may be effected at any time during a period of 5 years beginning at the end of 75 years from the date copyright was originally secured.''.

(2) COPYRIGHT AMENDMENTS ACT OF 1992.—Section 102 of the Copyright Amendments Act of 1992 (Public Law 102–307; 106 Stat. 266; 17 U.S.C. 304 note) is amended—

(A) in subsection (c)—

(i) by striking ''47'' and inserting ''67'';

(ii) by striking ''(as amended by subsection (a) of this section)''; and

(iii) by striking ''effective date of this section'' each place it appears and inserting ''effective date of the Sonny Bono Copyright Term Extension Act''; and

(B) in subsection (g)(2) in the second sentence by inserting before the period the following: '', except each reference to forty-seven years in such provisions shall be deemed to be 67 years''.

SEC. 103. TERMINATION OF TRANSFERS AND LICENSES COVERING EXTENDED RENEWAL TERM.

Sections 203(a)(2) and 304(c)(2) of title 17, United States Code, are each amended—

(1) by striking ''by his widow or her widower and his or her children or grandchildren''; and

(2) by inserting after subparagraph (C) the following:

''(D) In the event that the author's widow or widower, children, and grandchildren are not living, the author's executor, administrator, personal representative, or trustee shall own the author's entire termination interest.''.

SEC. 104. REPRODUCTION BY LIBRARIES AND ARCHIVES.

Section 108 of title 17, United States Code, is amended—

(1) by redesignating subsection (h) as subsection (i); and

(2) by inserting after subsection (g) the following:

''(h)(1) For purposes of this section, during the last 20 years of any term of copyright of a published work, a library or archives, including a nonprofit educational institution that functions as such, may reproduce, distribute, display, or perform in facsimile or digital form a copy or phonorecord of such work, or portions thereof, for purposes of preservation, scholarship, or research, if such library or archives has first determined, on the basis of a reasonable investigation, that none of the conditions set forth in subparagraphs (A), (B), and (C) of paragraph (2) apply.

''(2) No reproduction, distribution, display, or performance is authorized under this subsection if—

''(A) the work is subject to normal commercial exploitation;

''(B) a copy or phonorecord of the work can be obtained at a reasonable price; or

''(C) the copyright owner or its agent provides notice pursuant to regulations promulgated by the Register of Copyrights that either of the conditions set forth in subparagraphs (A) and (B) applies.

''(3) The exemption provided in this subsection does not apply to any subsequent uses by users other than such library or archives.''.

SEC. 105. VOLUNTARY NEGOTIATION REGARDING DIVISION OF ROYALTIES.

It is the sense of the Congress that copyright owners of audiovisual works for which the term of copyright protection is extended by the amendments made by this title, and the screenwriters, directors, and performers of those audiovisual works, should negotiate in good faith in an effort to reach a voluntary agreement or voluntary agreements with respect to the establishment of a fund or other mechanism for the amount of remuneration to be divided among the parties for the exploitation of those audiovisual works.

SEC. 106. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect on the date of the enactment of this Act.

TITLE II—MUSIC LICENSING EXEMPTION FOR FOOD SERVICE OR DRINKING ESTABLISHMENTS

SEC. 201. SHORT TITLE.

This title may be cited as the ''Fairness In Music Licensing Act of 1998.''

SEC. 202. EXEMPTIONS.

(a) EXEMPTIONS FOR CERTAIN ESTABLISHMENTS.—Section 110 of title 17, United States Code is amended—

(1) in paragraph (5)—

(A) by striking ''(5)'' and inserting ''(5)(A) except as provided in subparagraph (B),''; and

(B) by adding at the end the following:

''(B) communication by an establishment of a transmission or retransmission embodying a performance or display of a nondramatic musical work intended to be received by the general public, originated by a radio or television broadcast station licensed as such by the Federal Communications Commission, or, if an audiovisual transmission, by a cable system or satellite carrier, if—

''(i) in the case of an establishment other than a food service or drinking establishment, either the establishment in which the communication occurs has less than 2000 gross square feet of space (excluding space used for customer parking and for no other purpose), or the establishment in which the communication occurs has 2000 or more gross square feet of space (excluding space used for customer parking and for no other purpose) and—

''(I) if the performance is by audio means only, the performance is communicated by means of a total of not more than 6 loudspeakers, of which not more than 4 loudspeakers are located in any 1 room or adjoining outdoor space; or

''(II) if the performance or display is by audiovisual means, any visual portion of the performance or display is communicated by means of a total of not more than 4 audiovisual devices, of which not more than one audiovisual device is located in any 1 room, and no such audiovisual device has a diagonal screen size greater than 55 inches, and any audio portion of the performance or display is communicated by means of a total of not more than 6 loudspeakers, of which not more than 4 loudspeakers are located in any 1 room or adjoining outdoor space;

''(ii) in the case of a food service or drinking establishment, either the establishment in which the communication occurs has less than 3750 gross square feet of space (excluding space used for customer parking and for no other purpose), or the establishment in which the communication occurs has 3750 gross square feet of space or more (excluding space used for customer parking and for no other purpose) and—

''(I) if the performance is by audio means only, the performance is communicated by means of a total of not more than 6 loudspeakers, of which not more than 4 loudspeakers are located in any 1 room or adjoining outdoor space; or

''(II) if the performance or display is by audiovisual means, any visual portion of the performance or display is communicated by means of a total of not more than 4 audiovisual devices, of which not more than one audiovisual device is located in any 1 room, and no such audiovisual device has a diagonal screen size greater than 55 inches, and any audio portion of the performance or display is communicated by means of a total of not more than 6 loudspeakers, of which not more than 4 loudspeakers are located in any 1 room or adjoining outdoor space;

''(iii) no direct charge is made to see or hear the transmission or retransmission;

''(iv) the transmission or retransmission is not further transmitted beyond the establishment where it is received; and

''(v) the transmission or retransmission is licensed by the copyright owner of the work so publicly performed or displayed;''; and

(2) by adding after paragraph (10) the following:

''The exemptions provided under paragraph (5) shall not be taken into account in any administrative, judicial, or other governmental proceeding to set or adjust the royalties payable to copyright owners for the public performance or display of their works. Royalties payable to copyright owners for any public performance or display of their works other than such performances or displays as are exempted under paragraph (5) shall not be diminished in any respect as a result of such exemption''.

(b) EXEMPTION RELATING TO PROMOTION.—Section 110(7) of title 17, United States Code, is amended by inserting ''or of the audiovisual or other devices utilized in such performance,'' after ''phonorecords of the work,''.

SEC. 203. LICENSING BY PERFORMING RIGHTS SOCIETIES.

(a) IN GENERAL.—Chapter 5 of title 17, United States Code, is amended by adding at the end the following:

''§ 512. Determination of reasonable license fees for individual proprietors

''In the case of any performing rights society subject to a consent decree which provides for the determination of reasonable license rates or fees to be charged by the performing rights society, notwithstanding the provisions of that consent decree, an individual proprietor who owns or operates fewer than 7 non-publicly traded establishments in which nondramatic musical works are performed publicly and who claims that any license agreement offered by that performing rights society is unreasonable in its license rate or fee as to that individual proprietor, shall be entitled to determination of a reasonable license rate or fee as follows:

''(1) The individual proprietor may commence such proceeding for determination of a reasonable license rate or fee by filing an application in the applicable district court under paragraph (2) that a rate disagreement exists and by serving a copy of the application on the performing rights society. Such proceeding shall commence in the applicable district court within 90 days after the service of such copy, except that such 90-day requirement shall be subject to the administrative requirements of the court.

''(2) The proceeding under paragraph (1) shall be held, at the individual proprietor's election, in the judicial district of the district court with jurisdiction over the applicable consent decree or in that place of holding court of a district court that is the seat

of the Federal circuit (other than the Court of Appeals for the Federal Circuit) in which the proprietor's establishment is located.

''(3) Such proceeding shall be held before the judge of the court with jurisdiction over the consent decree governing the performing rights society. At the discretion of the court, the proceeding shall be held before a special master or magistrate judge appointed by such judge. Should that consent decree provide for the appointment of an advisor or advisors to the court for any purpose, any such advisor shall be the special master so named by the court.

''(4) In any such proceeding, the industry rate shall be presumed to have been reasonable at the time it was agreed to or determined by the court. Such presumption shall in no way affect a determination of whether the rate is being correctly applied to the individual proprietor.

''(5) Pending the completion of such proceeding, the individual proprietor shall have the right to perform publicly the copyrighted musical compositions in the repertoire of the performing rights society by paying an interim license rate or fee into an interest bearing escrow account with the clerk of the court, subject to retroactive adjustment when a final rate or fee has been determined, in an amount equal to the industry rate, or, in the absence of an industry rate, the amount of the most recent license rate or fee agreed to by the parties.

''(6) Any decision rendered in such proceeding by a special master or magistrate judge named under paragraph (3) shall be reviewed by the judge of the court with jurisdiction over the consent decree governing the performing rights society. Such proceeding, including such review, shall be concluded within 6 months after its commencement.

''(7) Any such final determination shall be binding only as to the individual proprietor commencing the proceeding, and shall not be applicable to any other proprietor or any other performing rights society, and the performing rights society shall be relieved of any obligation of nondiscrimination among similarly situated music users that may be imposed by the consent decree governing its operations.

''(8) An individual proprietor may not bring more than one proceeding provided for in this section for the determination of a reasonable license rate or fee under any license agreement with respect to any one performing rights society.

''(9) For purposes of this section, the term 'industry rate' means the license fee a performing rights society has agreed to with, or which has been determined by the court for, a significant segment of the music user industry to which the individual proprietor belongs.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 5 of title 17, United States Code, is amended by adding after the item relating to section 511 the following:

''512. Determination of reasonable license fees for individual proprietors.''.

SEC. 204. PENALTIES.

Section 504 of title 17, United States Code, is amended by adding at the end the following:

''(d) ADDITIONAL DAMAGES IN CERTAIN CASES.—In any case in which the court finds that a defendant proprietor of an establishment who claims as a defense that its activities were exempt under section 110(5) did not have reasonable grounds to believe that its use of a copyrighted work was exempt under such section, the plaintiff shall be entitled to, in addition to any award of damages under this section, an additional award of two times the amount of the license fee that the proprietor of the establishment concerned should have paid the plaintiff for such use during the preceding period of up to 3 years.''.

SEC. 205. DEFINITIONS.

Section 101 of title 17, United States Code, is amended—

(1) by inserting after the definition of ''display'' the following:

''An 'establishment' is a store, shop, or any similar place of business open to the general public for the primary purpose of selling goods or services in which the majority of the gross square feet of space that is nonresidential is used for that purpose, and in which nondramatic musical works are performed publicly.

''A 'food service or drinking establishment' is a restaurant, inn, bar, tavern, or any other similar place of business in which the public or patrons assemble for the primary purpose of being served food or drink, in which the majority of the gross square feet of space that is nonresidential is used for that purpose, and in which nondramatic musical works are performed publicly.'';

(2) by inserting after the definition of ''fixed'' the following:

''The 'gross square feet of space' of an establishment means the entire interior space of that establishment, and any adjoining outdoor space used to serve patrons, whether on a seasonal basis or otherwise.'';

(3) by inserting after the definition of ''perform'' the following:

''A 'performing rights society' is an association, corporation, or other entity that licenses the public performance of nondramatic musical works on behalf of copyright owners of such works, such as the American Society of Composers, Authors and Publishers (ASCAP), Broadcast Music, Inc. (BMI), and SESAC, Inc.''; and

(4) by inserting after the definition of ''pictorial, graphic and sculptural works'' the following:

''A 'proprietor' is an individual, corporation, partnership, or other entity, as the case may be, that owns an establishment or a food service or drinking establishment, except that no owner or operator of a radio or television station licensed by the Federal Communications Commission, cable system or satellite carrier, cable or satellite carrier service or programmer, provider of online services or network access or the operator of facilities therefor, telecommunications company, or any other such audio or audiovisual service or programmer now known or as may be developed in the future, commercial subscription music service, or owner or operator of any other transmission service, shall under any circumstances be deemed to be a proprietor.''.

SEC. 206. CONSTRUCTION OF TITLE.

Except as otherwise provided in this title, nothing in this title shall be construed to relieve any performing rights society of any obligation under any State or local statute, ordinance, or law, or consent decree or other court order governing its operation, as such statute, ordinance, law, decree, or order is in effect on the date of the enactment of this Act, as it may be amended after such date, or as it may be issued or agreed to after such date.

SEC. 207. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect 90 days after the date of the enactment of this Act.

Mr. LOTT. Again, Madam President, I thank the Senator from Vermont for his cooperation and his allowing us to go ahead and proceed quickly on this very important matter.

I yield the floor.

Mr. LEAHY. Madam President, I thank the Senator from Mississippi. I think we are clearing a lot of things.

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. MCCAIN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. COLLINS). Without objection, it is so ordered.

INTERNET TAX FREEDOM ACT

The Senate continued with consideration of the bill.

AMENDMENT NO. 3719, AS MODIFIED

AMENDMENT NO. 3779, AS MODIFIED TO AMENDMENT NO. 3719

Mr. MCCAIN. I ask unanimous consent that amendment No. 3719, as modified, be the pending business; that Senator DORGAN be recognized to offer a second-degree amendment, as modified, that will be adopted; and it be in order for me to offer a nonfiled second-degree amendment.

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

Mr. MCCAIN. Madam President, let me comment on what is going on here for the benefit of my colleagues. We have agreed on the language concerning the grandfathering of this legislation, which was important.

Now we have resolved all matters with the exception of whether the moratorium should last for 3 or 4 years. My amendment, after we accept the grandfather language from the Senator from North Dakota, will be to have the moratorium expire at the end of 4 years, for which there will probably be a recorded vote, after which it is most likely—although we have to check with both sides about further debate—we will have completed the amending process of the germane amendments that were on the bill and we will be very close to final passage of the legislation.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for himself and Mr. WYDEN, proposes an amendment numbered 3719, as modified.

The Senator from North Dakota [Mr. DORGAN] proposes an amendment numbered 3779, as modified, to amendment No. 3719.

The amendments (No. 3719, as modified, and No. 3779, as modified) are as follows:

AMENDMENT NO. 3719, AS MODIFIED

(Purpose: To make minor and technical changes in the moratorium provision)

On page 16, beginning with line 23, strike through line 15 on page 17, and insert the following:

(a) MORATORIUM.—No State or political subdivision thereof shall impose any of the following taxes during the period beginning on October 1, 1998, and ending 3 years after the date of the enactment of this Act:

(1) Taxes on Internet access, unless such tax was generally imposed and actually enforced prior to October 1, 1998; and

(2) Multiple or discriminatory taxes on electronic commerce.

(b) PRESERVATION OF STATE AND LOCAL TAXING AUTHORITY.—Except as provided in this section, nothing in this Act shall be construed to modify, impair, or supersede, or authorize the modification, impairment, or superseding of, any State or local law pertaining to taxation that is otherwise permissible by or under the Constitution of the United States or other Federal law and in effect on the date of enactment of this Act.

(c) LIABILITIES AND PENDING CASES.—Nothing in this Act affects liability for taxes accrued and enforced before the date of enactment of this Act, nor does this Act affect ongoing litigation relating to such taxes.

AMENDMENT NO. 3779, AS MODIFIED

On page 2, after line 14, add the following:

(d) DEFINITION OF GENERALLY IMPOSED AND ACTUALLY ENFORCED.—For purposes of this section, a tax has been generally imposed and actually enforced prior to October 1, 1998, if, before that date, the tax was authorized by statute and either—

(1) a provider of Internet access services had a reasonable opportunity to know by virtue of a rule or other public proclamation made by the appropriate administrative agency of the State or political subdivision thereof, that such agency has interpreted and applied such tax to Internet access services; or

(2) a State or political subdivision thereof generally collected such tax on charges for Internet access.

Mr. MCCAIN. Madam President, I don't know if there is any debate on the Dorgan second-degree amendment.

Mr. DORGAN. Madam President, the second-degree amendment to the first-degree amendment that was offered by the Senator from Arizona is an amendment that has been worked out over a period of several days dealing with the grandfather clause. It is something that I think represents a workable solution which improves the legislation. It would be my hope that the Senate would approve it.

I do want to point out that the amendment that was referred to by Senator MCCAIN would be an amendment dealing with the length of the moratorium. My understanding is that the passage of the first-degree and second-degree amendments would leave in place a 3-year moratorium with respect to this legislation. The Senator from Arizona would then offer an amendment, and I believe there would be a recorded vote after some debate on that amendment, that would propose that the 3-year moratorium be extended to 4 years, and the Senate then would make a judgment on that question.

I offer that by way of explanation of what is happening here. I hope the Senate will approve by voice vote the first- and second-degree amendments.

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

The amendments (No. 3779, as modified, and No. 3719, as modified, as amended) were agreed to.

Mr. MCCAIN. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 3783 TO AMENDMENT NO. 3719, AS MODIFIED, AS AMENDED

Mr. MCCAIN. Madam President, I have a second-degree amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN] proposes an amendment numbered 3783 to amendment No. 3719, as modified and amended.

Mr. MCCAIN. 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:

On line 5, strike ''3'' and insert ''4''.

Mr. MCCAIN. As I explained earlier, this will be a simple vote on whether the moratorium should last for 3 years or 4 years. I am sorry we have to have a recorded vote on it since we were able to reach agreement on far more contentious issues surrounding this legislation. There will be some debate and discussion on this amendment.

In the meantime, 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. Without objection, it is so ordered.

AMENDMENT NO. 3678, AS MODIFIED

Mr. MCCAIN. Madam President, the other day the Senate adopted amendment No. 3678, which had technical and drafting errors. I ask unanimous consent that the modification of the amendment be adopted.

The PRESIDING OFFICER. The amendment will be so modified.

The amendment (No. 3678), as modified, is as follows:

At the end of the bill add the following new title:

SEC. ___01. SHORT TITLE.

This title may be cited as the ''Government Paperwork Elimination Act''.

SEC. ___02. AUTHORITY OF OMB TO PROVIDE FOR ACQUISITION AND USE OF ALTERNATIVE INFORMATION TECHNOLOGIES BY EXECUTIVE AGENCIES.

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 alternative information technologies that provide for electronic submission, maintenance, or disclosure of information as a substitute for paper and for the use and acceptance of electronic signatures.''.

SEC. ___03. PROCEDURES FOR USE AND ACCEPTANCE OF ELECTRONIC SIGNATURES BY EXECUTIVE AGENCIES.

(a) IN GENERAL.—In order to fulfill the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the provisions of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106) and the amendments made by that Act, and the provisions of this title, the Director of the Office of Management and Budget shall, not later than 18 months after the date of enactment of this Act, develop procedures for the use and acceptance of electronic signatures by Executive agencies.

(b) REQUIREMENTS FOR PROCEDURES.—(1) The procedures developed under subsection (a)—

(A) shall be compatible with standards and technology for electronic signatures that are generally used in commerce and industry and by State governments;

(B) may not inappropriately favor one industry or technology;

(C) shall ensure that electronic signatures are as reliable as is appropriate for the purpose in question and keep intact the information submitted;

(D) shall provide for the electronic acknowledgment of electronic forms that are successfully submitted; and

(E) shall, to the extent feasible and appropriate, require an Executive agency that anticipates receipt by electronic means of 50,000 or more submittals of a particular form to take all steps necessary to ensure that multiple methods of electronic signatures are available for the submittal of such form.

(2) The Director shall ensure the compatibility of the procedures under paragraph (1)(A) in consultation with appropriate private bodies and State government entities that set standards for the use and acceptance of electronic signatures.

SEC. ___04. DEADLINE FOR IMPLEMENTATION BY EXECUTIVE AGENCIES OF PROCEDURES FOR USE AND ACCEPTANCE OF ELECTRONIC SIGNATURES.

In order to fulfill the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the provisions of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106) and the amendments made by that Act, and the provisions of this title, the Director of the Office of Management and Budget shall ensure that, commencing not later than five years after the date of enactment of this Act, Executive agencies provide—

(1) for the option of the electronic maintenance, submission, or disclosure of information, when practicable as a substitute for paper; and

(2) for the use and acceptance of electronic signatures, when practicable.

SEC. ___05. ELECTRONIC STORAGE AND FILING OF EMPLOYMENT FORMS.

In order to fulfill the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the provisions of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106) and the amendments made by that Act, and the provisions of this title, the Director of the Office of Management and Budget shall, not later than 18 months after the date of enactment of this Act, develop procedures to permit private employers to store and file electronically with Executive agencies forms containing information pertaining to the employees of such employers.

SEC. ___06. STUDY ON USE OF ELECTRONIC SIGNATURES.

(a) ONGOING STUDY REQUIRED.—In order to fulfill the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the provisions of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106) and the amendments made by that Act, and the provisions of this title, the Director of the Office of Management and Budget shall conduct an ongoing study of the use of electronic signatures under this title on—

(1) paperwork reduction and electronic commerce;

(2) individual privacy; and

(3) the security and authenticity of transactions.

(b) REPORTS.—The Director shall submit to Congress on a periodic basis a report describing the results of the study carried out under subsection (a).

SEC. ___07. ENFORCEABILITY AND LEGAL EFFECT OF ELECTRONIC RECORDS.

Electronic records submitted or maintained in accordance with procedures developed under this title, or electronic signatures or other forms of electronic authentication used in accordance with such procedures, shall not be denied legal effect, validity, or enforceability because such records are in electronic form.

SEC. ___08. DISCLOSURE OF INFORMATION.

Except as provided by law, information collected in the provision of electronic signature services for communications with an executive agency, as provided by this title, 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. ___09. APPLICATION WITH INTERNAL REVENUE LAWS.

No provision of this title shall apply to the Department of the Treasury or the Internal Revenue Service to the extent that such provision—

(1) involves the administration of the internal revenue laws; or

(2) 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 title:

(1) 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 the electronic message; and

(B) indicates such person's approval of the information contained in the electronic message.

(2) EXECUTIVE AGENCY.—The term ''Executive agency'' has the meaning given that term in section 105 of title 5, United States Code.

AMENDMENT NO. 3721, AS MODIFIED

Mr. MCCAIN. There was a technical error in amendment No. 3721. Therefore, I send a modification to the desk and ask it be accepted on the proviso we will try to hire more efficient staff so these kinds of things are not required in the future.

The PRESIDING OFFICER. The amendment will be so modified.

The amendment (No. 3721), as modified, is as follows:

On page 17, beginning with line 18, strike through line 21 on page 19 and insert the following:

(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 19 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) 3 representatives from the Federal Government, comprised of the Secretary of Commerce, the Secretary of the Treasury, and the United States Trade Representative (or their respective delegates).

(B) 8 representatives from State and local governments (one such representative shall be from a State or local government that does not impose a sales tax).

(C) 8 representatives of the electronic commerce industry (including small business), telecommunications carriers, local retail businesses, and consumer groups, comprised of—

(i) 5 individuals appointed by the Majority Leader of the Senate;

(ii) 3 individuals appointed by the Minority Leader of the Senate;

(iii) 5 individuals appointed by the Speaker of the House of Representatives; and

(iv) 3 individuals appointed by the Minority Leader of the House of Representatives.

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

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

AMENDMENT NO. 3783

Mr. WYDEN. Madam President, let me try to describe briefly for the Senate where we are with respect to the important issue coming up now on the length of the moratorium. As Chairman MCCAIN and my colleague, Senator DORGAN, noted, the two issues we have been trying to deal with, the question of grandfathering in existing States and localities and the length of the moratorium are linked, and we think we have a fair process in place now for resolving the two important issues.

I would like to tell my colleagues why I think it is important that we go with the McCain amendment on the length of the moratorium. The legislation, when I introduced it in March of 1997, did not specify how long the moratorium should last. When we considered it in the Senate Commerce Committee, after a very lengthy debate and, in effect, taking a break for 5 or 6 months after the hearings were held to try to work with Senators on both sides of the aisle, the Senate Commerce Committee voted out legislation that set in place a 6-year moratorium.

As Senators know, the Finance Committee then went forward with its legislation and imposed a 2-year moratorium. In a sense, this moratorium isn't even the most accurate way to describe it because even during this period Internet transactions were treated exactly like any other transaction. We have heard discussion of how, in some way, the legislation would create some sort of special tax haven for the Internet, and that is simply not the case. Internet transactions would be treated just like any other.

The reason the McCain amendment with respect to the length of the moratorium is important is not just because it is a compromise—4 years—between the Commerce Committee bill and the Finance Committee bill, but I think it is going to take that long in order to deal with these issues in a thoughtful way. They are complicated questions. It is very clear that if, for example, someone orders fruit from Harry and David's in Medford, OR, uses America Online in Virginia to make the order, pays for it with a bank card in California, and ships it to a cousin in Boston, this transaction could affect scores and scores of local jurisdictions, as well as a number of States. So we do want sufficient time to sort out these issues.

Under the amendment that will be first offered by Senator MCCAIN and myself, there would be a two-step process. First, the commission studies the issues and makes its recommendations to the Congress. Second, the recommendation must be implemented. Our concern is that a number of State legislatures do not meet every year; mine is one. You are going to need the McCain-Wyden amendment with respect to the moratorium in order to make sure that you have sufficient time for both the study of these issues and recommendations to the Congress, as well as an adequate amount of time for legislative bodies to consider them.

So we felt that the amendment we were offering not only was a fair compromise between what was passed in the Senate Commerce Committee overwhelmingly and what was passed in the Senate Finance Committee, but in terms of the actual logistics of State legislative sessions, we believe the amendment that we will be offering with respect to the length of the moratorium is a critical one.

The fact of the matter is, when you have in the vicinity of 30,000 taxing jurisdictions—and that is the number in our country—you have the prospect of different taxing jurisdictions in States and localities that all see the Internet as the golden goose; you have the real prospect that policies could be adopted that would cause great damage to the Internet's development and cause that golden goose to lay far fewer eggs.

What we are trying to do in this legislation is to restore a balance with respect to the moratorium. We think it is a fair compromise between what the two committees dealt with here in the U.S. Senate, and at the same time we think it is an approach that will give adequate time for the States and localities to deal with the recommendations that are made while making sure that businesses aren't confused and, in a number of instances, paralyzed by discriminatory and multiple taxation about which they are already expressing concerns.

I think we have made a considerable amount of headway. As I have said in a couple of instances when I came to the floor, if you look at the legislation that the Presiding Officer heard discussed in the Commerce Committee

early in 1997 and the legislation that is before the Senate now, it is clear that there have been many, many changes, over 30. Those are changes that were made specifically to try to deal with the legitimate concerns of States and localities that are concerned about their revenue prospects with respect to the digital economy.

We have tried to be fair. We had a number of votes on the floor of the Senate. There were several which I thought would have done great damage to the philosophy of what we are trying to do in this legislation. There were others raised with respect to ensuring the fair analysis of a variety of issues and participation on the commission where, clearly, Senators have tried very hard to work together.

The issue that is coming up now with respect to the length of the moratorium is critical. When I introduced this legislation last year, there was no end date on the moratorium. The reason there was not is that it was our view that if ever there was something that ought to be treated as interstate commerce, it was the Internet. The Internet is global; it knows no boundaries. It is not something that ought to be balkanized in the 21st century into kind of a toll-riddled freeway where it will be very hard to tap the potential of the Internet.

We should make no mistake about it. The great potential for the Internet is for those individuals, such as those in rural America and inner cities, senior citizens, handicapped individuals, many of them operating home-based businesses, who with sensible governmental policies will be able to, in my view, make a very decent living in the global economy. But the prerequisite of having those kinds of opportunities will be policies that allow the Internet to flourish. Those policies should neither be discriminatory against the Internet nor should they be preferential.

I have heard various Senators say over the last few days that in some way this legislation would ensure preferential treatment for the Internet. It would do nothing of the sort. It would say very specifically that Internet sales ought to be treated just like everything else. If you pay a specific tax by buying the goods in a jurisdiction in the traditional way, by walking into a retail store, under this legislation, even with the moratorium, you pay exactly the same tax if you order those goods over the Internet—exactly the same tax. There is nothing preferential, nothing discriminatory.

In a little bit we will have that first vote on the amendment that Chairman MCCAIN and I offered together with respect to the length of the moratorium. It will ensure that we have enough time to study the various issues with respect to electronic commerce and make recommendations, and it will give adequate time to have those recommendations implemented by the localities and the States. There are a number of States that do not meet every year, for example, with their legislatures. They would not have adequate time under the shorter version of the moratorium.

Madam President, and colleagues, we will have those votes before too long. I thank the various Senators who have weighed in with myself and Chairman MCCAIN, both today and over the last few days. This has been a good debate. And it is only the beginning of our discussions on the ground rules for the digital economy.

This presents a whole new set of questions for the U.S. Senate. When we look at traditional commerce, even with the Senate Commerce Committee of 40 or 50 years ago, we were talking about moving goods from point A to point B. There was a role for traditional business. There was a role for labor unions and various other key economic sectors such as the transportation sector. That has changed now in many respects, because information—in effect, goods and services—can move on the Internet in a flash of light. So we need sensible policies.

I urge my colleagues to support that first amendment that Chairman MCCAIN and I are offering with respect to the length of the moratorium. It will ensure that States and localities have an adequate amount of time to act after the recommendations of the commission to go forward. It is a true compromise. The Senate Commerce Committee passed legislation that called for a moratorium of 6 years after my original bill with Chairman MCCAIN, which had no end date at all. The Senate Finance Committee bill was 2 years. We are going forward with 4. That would give the States an opportunity to act in a thoughtful way.

I hope on that first vote the Senate will support the McCain-Wyden amendment with respect to the length of the moratorium.

Madam President, I yield the floor.

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER (Mr. GORTON). The Senator from Arizona.

Mr. MCCAIN. Mr. President, I urge the advocates of the 3-year moratorium to come to the floor and help us explore this very complex issue as to whether we are going to have a 3-year or a 4-year moratorium. I know it is a subject that is complex in detail. However, we would like to complete the debate on this very complicated issue that we were unable to resolve with our friends on the other side of this issue.

Again, I find it remarkable that we were able to work out grandfather language, and about 15 other amendments. But somehow this one is worthy of a vote as to whether a moratorium is 3 or 4 years.

I can't add a lot to what the distinguished Senator from Oregon just said, except to say that I hope we can minimize the debate. But I say to those who are the 3-year advocates to come over and make their case, because as soon as Senator DORGAN comes back we would like to move on that amendment, because I believe that, following Senator MURKOWSKI's motion on the underlying amendment, we can move to final passage on this bill.

I know the Senator from Oregon would like to dispense of this legislation but not nearly so much as I would.

Mr. WYDEN. Will the chairman yield?

Mr. MCCAIN. I am glad to yield to my friend from Oregon.

Mr. WYDEN. I thank the chairman for all of his patience.

I think it would be helpful, and perhaps the chairman would lay it out, to know that through this discussion there has been an effort to link the grandfather provision effort to make sure that States and localities that already have laws on the books are protected and to link that to the moratorium so that there would be an effort to be fair to both sides. I think the Senator has been very fair, and perhaps the Senator could elaborate a little bit on some of the challenges with respect to that grandfather debate.

Mr. MCCAIN. Will the Senator repeat his question?

Mr. WYDEN. I am sorry. The fact is the grandfathering provision and the moratorium really are linked, and I think that the Senator has been very fair to both sides with respect to this discussion, and to the extent that there are greater protections for grandfathering and more jurisdiction protected that obviously affects the discussion about the length of the moratorium. I think the Senator struck a fair balance, and I think it would be helpful if the Senator could take the Senate through those discussions a bit.

I thank the Senator for yielding me some time.

Mr. MCCAIN. I thank the Senator from Oregon.

The reality is that the original legislation as proposed by the Senator from Oregon had no grandfathering. It had no time limit. This legislation received overwhelming support both in the committee and, very frankly, throughout the country, and gradually, interestingly enough, many Governors who would experience, in the view of some, a loss of revenue came on board this legislation—the Governor of California, the Governor of Texas, the Governor of New York, and many other Governors, but practically every Governor of every major State.

Along those lines, Mr. President, I ask unanimous consent that a letter from the distinguished Governor of Virginia, Mr. Gilmore, be printed in the RECORD.

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

COMMONWEALTH OF VIRGINIA
Richmond, VA, September 25, 1998.

Hon. JOHN MCCAIN,
Chairman, Committee on Commerce, Science, and Transportation, U.S. Senate, Washington, DC.

DEAR SENATOR MCCAIN: I am very pleased the Senate will soon vote on the Internet Tax Freedom Act (S. 442).

Since its introduction last year, I have been—and continue to be—in strong support of the Internet Tax Freedom Act. Your work on this important legislation goes hand in hand with the compromise agreement reached by the Commerce and Judiciary Committees in the House of Representatives. Both Committees as well as the full House passed the bill unanimously after well reasoned compromise from all those concerned.

As you know, the Internet is one of our most valuable and fastest-growing resources, presenting enormous potential to revolutionize both global and domestic commerce. But this incredible tool currently faces some significant obstacles with respect to state and local taxation. With more than 30,000 state and local taxing jurisdictions in the United States, Internet development is in danger of being stifled by a maze of inconsistent, unfair, and burdensome taxing regimes.

There are currently thousands of Internet companies, which can be found in every state in the nation. They are small but important vehicles of economic development and are unfairly assessed taxes based on interpretations of existing tax law written well before the establishment of the Internet. Because of the importance of these businesses, the substance of the act should do what its title suggests.

The Internet Tax Freedom Act is important to our state economies, to online consumers, and to the future success of electronic commerce. This legislation places a temporary moratorium on certain taxes so that an appropriate, non-discriminatory Internet tax policy can be developed and implemented by policymakers at all levels.

For these reasons, I urge the enactment of the Internet Tax Freedom Act this year and look forward to working with you and the Congress to ensure our nation remains the undisputed leader in cutting edge technology industries.

Very truly yours,
JAMES S. GILMORE III,
Governor of Virginia.

Mr. MCCAIN. Mr. Gilmore says:

I am very pleased the Senate will soon vote on the Internet Tax Reform Act, S. 442.

Not as pleased as I am. He says in his concluding paragraph:

For these reasons, I urge the enactment of the Internet Tax Freedom Act this year and look forward to working with you and the Congress to ensure our Nation remains the undisputed leader in cutting edge technology industries.

So another Governor and a very important one, the Governor of Virginia, has weighed in in favor of this legislation.

I believe the fact that we were willing to agree to certain grandfathering provisions was very helpful in moving this process forward, but I also think that it made an argument for a 4-year moratorium. Again, when it came out of the committee, it was 6 years originally and now the Finance Committee reduced it to 2. We think that 4 years is obviously a reasonable compromise.

So again I urge the 3-year moratorium advocates to come to the floor so we could have vigorous debate on that issue and a vote sometime around 4:45, with the agreement of the majority leader.

AMENDMENT NO. 3727

(Purpose: To include legislative recommendations in the commission's report.)

Mr. MCCAIN. Mr. President, I know of no opposition to the amendment 3727 by Senator ENZI, and I therefore call up the amendment and ask that it be adopted.

The PRESIDING OFFICER. Is the Senator asking that the pending amendment be laid aside?

Mr. MCCAIN. I ask unanimous consent that the pending amendment be laid aside for the Enzi amendment 3727.

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

The clerk will report the Enzi amendment.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for Mr. ENZI, proposes an amendment numbered 3727.

Mr. MCCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 25, beginning on line 10, strike ''a report reflecting the results'' and insert the following: ''for its consideration a report reflecting the results, including such legislative recommendations as required to address the findings''.

Mr. MCCAIN. Mr. President, I urge adoption of the amendment.

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

The amendment (No. 3727) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. MCCAIN. I congratulate the Senator from Wyoming for his amendment.

AMENDMENT NO. 3718, AS MODIFIED

(Purpose: To revise the definitions of the terms ''tax,'' ''telecommunications service,'' and ''tax on internet access,'' as used in the bill)

Mr. MCCAIN. Mr. President, on behalf of myself, I send an amendment to the desk, No. 3718, as modified, and ask for its immediate consideration.

The PRESIDING OFFICER. The pending amendment is set aside and the clerk will report the amendment of the Senator from Arizona.

The legislative clerk read as follows:

The Senator from Arizona, [Mr. MCCAIN], for himself and Mr. WYDEN proposes an amendment numbered 3718, as modified.

Mr. MCCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 29, beginning with line 20, strike through line 19 on page 30 and insert the following:

(8) TAX.—

(A) IN GENERAL.—The term ''tax'' means—

(i) any charge imposed by any governmental entity for the purpose of generating revenues for governmental purposes, and is not a fee imposed for a specific privilege, service, or benefit conferred; or

(ii) the imposition on a seller of an obligation to collect and to remit to a governmental entity any sales or use tax imposed on a buyer by a governmental entity.

(B) EXCEPTION.—Such term does not include any franchise fee or similar fee 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), or any other fee related to obligations or telecommunications carriers under the Communications Act of 1934 (47 U.S.C. 151 et seq.).

(9) TELECOMMUNICATIONS SERVICE.—The term ''telecommunications service'' has the meaning given such term in section 3(46) of the Communications Act of 1934 (47 U.S.C. 153(56)) and includes communications services (as defined in section 4251 of the Internal Revenue Code of 1986).

(10) TAX ON INTERNET ACCESS.—The term ''tax on Internet access'' means a tax on Internet access, including the enforcement or application of any new or preexisting tax on the sale or use of Internet services.

Mr. MCCAIN. Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. The Senator has sent up a different version. Did the Senator want to modify it?

Mr. MCCAIN. As modified, 3718 as modified. I sent up a modified version.

The PRESIDING OFFICER. Without objection, the amendment is modified.

Is there further debate on the amendment? If not, the amendment is agreed to.

The amendment (No. 3718), as modified, was agreed to.

Mr. MCCAIN. Mr. President, while he is on the floor, I thank the Senator from Wyoming for his involvement in this issue. He won a significant victory. I believe that his knowledge of this issue and this technology is very helpful not only on this issue, but we will be addressing numerous other issues regarding these emerging technologies in the future and I appreciate his participation. We look forward to working with him.

Mr. President, I yield the floor.

Mr. ENZI. Mr. President, I also thank the Senator from Arizona and the Senator from Oregon for their cooperation and the careful work they have done on the bill with the acceptance of the amendments that I and a number of other people worked on. I appreciate that. I yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. BIDEN. Mr. President, I ask unanimous consent that I be able to

proceed for 7 minutes as in morning business.

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

NEED FOR IMF FUNDING

Mr. BIDEN. Mr. President, I want to talk very briefly about the International Monetary Fund and the meeting that took place in Washington yesterday and today and will be taking place this week.

The eyes of the world are on Washington this week where the major international financial institutions search for answers to the most serious international economic crisis in years. As the world's most successful economy at the moment, the United States bears, in my view, an unavoidable responsibility, and that responsibility is to lead—lead in a search for answers to this crisis.

But as last year's Asian financial turmoil has evolved into a global financial crisis, to my great disappointment, the House of Representatives persists in what I must say—and I realize it is a strong word—in its irresponsible refusal to approve funding for the International Monetary Fund.

Twice this year the U.S. Senate has overwhelmingly supported the so-called U.S. quota, our share of a larger capital reserve for the IMF to pull threatened countries back from the brink of economic collapse. And twice this year, the House of Representatives has refused to provide the resources—at no cost to the American taxpayer—that the IMF needs to contain this widening crisis.

As President Clinton, Secretary Rubin, and our representatives to the international financial institutions in Washington this week urge their counterparts from the rest of the world to join us in controlling the crisis, the response that we are hearing is: ''Show us the money.''

There was a movie out that won an Academy Award, and in that movie, they said, ''Show me the money.'' We have our Secretary of the Treasury and our President constituting an American plea for the rest of the world to act responsibly, and they are being told, ''Show us the money.'' I want to point out that even if these other countries ante up their share, the IMF cannot take any action, absent us putting in our share, because you need an 85-percent vote.

Try as they might, how can we expect our leadership to lead the rest of the world with the albatross of the House's irresponsibility hung squarely around their necks? By failing to provide full funding of our participation in the IMF, we undercut our credibility and our authority, the credibility and the authority of the world's indispensable economic leader, in the most serious international economic crisis, at least of my generation and the Presiding Officer's.

Go down to these meetings, Mr. President—and I suggest this to all my colleagues—and the first thing you will hear from both our representatives and their counterparts from around the world is the complaint that the U.S. Congress is holding up one of the key elements they need to construct a response to the current crisis: the funds to protect vulnerable economies from financial collapse.

Every State in the Union—from States as far away as Washington and Delaware—every State in the Union has been hit by the decline in our agricultural and manufacturing exports because of the collapse of major markets for American goods around the world.

In my own State of Delaware, exports to Asia are down 20 percent compared to last year. That translates into jobs—Delaware jobs. The crisis that began last year in Asia has spiraled around the planet to Russia, a nuclear power facing economic and political collapse, and on to our closest trading partners in Latin America.

Mr. President, I do not believe it is an exaggeration to say that without the resources to support Brazil and other countries threatened by the wild swings of international capital flows, countries as important to us as Mexico, our third largest trading partner, could be the next to fall. And yet, in my view—and I realize some may disagree, even those who voted with me on funding of IMF in the Senate—in my view, the House continues to play politics with our obligation to the only international institution in the position to attempt to control the spread of economic meltdown.

Once again, I urge my colleagues in the House to come to their senses, to match the Senate in action and provide the U.S. share for the IMF quota increase. Time is running out, Mr. President. I hope what I read in the papers—what we all read in the papers—that the leadership in the House is about to release this money, about to vote for it, is true, because time is running out and there will be a price to pay for inaction.

I thank my colleagues. I yield the floor and suggest the absence of a quorum.

Mr. BUMPERS. Will the Senator withhold?

Mr. BIDEN. I withhold the request suggesting the absence of a quorum.

Mr. BUMPERS. Mr. President, I ask unanimous consent that I be permitted to speak as in morning business for 5 minutes.

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

OZONE LAYER

Mr. BUMPERS. Mr. President, my time left in the Senate is very brief. I have—I don't know—3, 4, at the most 5 days left of active duty on the Senate floor. I read a story in the paper this morning that gives me some satisfaction at least about some of the things I have done since I came here.

As I have said on the floor many times, there isn't anything as gratifying to a Senator as being able to stand on the floor and say, ''I told you so.''

When I first came here, I had read a story in some science magazine about two young physicists at the University of California at Irvine who had developed a theory that chlorofluorocarbons—a gas, normally found in aerosols and freon, which we use in our air conditioners and refrigerators—that these chlorofluorocarbons that we sprayed on our hair in the morning were wafting up into the stratosphere over a period of 12 to 15 years and destroying the ozone layer.

Before I came to the Senate, I thought ''ozone'' was a town in Johnson County, AR, which indeed it is. As a matter of fact I spoke at the high school graduation at Ozone last year. Nevertheless, this theory about something we were doing rather mindlessly that had almost cataclysmic consequences for the future intrigued me.

I had been put on the Space Committee when I came here. I did not ask for the Space Committee—it was a spacey committee. We abolished it a couple years after I came here, but I asked the chairman, Senator Moss of Utah, if I could hold some hearings on this theory and invite some atmospheric scientists to come in and testify. And he said, ''I have no objection to that.'' Just ad hoc hearings. I certainly was not chairman of the subcommittee or anything else. I had just gotten here. He said, ''I don't mind you doing that, but you need to get a Republican to sit with you in these hearings.'' So I recruited my good friend, Senator DOMENICI, from New Mexico.

Senator DOMENICI and I held nine hearings over a period of about 6 months. We had the best atmospheric scientists in the United States coming in and testifying—Dr. Rowland and Dr. Molina.

In those hearings, we probably had an average of 15 people in the audience. We had a television camera show up only once. When we finished, Senator DOMENICI did not feel quite as strongly as I did about abolishing the manufacturing of CFCs immediately, and so Senator Packwood and I took it on and brought it to the floor of the Senate to abolish the manufacturing of CFCs.

The chemical lobbyists in that lobby, through that door, were so thick I could hardly get to the floor to vote. And as I recall, we got a whopping 33 votes. I was arguing that if we were to cut off all manufacturing of CFCs right now, we still had 12 to 15 years of damage coming because that is how long it took from the time you sprayed your hair the morning we voted for it to get there and start destroying ozone.

You know all the arguments: This is untested; unproved; and we need to ''study'' it. That is the way you kill things around here—study it. And so that is the end of the story in 1975.

In 1985, the National Academy of Sciences, who we had assigned to do the study—10 years later—discovered that there was a developing hole in the

ozone layer over Antarctica. And almost every year since then that ozone hole has grown bigger and bigger and bigger. We have phased out the manufacturing of CFCs—we do not use it anymore to spray our hair with; and we have substitutes for air-conditioning and refrigeration. Nevertheless, if you saw the Post this morning, the current estimates are that the ozone hole is deeper and wider than it has ever been, and has been growing almost every year since 1975 when we first discovered it.

The good news is, while scientists were shocked by the size of the ozone hole in their current study, they still believe that it can be stabilized by the year 2050. Well, let's hope so, because if it isn't, we can anticipate 300,000 additional cases of skin cancer.

I ask unanimous consent for 1 additional minute.

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

Mr. BUMPERS. The ozone layer protects us from the ultraviolet rays of the Sun. The hole that we have already caused is going to cause thousands and thousands of cases of skin cancer before we even begin to stabilize the ozone layer.

Mr. President, I tell that little story with some satisfaction, because I daresay there are not many Senators who fought as many losing battles in the U.S. Senate as I have. So the only reason I tell that story is to let people know that sometimes when you cast unpopular votes you will be proven right. A lot of Senators get beat before they ever get a chance to be proven right.

I voted against more constitutional amendments than any Senator in the U.S. Senate. I am proud of every one of them. Rest assured, if they bring the flag desecration amendment up again, I will be happy to vote against that, too, for reasons I will not belabor now.

I see my good friend from Nevada wanting to speak. And I want to follow him on the matter pending before the Senate.

I yield the floor.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I ask unanimous consent to speak as in morning business.

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

Mr. REID. I say to my friend from Arkansas, the mere fact that you lose the vote on the floor does not mean that you lose the issue. And I say to my friend, I have been on the floor on the Senator's side, joining him on a number of causes which we have won and which we have lost; and I have been his adversary on a number of issues. I only wish that everyone had the Senator's demeanor, his ability and his sense of fairness. We would be a much better Senate, a much better country.

Mr. BUMPERS. I thank the Senator for his comments.

PRESCRIPTION CONTRACEPTION EQUITY AMENDMENT

Mr. REID. Mr. President, one of the distinct honors I have had is joining with the senior Senator from Maine in legislation that passed unanimously in this body and passed by an overwhelming margin in the House. It was an amendment we placed in the Treasury-Postal Service bill. It was a bill that we had introduced on the floor.

On this occasion, we decided to limit it just to Federal employees, which we did. We were elated that we were able to make great strides on this issue about which we felt so strongly. And we were contemplating the day when this bill would be signed and become law, because certainly it should. It passed over here unanimously; passed the House by an overwhelming margin.

I cannot speak for my colleague from Maine, but I am sure she feels just as disappointed as I am that this bill was stripped during the conference of the Treasury-Postal Service bill for really no reason. There was no debate among the conferees. It was just taken from the bill.

It would be easy for me to be partisan here and say this is some cabal by the Republicans. The fact of the matter is, Mr. President, this bill had bipartisan support. It was not a Democratic bill; it was not a Democratic amendment. It was not a Republican bill, a Republican amendment.

So I am here to complain about the process. This should not have happened. I am not going to point fingers as to why it happened, but it happened. I am tremendously disappointed.

What am I talking about? I am talking about a bill that the senior Senator from Maine and I have been working on for over a year, a bill that has 35 cosponsors in the Senate. It is a bill that recognizes that each year in this country there are 3.6 million unintended pregnancies. Forty-four percent of those pregnancies wind up with abortion. We find that insurance companies' health care providers routinely pay for abortions, vasectomies, tubal ligations, but they don't pay for the simple contraceptives that are approved by the Food and Drug Administration. There are only five. They don't pay for them.

We are saying it should be done. Women pay almost 70 percent more for health care than men. It seems unusual that when Viagra came out there was a mad rush to make sure that there was insurance coverage and every other kind of coverage for Viagra. We said at that time, the Senator from Maine and I, shouldn't we recognize the fact that women pay more, that insurance companies and health maintenance agencies do not pay for contraceptives and they should? We would save huge amounts of money. We would have healthier mothers and healthier babies. But it doesn't appear we are going to have it this year.

Our bill, called the Prescription Contraceptive Fairness Act, would apply this to Federal health care plans. There are 374 different health care plans under the Federal system that would cover these pills or the other four devices. It would save money.

It was killed in conference based upon some illusion that it had something to do with abortion. It has nothing to do with abortion. In fact, it would cut down on abortions. We are not forcing anyone to use contraceptives if they don't want to. We think they should be made available.

I was on a talk show. A woman called in and said, ''I'm pregnant with our third child. I'm a diabetic. I would prefer I were not pregnant. I'm going to carry the baby to term but it could endanger my health. I hope the baby is healthy. My husband's insurance company does not cover contraceptives, and as a result of that, I'm pregnant because the stuff we used doesn't work very well.'' There are a multitude of stories just like this. Remember, there are 3.6 million unintended pregnancies in our country every year. Not every 10 years—every year.

I am embarrassed this was stripped from the bill for some reason that is not justifiable. The Federal Government serves as a role model for other employers across the Nation. This would have been a great start. It has received support from the American College of Obstetricians and Gynecologists. We have received little static from the insurance companies. Why? It creates an even playing field. If they all have to do the same thing, it doesn't hurt anyone. In the long run, people in the plans would save money.

Individuals who led the effort to strip this historic amendment from this Treasury-Postal Service bill are ignoring the will of both the House and the Senate. The House voted in favor of this amendment in July; the Senate accepted our amendment in July, also. I don't think it is fair. I think these individuals who feel they have the authority to ignore the decision already made in both Houses should consider why they did this. They had no good reason to do it. It has nothing to do with abortion, which is supposedly the reason it was done.

Politics aside, the real losers in this battle are the 1.2 million women covered under the FEHBP system who will continue to be denied the quality in health care coverage they deserve. People who fought behind closed doors to strip this amendment from the bill are using the anti-abortion statement as a defense. That is wrong. They shouldn't do that. This argument is unfounded.

As I said, this bill would lead to healthier mothers, healthier babies, and lower health care costs for all Americans. This legislation doesn't require any woman to use contraceptives, but it gives them a choice.

I see my colleague on the floor. It has been an honor for me to work with her on this legislation. She has been the driving force in getting this legislation to the point we thought we were.

I will yield the floor.

INTERNET TAX FREEDOM ACT

The Senate continued with consideration of the bill.

The PRESIDING OFFICER. The Senator from Nebraska.

AMENDMENT NO. 3783

Mr. KERREY. Mr. President, what is the order of business?

The PRESIDING OFFICER. The pending business is the McCain amendment No. 3783 to amendment No. 3719.

Mr. KERREY. Mr. President, I rise to speak against the McCain second-degree amendment which would extend the moratorium on States taxing Internet transactions from 3 years to 4. The Finance Committee had knocked it back to 2 years. We thought that was a reasonable length of time, given that we allowed 15 months to restructure the IRS; 18 months in getting the Medicare Commission to do its work. We believed that 2 years was a reasonable period of time. I was willing to go along with an extension of that from 2 years to 3. To go to 4 years is just much too long a time.

This is an issue where the Federal Government is intervening, saying the States can't raise taxes in a certain way. This is, in my judgment, without precedent.

I am willing to support this piece of legislation. I am willing to provide this moratorium so we can reach an understanding of how we will tax these transactions. But to allow 4 years—when we allow approximately 15 months in getting a commission to restructure the IRS, and 18 months in getting Medicare, Mr. President—is an unreasonable length of time.

I hope my colleagues will vote against the McCain amendment. We have been contacted by our Governors who are actually asking us to go along with the Finance Committee, which was 2 years. As I said, I'm willing to support a compromise to 3 years, but 4 years, given the amount of time we have allowed for some things that are more complicated than this, it is unreasonable and too lengthy a period of time.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I agree mostly with what the Senator from Nebraska said. I prefer a 2-year moratorium.

As the Senator from Nebraska stated, earlier this year, we passed a bill to reform the Internal Revenue Service. That legislation arose from the IRS Commission, which had a mere 15 statutory months to take a top to bottom look at, and make recommendations on, how to restructure the IRS. The entire commission process plus the legislating process resulted in a bill the President signed in just a shade over two years.

The point I am trying to make is this: Fair taxation of the Internet is not more complicated than restructuring the IRS. The bill to which the two amendments presently pending are offered, is a bill that provides a 2-year moratorium. Two years is enough. To allow any more time would do nothing but prove that the U.S. Senate is knuckling under to the Internet industry.

I see my good friend from Florida on the floor. He and I were both Governors. The Governors signed off on 2 years and now here is a letter saying they hope we will compromise on 3 years. ''Do not adopt,'' they say, ''the 4 year moratorium. Accept the compromise of 3 years.''

I can tell you, Senator, if I were still Governor of my State, I would be squealing like a pig under a gate. Here a significant percentage of the State's entire tax base is being eroded, literally destroyed, by remote sellers, and the Internet industry and the Governors say let's compromise at 3 years. We are willing not to tax the Internet for a 3-year period. Think about that. In 3 years' time the estimates are that sales over the Internet will be $300 billion. We know that catalog sales right now are in excess of $100 billion.

The States are saying they are willing to forgo their right to tax the Internet for 3 years. If there were no catalog sales, if there were no Internet, $400 billion worth of goods would be sold by Main Street merchants in America on which they would pay a 4, 5, 6, or 7 percent sales tax to support their community schools, their fire departments, their police departments, their landfills, paving their streets and everything else that cities have to do.

Yes, if I were still Governor, trying to raise teachers' salaries, trying to making better schools, trying to increase the size of the police department and reduce crime in my community, if I were charged with the responsibility as mayor or Governor and had the responsibility of our children, our environment, all of those things, I would never sit still. I would never sit still for allowing these people to escape taxation. It has been a mystery to me for 7 years, as I have fought to try to give the States the right—not the mandate, but the right—to make remote sellers collect sales taxes. There are only 7,500 of them. The bill I offered would only affect 675 of them. We exempted everybody that did less than $3 million in business a year. I have been soundly defeated each time I have tried to correct this problem. And as I leave the U.S. Senate after 24 years, it is a mystery to me. Why do people vote to allow the tax bases in their States to be eroded when their Governors and their mayors and local officials are scrounging for money to improve schools and everything else?

My State has a sales and use tax on all mail-order sales coming into my State. Do you know how much we collect on it? Zero. Do you know why? Because the tax is on the purchaser. I promise you there is not 1 in 10,000 people in the State of Arkansas that even know that the tax exists. Of course, they don't pay it. Literally millions of dollars of goods come into my State every year on which not one cent of tax is collected, even though it is owed. But it is owed by the person who bought the merchandise, and he or she doesn't even know the tax exists.

When we try to say to the States—Senator GRAHAM, Senator DORGAN and myself—that we are going to help you, we want to honor what you are trying to do, they have all championed my bill. They haven't been very effective, but the Governors and mayors have all championed my legislation every year I have offered it. But the U.S. Senators sit up here, with all their arrogance, and say to their legislatures, Governors and mayors: We don't care what you want, we will decide what you get. For 7 years, so far, and much longer than that, we have said you get nothing. We are not going to let you tax mail-order sales. So quit talking about it. You might as well quit talking about it. I think 30 or 35 votes is my high-water mark in trying to address what I consider a terrible problem.

The Presiding Officer heard me talk a while ago about how the first thing I did when I came here was to try to stop the manufacturing of CFCs that are destroying our ozone. We all know the ozone is being systematically destroyed, but back then we had to study it. It was just a theory. As I said, the best way to kill something in the U.S. Senate is to say let's study it. If you want to never hear of something again, get an amendment adopted that says, no, you can't do that anymore, you have to study it.

That is what we are doing here. We are saying to the mayors and Governors and legislatures of our respective States—45 of the 50 States already have a tax, but it is on the consumer and nobody knows it, and they are desperate. The reason I mention that again is because I will be sitting down in Arkansas, or someplace, a few years from now and this thing will crescendo and will reach a level where the Senate won't have any choice but to deal with it and to give the States that right, because if they don't their schools are going to start crumbling, their police departments are going to go to pot, as are their fire departments.

Did you see in the paper this morning where Amazon.com's stock is selling for over $100 a share, and they haven't made a nickel profit yet? It is estimated they are selling two-thirds of all the books sold over the Internet, and their sales are growing exponentially. I have a lot of friends that never buy a book from a local bookstore anymore. They buy it over the Internet. Not only do they get a little discount, they pay no sales tax on it. So this morning's paper says Amazon.com has become so terrific and so powerful that a publishing house is buying Barnes & Noble's on-line system. They have a third and Amazon.com has two-thirds. The publishing house knows that they are

going to be put out of business if they don't get with the program, because Amazon.com is going to be selling all the books in the country. So they are buying Barnes & Noble's on-line book service.

That is good for the consumers, but it is terrible for State and local government. Yesterday afternoon, I offered an amendment to say at least make the Internet state that the merchandise you buy may be subject to local taxation. You think about that. Senator DORGAN voted with me, Senator GRAHAM voted with me, and we got 27 votes. They don't even want the people to know that there is a sales tax on which the purchaser is liable.

Then, this morning, we finally won a little battle. There was an amendment here that I could not believe that said you can't study this issue. Think of that. Normally you use studies to kill things. This morning, we get an amendment saying you can't even study it. I am telling you, I don't know what the Internet and these mail-order catalog houses have on the Senate, but it must be something. Larry Flynt ought to be offering a million dollars to find out the answer to that one. So here we are standing around debating an issue, the merits of which are not even in question. Everybody knows that we ought not to be giving a free ride to the to people who are selling merchandise by the hundreds of billions of dollars over the Internet and eroding the tax base of almost every State in the Nation. I am for computers; I am for technology, but I am not for allowing them to destroy the tax base of the states.

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

Mr. BUMPERS. Yes, I am happy to.

Mr. DORGAN. Mr. President, I have listened to the Senator from Arkansas, and I am reminded again why we are going to miss him when he is gone. He fights hard for the things he feels strongly about, and this has been one of them for many years.

This vote coming up, probably in 20 minutes, is a very simple vote. This issue started with the notion that people said, gee, we must do something here to provide a shield so that nobody would impose punitive taxes on the Internet and retard the growth of the Internet. Lord, have you ever seen anything grow like the Internet and Internet commerce? That is mushrooming so fast you can't get your arms around it. And they are saying we have to be sure that we protect them.

Well, in the matter of protecting them, they have created a moratorium on the ability of State and local governments to impose taxes. The vote that we are going to have in a moment is regarding how long that moratorium is going to last. The committee on which I serve reported a bill out that said let's have a moratorium for 6 years. I didn't vote for that. The House of Representatives said let's have a moratorium for 3 years. The Senate Finance Committee said let's have a moratorium for 2 years. The underlying bill will now say 3 years. The amendment we are going to vote on says no, that is not enough; we need a 4-year moratorium. The Senator from Arkansas will be fishing in Arkansas, and at the end of 4 years we will have folks—I guarantee it—who will stand here on the floor of the Senate, and they will say, ''We have got to have an extender. We have to extend this moratorium.'' How long? Another 4 years. How about permanently? Make it a permanent extender. That is exactly what is going to happen.

We ought to decide as a Senate 3 years—no more. And at the end of 3 years we are done. If we can't figure it out by the end of 3 years, there is something wrong with us.

I ask the Senator from Arkansas. Does he agree that this ought not be a circumstance where we create a tax system that says, ''Oh, by the way. We will favor folks doing this over a computer,'' which means we will penalize the folks that hire the folks on Main Street who rent the building, put the inventory in, open their door early in the morning, and hold themselves open for business. And we say to them that we will penalize them because the other folks don't have to comply with the tax laws when they come in and compete with them.

That is what this fight is about. The amendment here is going to be 4 years or 3 years. There will be a lot of folks who come to the well of the Senate and say, ''What is the issue?'' The issue is that for every, I assume, 4 years, or for every 3 years. But what does good sense tell us ought to be the case here? Three years maximum, and then no more. Then let's have a tax system that is fair to everybody regardless of how they are selling—off the Internet, catalogs, or Main Street. Let's be fair with respect to this tax system of ours.

Let me conclude by saying I worked on this issue when I was in the House of Representatives on the Ways and Means Committee for 10 years. I know what the problem is. You start talking about this issue, and the first thing you know you have a million friends—not friends. You get a million postcards, because everybody who buys from a catalog seller is told to send a postcard to this person, or that person, and they are told that person is trying to increase your tax. Of course, that is not true. Nobody is talking about any additional taxes. There is no increase in tax. This is a different issue—the moratorium. So you get a million cards out there, or 10 million cards that affects all of the interests that are voting.

Mr. President, again, let me say to the Senator from Arkansas that his dedication to this issue is important, and he will leave a long and lasting impact on the Senate. I think the most immediate impact and the most immediate presentation now is a good vote so we can at least turn back the 10 years. I think that would be a good public service.

Mr. BUMPERS. Mr. President, the distinguished Senator from North Dakota, my good friend, has been a steadfast ally with me in this battle for many, many years, because the State of North Dakota took this case to the Supreme Court. And the Supreme Court said we are reversing ourselves in previous decisions. If the Congress wants to give the right to the States to collect this tax, they can now do it. But Congress has to do it. Congress has steadfastly refused to do what the Supreme Court told them they had the authority to do.

I will be sitting down in Arkansas fishing 3 years from now, and I assume that is probably the number of years we are going to adopt in a few minutes. I am not going to vote for it. I am not going to vote for 4 years. I am not going to vote for the bill either. It has a 2-year moratorium. As far as I am concerned, that is enough.

But having said that, I will be down there fishing. I will be watching C–SPAN. I will smile to myself when somebody gets up as though it is the most original idea that was ever created, and says, ''Mr. President, I send an amendment to the desk that would create a commission to study taxation of the Internet. We have had 3 years to study it, but we are really not quite finished and we don't know what havoc this is going to create. We need to get the National Academy of Sciences, the Council of Economic Advisers, or the GAO. We need somebody to study this a while longer.'' They will buy it again. I can tell you that 3 years from now the makeup of this place will not change that much. They will buy it again, and we will extend it again. But just like the ozone layer, the time will come when everybody knows that you can't do it anymore, because the States and the cities can't afford to let this go any longer. They are barely making ends meet the way it is. That is the way it goes. If you do not learn anything in 24 years here, you will learn the way the game is played.

Mr. President, I am pleased to be able to take a firm stand on an issue that I felt strongly about for so many years. As I say, I don't intend to vote for a second-degree amendment which would take it to 4 years. I don't intend to vote for the second-degree amendment that will take us to 3 years. The bill, as it came out of committee and came to this floor provided for a 2-year study. That is too long. They don't need 2 years. I am going to vote for the bill because 2 years is much too long anyway.

I don't believe there ought to be a tax exemption for anybody who is competing with Main Street merchants.

Let me add one further thing. The Senator from North Dakota piqued my memory on this. Outside of being the entire Charleston South Franklin County Bar Association, I was also a Main Street merchant. I can tell you

even then, 40 years ago, my biggest competitor was the catalog. I detested it. I was a Main Street merchant having to organize the Christmas parade, be president of the Chamber of Commerce, and trying to attract industry into town so we could create a few jobs. I paid sales tax on every dime I sold, all of which went for the schools of our State and our city, which went to the police department, which went to the fire department, which went to help us pave our streets, take care of our landfill, dispose of our garbage.

Those are the things that Main Street merchants do in this country. We are saying to them and the National Federation of Independent Businesses—NFIB. I don't want to get started on them. As far as I am concerned, they represent big business, and not small business. But I think they are for this bill. It is the most damaging thing to Main Street merchants I can imagine. I know. I used to be one.

I yield the floor.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the time until 5:30 be equally divided for debate on the pending McCain-Wyden amendment, and at the conclusion of the debate the Senate proceed to vote on or in relationship to the amendment.

I further ask that no second-degree amendments be in order prior to the vote.

Mr. GRAHAM. Mr. President, is there currently a limitation on debate on this amendment?

The PRESIDING OFFICER. There is not.

Mr. GRAHAM. I object to the unanimous consent.

The PRESIDING OFFICER. Objection is heard.

The Senator from Arizona controls the floor.

Mr. MCCAIN. Mr. President, I ask the Senator from Florida what he wants.

Mr. GRAHAM. I want just—Mr. President, I would also settle——

The PRESIDING OFFICER. The Chair did not hear the Senator from Florida.

Mr. MCCAIN. I ask unanimous consent to engage in a colloquy with the Senator from Florida.

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

Mr. MCCAIN. What time agreement will the Senator from Florida agree to?

Mr. GRAHAM. I would like to complete my remarks, and then we will consider what will be an appropriate time limitation.

Mr. MCCAIN. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. Thank you, Mr. President.

Mr. President, I go back to the same point that I have made on two or three occasions in the debate of this legislation. That is to remind us what we are doing. We are doing quite an exceptional thing. We are telling to 50 States and multiple local jurisdictions that their legal authority to establish what is the appropriate fiscal policy for their citizens is going to be preempted. We are telling them for this purpose that they will be precluded from exercising a judgment that they might otherwise feel is in the interest of their residents and citizens.

We are doing this in order to provide a pause, a time-out, a brief period in which to sort out the application of public policy, particularly as it relates to tax policy, and the new technology of the Internet.

I think that we ought to accept the fact that the presumption should be that that preemption of our brethren at the State and local level should be respectfully as brief as possible. We should not easily or excessively indulge in this kind of behavior, particularly when the consequences of this behavior are so obvious and perverse.

I have used the analogy, and I will use it again, of what we are doing to that Main Street merchant, as if to say that Main Street had a north side and a south side. On the north side, all the people who come to buy their hardware, their clothes, their shoes would be responsible for paying the legislated State and local sales tax, and they would be responsible for collecting it and then remitting it back to the appropriate tax collection authorities. That is not adding a new tax; that is the administration of a tax which the democratic processes in Little Rock or Tallahassee or Salem or any other State capital have prescribed as a means of funding the essential responsibilities of local and State government. We are saying that on the north side that collection has to take place. But on the south side, which is a virtual south side because it doesn't really exist other than in cyberspace, because it is reached through the Internet, there is not such a responsibility to collect on exactly the same hardware, shoes and clothing that we now ask the north side merchant to collect.

That is a fundamentally unfair proposition. We would be shocked and appalled if someone were to suggest that as a de novo proposition. But that is what we are doing with this Internet Tax Freedom Act.

The second consequence that we are accepting as a result of this legislation is that we are about to drive a major hole into the ability of local governments and States to finance their most basic responsibility—police who secure our neighborhoods, fire officials who protect us in times of emergency, and most specifically our schools. I will talk in a moment about what has happened to education during this 105th Congress, but I suggest that of all the things we have done or we have not done, the most important education bill that we are going to consider in 1998 is the one that is before us today.

Now, the question that I ask, and I hope that we receive a response, is why 4 years? I was reticent to object to the unanimous consent to call for a vote at 5:30, but I felt that we ought to allow enough time for the proponents of the 4 years to make the strongest case they could to overcome what I think should be the very strong presumption against making this moratorium excessive, against lengthening by an unnecessary day, week, month or year the time in which we will allow this unfairness in the marketplace and this threat to the ability of State and local governments to carry out their fundamental functions to remain in existence.

Let's talk about what had been some appropriate times for major tasks. Well, we find in Genesis, chapter 1 and chapter 2, that God created Heaven and Earth in 7 days: ''In the beginning, God created the Heaven and the Earth, and the Earth was without form and void and darkness was upon the face of the deep, and the spirit of God moved upon the face of the waters.'' And 6 days later Earth, the oceans, the mountains, the valleys, the streams, all of the fishes, the animals, and finally man and woman themselves had been created by God—in 7 days, according to Genesis, chapter 1 and 2. And yet it is going to take us 48 months to figure out what the appropriate tax policy should be for bits and bytes and all of the terminology of the Internet.

We have some more recent examples that have already been cited. Senator KERREY said the commission which was responsible for looking at the Internal Revenue Service, clearly one of the most complex agencies administering one of the most complex set of laws that man has ever known, was able to conduct its work in 15 months—3 months less than its original charter, and its work was so good that it formed the basis of the Congress this year enacting the most significant reform of the Internal Revenue Service since it was created. So the fact that they had an 18-month charter to accomplish this very complicated task did not degrade the quality of the ultimate recommendations and the receptivity of Congress to those recommendations.

We have currently at work a commission studying Medicare. That commission, which was created by this Congress in 1997, was given 18 months to do its work. Medicare is one of the largest and most complex programs that this Congress has ever created. It serves to finance the health care of over 35 million Americans. It is a significant part of a health care industry which represents approximately one-seventh of our gross domestic product. We decided that 18 months was the appropriate time to study the complex Medicare system, and yet it is going to take us 4 years, according to this amendment, to decide what should be the appropriate way for the State of North Carolina to levy taxes on Internet activities that affect the citizens of the State of North Carolina.

The almost absurdity of this 4-year period leads one to suspect—and we are not by nature a suspicious, certainly

not a cynical people, but to suspect—that there are motivations here other than allowing a sufficient amount of time, the amount of time that we normally anticipate would be required to get a undergraduate degree from one of our great colleges or universities, why it would take 4 years in order to study this issue.

Let me suggest what I think some of the motivations might be. One is that it is going to provide an extended period of freedom from taxation during which there will be new technological applications of the Internet which will have the effect of further widening the gap between Main Street and cyberspace and further exposing local and State government to an erosion of their tax base.

I spoke yesterday about the new technology of Internet telephony, using the Internet as the means of making long distance telephone calls rather than the traditional line system that we use today. The effect of that is going to be that that Internet telephony will now escape both Federal as well as State taxation for the period of this moratorium.

I read a statement yesterday by a research group which estimated that by early in the next century potentially 10 percent or more of long distance telephone calls would be made through Internet telephony.

A second reason for the 4 years might be to develop a political coalition. There are going to be a lot of folks who are going to find it is awfully nice and convenient to not collect this tax. It is awfully nice to have your sales explode, as it was stated that Amazon.com's book sales are exploding. They surely ought to explode. They have a 6- or 7-percent market advantage over that independent bookseller in Fayetteville, AR. They ought to beat the pants off the bookseller. And now we have the situation where the publishers, not going through any intermediary, are going to be selling directly on line. That is great for the American consumer. They are going to have access to a lot of literature and other books at a very attractive price, but the price that society is going to pay is imbalance in the commercial marketplace and a degradation of our police, fire and educational services.

We, also, as a consequence of this, are going to frustrate local choice. I said this morning that the morning newspaper was filled with articles which are relevant to this debate. This is one that might be of particular interest to our good friend from Arkansas, Senator BUMPERS, in which there is, apparently in Arkansas today, an effort being made—and, by the polls, a pretty effective effort—to repeal the property tax in Arkansas and to substitute for the property tax a significant increase in the sales tax. It appears on page A–3 of the Washington Post of October 7 under the headline, ''Grass-roots Group Takes Aim At Arkansas Property Tax.''

I don't know whether this is a good idea or bad idea, for Arkansas to be suggesting this. Apparently the Governor and a lot of other folks think it is a bad idea. But I think we might agree, whether the idea is good or bad, that it ought to be an Arkansas idea, as to how Arkansas wants to organize its State and local taxation. We are about to say in this bill that we are going to make it more difficult for States to have that range of choice. As we erode the base upon which the sales tax is applied, the opportunity for States to do what Arkansas is considering, substituting sales for property tax, is going to be much more difficult because there will be less to substitute with.

So we are embarked along a path which is not just a temporary one but has the potential of driving a permanent wedge between the Federal Government and States as we rather casually preempt their traditional political choices of how to organize their tax base.

But those consequences, I think, pale in terms of the final one to which I have already alluded. That is that this is the most important education bill of 1998.

Mr. President, 1998 started with a lot of enthusiasm for education. The President in his State of the Union talked about reducing class size, particularly in the primary grades, so that children would not have to go to excessively overcrowded classrooms. That was an issue that struck home directly to me.

My third daughter, Suzanne Gibson, was a wonderful kindergarten teacher. The last year she taught kindergarten at a new elementary school in Miami, Dade County, FL, there were 38 students in her class—38 students in a kindergarten class. My daughter is a wonderful teacher. She now is the mother of triplets, so she is getting to apply what she learned with those 38 students in her class, but I defy anyone to educate thirty-eight 5-year-olds. You may provide custodial services but you do not educate thirty-eight 5-year-olds.

So we started this year in Washington with a hope and some expectation that the Federal Government might reach out in a hand of friendship and partnership to States and school districts and millions of young boys and girls, and help them with their educational needs. We did not pass the bill that would have allocated an additional 100,000 teachers with Federal assistance in order to reduce class size at the primary grades. Although we had a good experience with a similar action with community police, where we are helping to finance 100,000 community police in a very positive contribution to enhance law enforcement, we did not do that as it relates to primary education.

Then the President had another proposal for the Congress to assist in helping school districts be able to build enough schools and maintain the old schools so that we could have the classrooms that would be required to significantly reduce class size, particularly in the primary grades. We did not pass that bill either.

So, now on the 7th of October, with some 2, 3, or 4 days left in this session, we are coming to the most important education bill we are going to pass. What is it going to do? Is it going to help States and local school districts carry out their most important responsibility? No. What it is going to do is to undercut their existing revenue and make it even more difficult to even keep class sizes down to the 38-to-1 level in the kindergarten of Miami, Dade County, FL.

So, I believe there is absolutely no justification for making this moratorium a day longer than is required to carry out what is a fairly straightforward task. This certainly is no reason to argue it is going to take 4 years, but I look forward to the argumentation that maybe will persuade me as to why 4 years are required for this task when God created Heaven and Earth in 7 days and we reformed the IRS in 15 months.

Mr. President, I want to vote for this bill because I believe that there is a persuasive argument that a brief moratorium, with the time used by an intelligent group of people who represent all the interests involved, and against a charter which allows them to look at all the relevant improvements, could play a useful purpose. But I could not support a 4-year moratorium, with all the pernicious effects it would have, without any contribution to a greater understanding of the issues involved in Internet taxation.

So, I urge defeat of this amendment. I urge adoption of the position taken, thoughtfully, by the Senate Finance Committee, which was for a 2-year study. If that is the provision, I will support this legislation. Otherwise, I fear for the consequences.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I ask unanimous consent that there be remaining 10 minutes equally divided between the Senator from Florida and the Senator from Oregon, and that following that there be a vote on the MCCAIN amendment.

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

The Senator from Oregon.

Mr. WYDEN. Mr. President, the McCain-Wyden amendment is, of course, a compromise. The bill that came out of the Senate Commerce Committee was a 6-year bill. The bill that came out of the Finance Committee was a 2-year bill. So there was an effort to bring the parties together around 4 years. But that is not what is really important. What is really important is the timetable that is going to be essential to do this job right.

Mr. President, 18 months after the date of enactment, the commission is going to make its recommendations—May of 2000. The moratorium under the

finance bill ends in October of 2000. That means that there is less than 6 months to act on the recommendation before the timeout would end. Some States, a number, have legislatures that are not meeting in the year 2000. I am sure my friend and colleague, Senator GRAHAM, would be interested in knowing that Arkansas, Maine, Minnesota, Montana, Nevada, North Carolina, Oregon, Texas, North Dakota, and Vermont all have legislatures that do not meet every year. So we are going to have a situation, it seems to me, where there will be essentially no time in order for a legislature to thoughtfully look at these issues.

The Senator from Florida says that Chairman MCCAIN and I are ramming this bill through the U.S. Senate. We have worked on it, now, for 18 months. We have made more than 30 separate changes in an effort to try to address the concerns of the Senator from Florida. There has been discussion about how this would create a tax haven on the Internet. Let us be very clear about what happens during the moratorium. If a person walks into a store and purchases a sweater in a jurisdiction where there is a 5 percent sales tax, if they order that sweater over the Internet, they pay exactly the same tax, exactly the same fee—technological neutrality.

The Senator from Florida says that the apocalypse is at hand because there is going to be a huge reduction in revenue at the State level. When we began this bill with legislation that was much more encompassing than the one we are considering now, the Congressional Budget Office could not even initially score it. It then came back with a projection of less than $30 million.

Nothing is being preempted here. The States and localities are allowed to treat the Internet just as they would treat anything else.

At the end of the day, the kinds of people who will benefit from this are the senior citizens in Florida, for example, the home-based businesses in Oregon, people who are trying to use the Internet as a way to advance the chance to build a small business and particularly see the Internet as a great equalizer.

They are not going to be in a position, those home-based businesses, to compete with the corporate giants. But if we create across this country a crazy quilt of State and local taxes where each jurisdiction goes off and does its own thing, it is going to be very difficult for those entrepreneurs, senior citizens, handicapped and disabled people to go out and hire the accountants and lawyers that would be necessary to carry out the vision of the Senator from Florida of the Internet. What we need to do is come up with some sensible policies, and it is going to take some time.

If somebody from Florida, for example, orders Harry and David's fruit in Medford, OR, using America Online in Virginia, pays for it with a bank card in California, and ships it to their cousin in New York, we are talking about a completely different kind of commerce than we have seen in the past. Let us take the time to do it right. Without the amendment that the Senator from Arizona and I are offering—

Mr. GRAHAM addressed the Chair.

Mr. WYDEN. I believe I have the floor.

The PRESIDING OFFICER (Mr. ABRAHAM). The Senator has the floor and has approximately 35 seconds remaining.

Mr. WYDEN. Thank you, Mr. President.

Without the amendment that the Senator from Arizona and I are offering, all of those legislatures that I mentioned specifically, which we talked about initially more than an hour ago, are going to have to act immediately in order to carry out the spirit of this commission. I can't believe that is what the Senate wants, and I am very hopeful that the Senators will join groups like the National Retail Federation, the Information Industry Association, the Home Business Association, and scores of other small business groups supporting the amendment.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Florida.

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

Mr. WYDEN. I will be happy to.

Mr. GRAHAM. Mr. President, I ask unanimous consent for 2 minutes for the purpose of a colloquy.

The PRESIDING OFFICER. The Senator from Florida has 5 minutes allotted to him. Does he wish to have the additional 2 minutes allocated to the Senator from Oregon to be used for questions?

Mr. GRAHAM. I do.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered. The Senator from Oregon has 2 minutes for the purpose of a question.

Mr. GRAHAM. Mr. President, I say to the Senator from Oregon, in the effort to describe the equality of treatment, he used the example that if a person went into a local bookstore and bought a book, they would pay and the bookstore seller would be responsible for collecting and remitting the appropriate State and local sales tax.

Mr. WYDEN. If the Senator will yield for an answer, if that is current policy in that State. I know that the Senator from Florida is very anxious to resolve mail-order and catalog sales tax questions. The bill does not resolve that.

Mr. GRAHAM. The answer to that question is yes, the merchant would be responsible for collecting and remitting the sales tax.

If the same sale were made on Amazon.com, would Amazon.com be responsible for collecting and remitting the sales tax?

Mr. WYDEN. Certainly that would be the case if it was done instate where you had a current policy with respect to sales tax. But if it applies to other States, if other States have a particular tax policy, if they do business involving the Internet, we apply exactly the same rule.

Mr. GRAHAM. If a person in Florida has a sales and use tax, could it require Amazon.com to collect from a Florida resident, who ordered a book in Seattle, the Florida sales tax?

Mr. WYDEN. I am not up on Florida's policy, but we do not do anything different with respect to the Internet than we do in any other area. The hearing record in the Commerce Committee—I will be glad to share it because I cited many of those examples—and the Finance Committee makes it very clear that the Internet gets no preference, the Internet suffers no discrimination, and that is the point of the bill.

Mr. GRAHAM. The answer is no, that the discrimination is the fact, that currently the local Main Street merchant is required to collect the tax, but the distant remote Internet seller is not, and we are about to make that a 4-year institutionalized—

Mr. WYDEN. Will the Senator yield?

The PRESIDING OFFICER. The 2 minutes have expired.

Mr. WYDEN. I ask unanimous consent that the Senator have 1 additional minute. I want to engage him in a question.

The PRESIDING OFFICER. The Senator from Florida has 5 minutes.

Mr. GRAHAM. I yield another minute for the question.

Mr. WYDEN. I say to my friend from Florida, what you described is your desire—and I know it is sincere—to overturn the Quill decision. What we are saying in this bill is that we are trying to deal with a different set of economic issues, and if we don't deal with these questions of Internet policy now, I and the Senator from Arizona submit that we will be dealing, just as we are now with the mail-order questions, with these issues with respect to the Internet. Let us try to get out in front of these issues facing the digital economy rather than duplicating the mistakes we made with respect to mail-order and catalog sales.

I thank the Senator for the time.

Mr. GRAHAM. In answer to the question, the Quill opinion gave to the Congress the responsibility to authorize the States to require the distant seller to collect and remit the tax. Thus far, as Senator BUMPERS' long, valiant, but thus far unsuccessful attempts illustrate, Congress has been unwilling to do so. I suggest that indicates what is the likely political result of this new issue of how we are going to tax the Internet.

The PRESIDING OFFICER. Under the previous order, the Senator from Florida has an additional 3 minutes 20 seconds if he wishes to use that at this time. Is the Senator prepared to yield back his time?

The Senator from Florida has 2 minutes remaining. Does he wish to yield back his time?

Mr. GRAHAM. Mr. President, I have no extended remarks. I still don't think we have heard the answer to the question of why does it take 4 years to do this study. The fact is that when this report is available, whatever time, the principal recipient of that report will not be the individual 50 State legislatures, it is going to be us, because in order to implement the recommendations that would allow States to hold the distant seller responsible for collection, we know it is going to require action by the U.S. Congress.

We are in session just about all the time. So whatever date we set for this report to be submitted, we will likely be here, or close to being here, to receive it and to commence the process to deal with it.

I still have not heard any rationale as to why we should continue beyond the minimal time necessary for the inequity of the Main Street merchant and the vulnerability of State and local governments' capacity to finance their police, fire, and schools that an extended moratorium implies.

Thank you.

The PRESIDING OFFICER. The Senator from Florida still has 1 minute 30 seconds.

Mr. GRAHAM. I yield back the remainder of my time.

The PRESIDING OFFICER. The remainder of time has been yielded back or used on both sides.

Mr. McCAIN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the McCain amendment No. 3783. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Pennsylvania (Mr. SPECTER) is necessarily absent.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) and the Senator from South Carolina (Mr. HOLLINGS) are necessarily absent.

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

The result was announced—yeas 45, nays 52, as follows:

[Rollcall Vote No. 305 Leg.]

YEAS—45

Abraham	Dodd	Mack
Akaka	Domenici	McCain
Allard	Faircloth	McConnell
Ashcroft	Grams	Murkowski
Baucus	Gregg	Murray
Bennett	Hagel	Nickles
Boxer	Hatch	Robb
Burns	Inouye	Santorum
Campbell	Kerry	Shelby
Coats	Kyl	Smith (NH)
Cochran	Lautenberg	Smith (OR)
Coverdell	Leahy	Stevens
Craig	Lieberman	Torricelli
D'Amato	Lott	Warner
DeWine	Lugar	Wyden

NAYS—52

Biden	Ford	Levin
Bingaman	Frist	Mikulski
Bond	Gorton	Moseley-Braun
Breaux	Graham	Moynihan
Brownback	Gramm	Reed
Bryan	Grassley	Reid
Bumpers	Harkin	Roberts
Byrd	Helms	Rockefeller
Chafee	Hutchinson	Roth
Cleland	Hutchison	Sarbanes
Collins	Inhofe	Sessions
Conrad	Jeffords	Snowe
Daschle	Johnson	Thomas
Dorgan	Kempthorne	Thompson
Durbin	Kennedy	Thurmond
Enzi	Kerrey	Wellstone
Feingold	Kohl	
Feinstein	Landrieu	

NOT VOTING—3

Glenn	Hollings	Specter

The amendment (No. 3783) was rejected.

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

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

The motion to lay on the table was agreed to.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

AMENDMENT NO. 3678, AS MODIFIED

Mr. McCAIN. Mr. President, I ask unanimous consent that amendment No. 3678, the Abraham amendment, be modified, and I send the modification to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment will be so modified.

The amendment (No. 3678), as modified, is as follows:

At the end of the bill add the following new title:

SEC. ___01. SHORT TITLE.

This title may be cited as the ''Government Paperwork Elimination Act''.

SEC. ___02. AUTHORITY OF OMB TO PROVIDE FOR ACQUISITION AND USE OF ALTERNATIVE INFORMATION TECHNOLOGIES BY EXECUTIVE AGENCIES.

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 alternative information technologies that provide for electronic submission, maintenance, or disclosure of information as a substitute for paper and for the use and acceptance of electronic signatures.''.

SEC. ___03. PROCEDURES FOR USE AND ACCEPTANCE OF ELECTRONIC SIGNATURES BY EXECUTIVE AGENCIES.

(a) IN GENERAL.—In order to fulfill the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the provisions of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106) and the amendments made by that Act, and the provisions of this title, the Director of the Office of Management and Budget shall, in consultation with the National Telecommunications and Information Administration and not later than 18 months after the date of enactment of this Act, develop procedures for the use and acceptance of electronic signatures by Executive agencies.

(b) REQUIREMENTS FOR PROCEDURES.—(1) The procedures developed under subsection (a)—

(A) shall be compatible with standards and technology for electronic signatures that are generally used in commerce and industry and by State governments;

(B) may not inappropriately favor one industry or technology;

(C) shall ensure that electronic signatures are as reliable as is appropriate for the purpose in question and keep intact the information submitted;

(D) shall provide for the electronic acknowledgment of electronic forms that are successfully submitted; and

(E) shall, to the extent feasible and appropriate, require an Executive agency that anticipates receipt by electronic means of 50,000 or more submittals of a particular form to take all steps necessary to ensure that multiple methods of electronic signatures are available for the submittal of such form.

(2) The Director shall ensure the compatibility of the procedures under paragraph (1)(A) in consultation with appropriate private bodies and State government entities that set standards for the use and acceptance of electronic signatures.

SEC. ___04. DEADLINE FOR IMPLEMENTATION BY EXECUTIVE AGENCIES OF PROCEDURES FOR USE AND ACCEPTANCE OF ELECTRONIC SIGNATURES.

In order to fulfill the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the provisions of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106) and the amendments made by that Act, and the provisions of this title, the Director of the Office of Management and Budget shall ensure that, commencing not later than five years after the date of enactment of this Act, Executive agencies provide—

(1) for the option of the electronic maintenance, submission, or disclosure of information, when practicable as a substitute for paper; and

(2) for the use and acceptance of electronic signatures, when practicable.

SEC. ___05. ELECTRONIC STORAGE AND FILING OF EMPLOYMENT FORMS.

In order to fulfill the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the provisions of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106) and the amendments made by that Act, and the provisions of this title, the Director of the Office of Management and Budget shall, not later than 18 months after the date of enactment of this Act, develop procedures to permit private employers to store and file electronically with Executive agencies forms containing information pertaining to the employees of such employers.

SEC. ___06. STUDY ON USE OF ELECTRONIC SIGNATURES.

(a) ONGOING STUDY REQUIRED.—In order to fulfill the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the provisions of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106) and the amendments made by that Act, and the provisions of this title, the Director of the Office of Management and Budget shall, in cooperation with the National Telecommunications and Information Administration, conduct an ongoing study of the use of electronic signatures under this title on—

(1) paperwork reduction and electronic commerce;

(2) individual privacy; and

(3) the security and authenticity of transactions.

(b) REPORTS.—The Director shall submit to Congress on a periodic basis a report describing the results of the study carried out under subsection (a).

SEC. ___07. ENFORCEABILITY AND LEGAL EFFECT OF ELECTRONIC RECORDS.

Electronic records submitted or maintained in accordance with procedures developed under this title, or electronic signatures or other forms of electronic authentication used in accordance with such procedures, shall not be denied legal effect, validity, or enforceability because such records are in electronic form.

SEC. ___08. DISCLOSURE OF INFORMATION.

Except as provided by law, information collected in the provision of electronic signature services for communications with an executive agency, as provided by this title, 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. ___09. APPLICATION WITH INTERNAL REVENUE LAWS.

No provision of this title shall apply to the Department of the Treasury or the Internal Revenue Service to the extent that such provision—

(1) involves the administration of the internal revenue laws; or

(2) 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 title:

(1) 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 the electronic message; and

(B) indicates such person's approval of the information contained in the electronic message.

(2) EXECUTIVE AGENCY.—The term ''Executive agency'' has the meaning given that term in section 105 of title 5, United States Code.

AMENDMENT NO. 3721, AS MODIFIED

Mr. MCCAIN. Mr. President, I send to the desk a modification to amendment No. 3721.

The PRESIDING OFFICER. The amendment will be so modified.

The amendment (No. 3721), as modified, is as follows:

On page 17, beginning with line 18, strike through line 21 on page 19 and insert the following:

(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 19 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) 3 representatives from the Federal Government, comprised of the Secretary of Commerce, the Secretary of the Treasury, and the United States Trade Representative (or their respective delegates).

(B) 8 representatives from State and local governments (one such representative shall be from a State or local government that does not impose a sales tax and one representative shall be from a state that does not impose an income tax).

(C) 8 representatives of the electronic commerce industry (including small business), telecommunications carriers, local retail businesses, and consumer groups, comprised of—

(i) 5 individuals appointed by the Majority Leader of the Senate;

(ii) 3 individuals appointed by the Minority Leader of the Senate;

(iii) 5 individuals appointed by the Speaker of the House of Representatives; and

(iv) 3 individuals appointed by the Minority Leader of the House of Representatives.

UNANIMOUS-CONSENT AGREEMENT—H.R. 10

Mr. MCCAIN. Mr. President, I ask unanimous consent that the Senate resume consideration of H.R. 10 at 5 p.m., Thursday, October 8.

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

INTERNET TAX FREEDOM ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 3719, AS MODIFIED, AS AMENDED

Mr. MCCAIN. Mr. President, I ask unanimous consent that there be 15 minutes, with 10 minutes on this side, controlled by the Senator from Alaska, and 5 minutes controlled by the Senator from North Dakota, that no second-degree amendments be in order, and immediately following that, there be a vote on the Murkowski tabling motion.

The PRESIDING OFFICER. The question will first come on the first-degree amendment.

Mr. MCCAIN. Mr. President, I believe Senator MURKOWSKI will be seeking to table the underlying amendment.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. MCCAIN. Mr. President, I repeat the request.

The PRESIDING OFFICER. Is there objection?

Mr. GRAMM. Mr. President, I didn't hear the request. Can I hear it again?

Mr. MCCAIN. It is that there be 15 minutes on a Murkowski tabling motion, with 10 minutes under the control of the Senator from Alaska, 5 minutes under the control of the Senator from North Dakota, with no intervening second-degree amendments, immediately followed by a vote.

Mr. GRAMM. No objection.

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

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. MURKOWSKI. Mr. President I rise in opposition to the amendment being offered to grandfather existing taxes on Internet services.

This amendment undermines the fundamental integrity of the underlying bill because all state and local taxing jurisdictions would not be under the exact same moratorium. It rewards those states and municipalities that raced to set up discriminatory taxes on Internet services and places them in a better position to raise revenue than those states that have chosen not to act.

More importantly, it sets the precedent that some states, but not all states, can levy taxes that harm interstate commerce. This amendment makes the Internet Tax Moratorium a piece-meal moratorium, not a real moratorium.

I ask my colleagues to consider why we are considering this Internet tax moratorium. As all of us recognize, the Internet is a massive global network that spans not only every state in the Union, but international borders. As the Commerce committee found, Internet access services are inherently a matter of interstate and foreign commerce within the jurisdiction of the United States Congress. In fact, it has been estimated that if the Congress does not make a policy decision regarding taxation of Internet services, more than 30,000 separate taxing jurisdictions within the United States could establish their own taxes on Internet transactions.

Because of the chaos that would ensue, we have decided to place a halt on Internet taxes and allow a commission to study this issue and make recommendations to the Congress. Yet the amendment that the Senator from Oregon proposes would reward those jurisdictions that have already decided to tax Internet services. Why should we grandfather those jurisdictions?

If it is appropriate for states and localities to impose taxes on Internet services than all states should be permitted to adopt such taxes. Alaska should be given that opportunity just as much as North Dakota and South Dakota. But under the Internet Tax Moratorium legislation, my state does not have that option but the Dakotas can continue their taxes because they adopted those taxes prior to this moratorium.

And if it is not appropriate for states and localities to impose taxes on Internet services, than not states nor localities should be permitted to adopt these taxes.

I believe this amendment is not only discriminatory but undermines the fundamental idea underlying this bill. As I noted earlier, the Internet is inherently about Interstate Commerce and we in Congress are about to make a decision that no local taxes should be imposed on Internet services until Congress receives the Commission's recommendations. I believe we should make this moratorium uniform, not piece-meal as the Senator from Oregon proposes.

Otherwise, we are encouraging every state in the union to rush to the state legislature every time a new technology comes along and adopt a taxing scheme on the new technology, secure

in the knowledge that should Congress decide to impose a moratorium on such a new tax, that state's taxes will be grandfathered.

Moreover, there is no rational basis to grandfather these state and local taxes on what everyone agrees is interstate commerce. We have asked a Commission of experts to make recommendations regarding Internet taxes. Although I cannot pre-judge what the Commission will recommend, it is probable that the Commission will make three recommendations. It will make a decision that state and local taxation of Internet services are appropriate or inappropriate. It may decide that some taxes, such as taxes on ''pipeline'' services like Erols or value-added online services like America Online are appropriate but that taxes on interstate product sales on the Internet are inappropriate.

What is certain is that the Commission will not recommend that the only Internet taxes that are appropriate are those that are levied by the states that are proposed to be grandfathered. That would make no sense and would probably be unconstitutional. For that reason alone, we should not permit this grandfather.

Mr. President, one of the most important reasons I believe we should not grandfather any of the Internet taxes is because a decision we make on grandfathering will send a signal to our trading partners that if they adopt taxes on Internet commerce today, those taxes will likely be grandfathered if and when an international agreement on taxation of Internet commerce is reached in the future.

Why shouldn't Brazil or Germany or Canada establish taxes today on Internet commerce and then claim that since these taxes were adopted prior to an international agreement, they should be grandfathered just like the United States grandfathered similar taxes?

Mr. President, there is ample precedent for such a scenario. Many of the tariff and non-tariff barriers that the United States has confronted in the past 50 years have covered practices that were insulated by the original GATT grandfathering rules that were adopted more than 50 years ago. In fact, there have been a number of instances where our foreign trading partners have used the GATT grandfather clause to defend measures that would otherwise violate our GATT rights. A number of those involved foreign tax regimes.

For example, the European Union relied on the GATT grandfather clause to defend their system of territorial taxation and income shifting rules that clearly constituted an illegal export subsidy. Similarly, Brazil used the grandfather clause to defend internal taxes of general application (i.e., sales taxes) that discriminated against goods imported from other GATT members. And Canada relied on the grandfather clause to defend its interprovincial restrictions on the sale of beer and other malt beverages, which included discriminatory charges on imports of competing products from the United States.

Mr. President, the Internet as a means of communication and commerce is in its infancy. Commerce on the Internet is projected to grow by several thousand percent in the next five years. And who stands to benefit the most from that growth? Companies based in the United States will be the largest beneficiaries. I think there can be no doubt about that.

We in the United States invented the Internet. We have been the first country to begin to exploit its benefits. We are leading the world in Internet commerce and the world is watching everything we do and trying to figure out how to prevent American domination of this new medium.

One way to slow American domination of the Internet is for foreign countries to begin to establish taxing regimes on products and information generated from the United States. It is not hard to imagine our foreign trading partners developing taxing schemes designed to protect their domestic manufacturers from competition from more efficient American competitors selling in their country via the Internet. Nor is it difficult to imagine that some of the more repressive regimes in the world might want to come up with punitive access taxes that functionally prevent their citizens from reading American on-line newspapers and magazines. In the name of ''cultural sovereignty,'' I can imagine that some countries will adopt special taxing regimes to restrict access to Internet web pages that are in English.

Mr. President, the precedent we set by grandfathering Internet taxes currently in place will be closely watched by our trading partners. They will follow our model because the United States has established all of the standards and protocols for the Internet.

We should send a message to our trading partners that we will not grandfather any taxes on Internet commerce. Unless we do that, I fear that when our negotiators sit down and attempt to negotiate away discriminatory foreign taxes on Internet services, our foreign trading partners will use the grandfather model in this bill as a reason their taxing regime should be maintained in place. That is surely not the precedent we want to set.

Finally, Mr. President, if we table this amendment we will ultimately not be voting on whether the moratorium should be three years or four years. The Senate has already spoken on this issue and if the grandfathering amendment is tabled, the Chairman of the Committee will certainly offer another amendment that we can accept that will extend the moratorium for four years.

I move to table the amendment on grandfathering state Internet taxes.

Mr. MACK. Mr. President, I oppose this amendment which would allow some states to tax the Internet but not others. The moratorium on Internet taxation must be uniform, applying equally to all states and all local taxing jurisdictions without exception.

Congress is taking an extraordinary, though not unprecedented, step in preempting a taxing power of the states. The people of the United States, through the Constitution, charge Congress with the responsibility of ensuring that states do not interfere with interstate commerce. This power is rarely exercised in the context of taxation, and is a power that we take very seriously.

Use of this extraordinary power is required to prevent the heavy hands of government from stifling the economic growth potential of Internet commerce. We have now just a glimpse of the future of commerce, and a complete revolution in the way people transact business is within sight. We are on the threshold of exciting times, in which information about products will move quicker and farther than ever imagined, in which the elderly, the handicapped, and people living in remote rural areas can participate in world markets without ever leaving their homes. A moratorium is necessary to prevent the taxing authorities of 50 states, over 6,000 localities, and the federal government from taking near-sighted actions that jeopardize this future of commerce.

A threat to interstate commerce so severe as to require a national moratorium cannot be tolerated in any state. If Congress were to grandfather those states that have already imposed Internet taxes, we would be setting a terrible precedent. This ''Early Bird Special'' exception gives states the incentive to rush to impose new taxes on new technologies. This is not the kind of race we want to encourage.

And if Congress can impose a moratorium on some states but not others, will future Congresses attempt to disadvantage individual states in this manner? The defenders of a grandfather clause cast their argument as one of states' rights. But establishing the principle that a moratorium must apply equally to all states protect states from unwarranted infringements upon their power, by preventing the federal government from isolating a minority of states for adverse treatment. And I should also point out that states do not have the right to interfere with interstate commerce—the power to regulate interstate commerce was delegated to the national government, not retained by the states.

The United States should set a strong example and preempt all Internet taxes until a rational, national approach to Internet taxation is developed. If we fail to do so, we undermine attempts to persuade our trading partners that barriers to global electronic commerce should be removed. We have the opportunity to lead the world in the area of Internet commerce, and we should make our cause the cause of freedom.

Mr. President, I urge my colleagues to reject this amendment.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from North Dakota.

Mr. DORGAN. Mr. President, I rise in opposition to the efforts by the Senator from Alaska. My understanding is that he is seeking to table the underlying first-degree amendment, the McCain amendment. The McCain amendment includes the grandfather provision which preserves the existing Internet access taxes. In my judgment, this makes the moratorium a forward-looking moratorium, and will not preempt existing taxes.

It also deals with State and local taxing authorities by including a State and local tax savings provision, which makes it clear that no other State or local tax will be affected. In other words, it protects against the unintended consequences that may well occur unless we have that savings clause.

I really think that it is important that we not support the motion offered by the Senator from Alaska.

The third provision I want to mention in the first-degree amendment that he is attempting to table is a provision ensuring that this moratorium will not affect any pending or existing liabilities. Currently there are companies that may have failed to pay some taxes that would have a current liability under current valid existing laws, and we would not want this moratorium to have the unintended consequence of interrupting those liabilities either.

As I understand it, we have a first-degree amendment, and now a motion to table that. I hope that the motion to table will not prevail. I will vote against it. I will be, by that vote, supporting the underlying first-degree McCain amendment.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

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

the PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. McCAIN. Has all time expired?

The PRESIDING OFFICER. It has not expired.

Mr. MURKOWSKI. Mr. President, I yield all time back that's remaining on our side. It would be my intention when all time is yielded to ask for the yeas and nays. Excuse me, Mr. President. It would be my intention to move to table the pending amendment when all time is expired.

The PRESIDING OFFICER. Does the Senator from North Dakota yield back his time?

Mr. DORGAN. Mr. President, I make a point of order that a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

Mr. DORGAN. I object.

The PRESIDING OFFICER. Objection is heard.

The legislative clerk continued with the call of the roll.

Mr. McCAIN. For the convenience of Senators who have plans this evening and were told that we would have a vote, I would ask unanimous consent that further proceedings under the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. I object.

The PRESIDING OFFICER. There is objection.

The legislative clerk continued with the call of the roll.

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

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

Mr. McCAIN. Mr. President, I ask to be recognized.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, we obviously have a problem. The Senator from Florida is insisting on a point of order that will basically gut this legislation. I want to go ahead and vote on the Murkowski amendment. If the Senator from Florida wants to destroy this bill, which is supported by literally everyone except him, he is free to do that.

Mr. President, how much time remains?

The PRESIDING OFFICER. All time has expired.

Mr. GRAHAM addressed the Chair.

Mr. McCAIN. All time has expired?

Mr. GRAHAM. Point of personal privilege.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I am sorry, my good friend from Arizona has on several previous occasions made statements that have become, I think, excessively personal and not factually correct.

I am prepared to vote on this bill right now, and I will vote for the bill in its current form. What the issue is, is offering an amendment that I question as to its germanity to this bill and that I might raise a point of order on that germanity. I don't consider that to be an inappropriate or even a particularly hostile act. That is a matter of the rules of the Senate. It either is or is not germane in this postcloture environment.

I do not accept the characterization that I am, in some malicious way, standing in the way of the bill. I am perfectly prepared to vote at this time.

The PRESIDING OFFICER. All time has expired.

Mr. MURKOWSKI. I move to table the amendment 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 lay on the table amendment No. 3719, as modified, as amended. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. NICKLES. I announce that the Senator from Pennsylvania (Mr. SPECTER) is necessarily absent.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) and the Senator from South Carolina (Mr. HOLLINGS) are necessarily absent.

The result was announced—yeas 28, nays 69, as follows:

[Rollcall Vote No. 306 Leg.]

YEAS—28

Ashcroft	Gregg	Nickles
Campbell	Hagel	Roth
Cochran	Helms	Santorum
Collins	Hutchinson	Shelby
Coverdell	Hutchison	Smith (NH)
D'Amato	Jeffords	Stevens
Faircloth	Lott	Thomas
Gramm	Mack	Torricelli
Grams	McConnell	
Grassley	Murkowski	

NAYS—69

Abraham	Domenici	Leahy
Akaka	Dorgan	Levin
Allard	Durbin	Lieberman
Baucus	Enzi	Lugar
Bennett	Feingold	McCain
Biden	Feinstein	Mikulski
Bingaman	Ford	Moseley-Braun
Bond	Frist	Moynihan
Boxer	Gorton	Murray
Breaux	Graham	Reed
Brownback	Harkin	Reid
Bryan	Hatch	Robb
Bumpers	Inhofe	Roberts
Burns	Inouye	Rockefeller
Byrd	Johnson	Sarbanes
Chafee	Kempthorne	Sessions
Cleland	Kennedy	Smith (OR)
Coats	Kerrey	Snowe
Conrad	Kerry	Thompson
Craig	Kohl	Thurmond
Daschle	Kyl	Warner
DeWine	Landrieu	Wellstone
Dodd	Lautenberg	Wyden

NOT VOTING—3

Glenn	Hollings	Specter

The motion to lay on the table the amendment (No. 3719), as modified, as amended, was rejected.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER (Mr. BROWNBACK). The Senator from Arizona.

Mr. McCAIN. Mr. President, first of all, let me say for my colleagues where we are on this bill.

We believe that we had an agreement that there would be this vote on the Murkowski amendment to table, and then we would proceed to adopt a previously agreed to amendment that had been agreed to by the Senator from North Dakota who has been managing the bill and others that have been involved in the legislation. Apparently, that was not agreed to by the Senator

from Florida who intends to at least at this time challenge on the issue of germaneness the amendment that the Senator from North Dakota, the Senator from Oregon, I, the Senator from Wyoming, and others had agreed to, which has to do with the definition of what are discriminatory taxes.

This, obviously, germane point of order would carry, or there is a likelihood that it would. That would reduce the effectiveness or the impact of this bill to the point where it would be nearly meaningless.

The Senator from Florida has told me that he will work overnight with us and with others to try to craft some agreement or relook at the entire issue. I hope that he will do so.

After the vote at 11 tomorrow on VA-HUD, I will then propose amendment No. 3711. At that time, if the Senator from Florida still wishes to, obviously he can challenge the amendment on point of order concerning whether the amendment is germane or not.

Mr. President, I think everybody realizes how important this legislation is. I would very much hate to see it derailed at this point in time.

But the amendment, 3711, is vital to this legislation. Some may ask why we didn't propose it earlier. That is because it was part of a package of negotiation that we were in with the Senator from North Dakota, and others.

I respect the right of the Senator from Florida to object on germaneness grounds. That is his right as a Senator. I do not challenge that.

Mr. WYDEN. Will the Senator yield?

Mr. MCCAIN. I ask unanimous consent to yield to the Senator from Oregon without losing my right to the floor.

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

Mr. WYDEN. I will be very brief, I say to the chairman and colleagues. The hour is late.

All we seek to do is to have technological neutrality. We are not going to tax catalogs. We also don't want to tax web sites. That is all this is about—preventing that kind of discriminatory tax.

I thank the chairman for yielding.

Mr. MCCAIN. Mr. President, these things happen as we consider legislation. There are very strongly held views on this issue, especially by the Senator from Florida who, as a former Governor, understands the impact of these issues on his State. I understand that and appreciate that. But I want to be clear that my interpretation and that of the Senator from Oregon and the proponents of this legislation are that if we do not allow the amendment 3711, then the legislation itself would be rendered largely meaningless.

MORNING BUSINESS

Mr. MCCAIN. Mr. President, I ask unanimous consent that there now be a period of morning business with Senators permitted to speak for up to 5 minutes each.

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

GOVERNMENT PAPERWORK ELIMINATION ACT

Mr. ABRAHAM. Mr. President, I rise today to speak about S. 2107, the Government Paperwork Elimination Act, a bill I introduced in April along with Senators WYDEN, MCCAIN and REED. This bill has been added as an amendment to the Internet Tax Freedom Act and I want to thank Senators MCCAIN and HOLLINGS and Senator THOMPSON, for taking the time and effort to work with me in advancing this legislation. Without their active support and participation, this bill would not have progressed as far as it has.

This bill amends the Paperwork Reduction Act of 1980 to allow for the use of electronic submission of Federal forms to the Federal government with the use of an electronic signature within five years from the date of enactment. It is intended to bring the federal government into the electronic age, in the process saving American individuals and companies millions of dollars and hundreds of hours currently wasted on government paperwork.

The bill also includes provisions to protect the private sector and ensure a level playing field for companies competing in the development of electronic signature technologies. It mandates that regulations promulgated by the Office of Management and Budget and the National Telecommunications and Information Administration be compatible with standards and technologies used commercially. This will ensure that no one industry or technology receives favorable consideration.

The bill also requires Federal agencies to accept multiple methods of electronic submission if the agency expects to receive 50,000 or more electronic submittals of a particular form. This requirement will ensure that no single electronic signature technology is permitted to unfairly dominate the market.

This legislation also takes several steps to help the public feel more secure in the use of electronic signatures. If people are going to send money or share private information with the government, they must be secure in the knowledge that their information and finances are adequately protected. For this reason, my bill requires that electronic signatures be as reliable as necessary for any given transaction. If a person is requesting information of a public nature, a secure electronic signature will not be necessary. If, however, an individual is submitting forms which contain personal, medical or financial information, adequate security is imperative and will be available.

This is not the only provision providing for personal security, however. Senator LEAHY joined me to help establish a threshold for privacy protection in this bill. The language developed by Senator LEAHY and I will ensure that information submitted by an individual can only be used to facilitate the electronic transfer of information unless it has the prior consent of the individual.

Also included is a provision establishing legal standing for electronically submitted documents. Such legal authority is necessary to attach the same importance to electronically signed documents as is attached to physically signed documents. Without this provision, electronic submission of sensitive documents would be impossible.

Finally, Mr. President the Government Paperwork Elimination Act requires that Federal agencies send individuals an electronic acknowledgement of their submission when it is received. Such acknowledgements are standard when conducting commerce online. A similar acknowledgement by Federal agencies will provide piece-of-mind for individuals which conduct electronic business with the government.

As much as individuals will benefit from this legislation, so too will American businesses. By providing companies with the option of electronic filing and storage, this bill will reduce the paperwork burden imposed by government on commerce and the American economy. It will allow businesses to move from printed forms they must fill out using typewriters or handwriting to digitally-based forms that can be filled out using a word processor. The savings in time, storage and postage will be enormous. One company, computer maker Hewlett-Packard, estimates that the section of this bill permitting companies to download copies of regulatory forms to be filed and stored digitally rather than physically will, by itself, save that company $1–2 billion per year.

Efficiency in the federal government itself will also be enhanced by this legislation. By forcing Government bureaucracies to enter the digital information age we will force them to streamline their procedures and enhance their ability to maintain accurate, accessible records. This should result in significant cost savings for the federal government as well as increased efficiency and enhanced customer service.

Each and every year, Mr. President, Americans spend 6.6 billion hours simply filling out, documenting and handling government paperwork. This huge loss of time and money constitutes a significant drain on our economy and we must bring it under control. The easier and more convenient we make it for American businesses to comply with paperwork and reporting requirements, the better job they will do of meeting these requirements, and the better job they will do of creating jobs and wealth for our country. That is why we need this legislation.

The information age is no longer new, Mr. President. We are in the midst of a revolution in the way people do business and maintain records. This legislation will force Washington to catch up with these developments, and

release our businesses from the drag of an obsolete bureaucracy as they pursue further innovations. The result will be a nation and a people that is more prosperous, more free and more able to spend time on more rewarding pursuits.

I want to thank my colleagues in the Senate for their support and urge the House to support this important legislation.

COMMERCIAL SPACE ACT OF 1998

Mr. KYL. Mr. President, I would like to engage the Chairman in a colloquy regarding a provision of the Commercial Space Act of 1998. It is my understanding that Section 202(b)(6) of the Land Remote Sensing Policy Act of 1992, which requires any company receiving a license to operate a remote sensing system to ''notify the Secretary [of Commerce] of any agreement the licensee intends to enter with a foreign nation,'' is amended by the Commercial Space Act of 1998 by inserting the words ''significant or substantial'' after ''Secretary of any.'' This is intended to limit the agreements which are reported to the Department of Commerce. As you know, the Congress has acted in the past to limit imagery of Israel. I would like to clarify that any agreement or contract permitting any imaging of Israel using commercially available, satellite-based remote sensing technology would fall under the definition of ''significant or substantial.'' Is this the Chairman's understanding?

Mr. MCCAIN. I thank the Senator. It is certainly my intention that any agreement permitting the imaging of Israel using commercially available, satellite-based remote sensing technology will continue to be reported to the United States government for review. The Congress has indicated that it viewed imaging of Israel to be a significant matter, and the intent of this legislation is to make sure that any agreement that could lead to imaging Israel will be reported.

Mr. KYL. I thank the Senator.

ALLEVIATING INTERNATIONAL FAMINE WITH AMERICAN SURPLUS

Mr. BIDEN. Mr. President. Today I address an issue of extreme importance to both citizens of the United States, and people around the globe.

It is not often that we have the opportunity to help those in other countries and Americans at the same time. I believe that one of these occasions presents itself now.

In every area of the world, there are men, women and children in desperate need of food. Some of them are refugees from wars and other forms of political violence. Some of them are displaced because droughts or floods have interfered with their ability to grow food and destroyed their homes. Others are simply too poor to be able to afford the tools and seeds necessary to plant crops.

This year has been particularly difficult in a variety of places. Most recently, hurricane Georges has ravaged the Caribbean. Nations such as Haiti, where the population is barely able to feed itself, and the Dominican Republic have been heavily damaged by the storm's onslaught.

Countries in Eastern Europe are experiencing food shortages. Winter is coming to Kosovo, where the Serbian Special Police and Yugoslavian army continue a terrorist policy that has destroyed more that three hundred villages, and driven more than 300,000 ethnic Albanians from their homes, with an estimated 50,000 forced into forests and mountains. With good reason, these people are afraid to return to the villages which have been destroyed and vandalized by the Serbian army. They have left the only means they have of supporting themselves behind. As a result, if we in the international community do not help them, they will not be able to feed themselves.

Russia faces a sharp decrease in agricultural production, due to drought and other poor weather conditions. Approximately twenty-five percent of farmland was damaged. Consequently, this year's harvest will be Russia's worst in four decades. Collective farms have harvested only a little over half the amount of grain in this year's harvest as they did in 1997. The potato crop, one of Russia's staples, is down significantly due to potato blight.

The Asian economic crisis is having a significant impact on the ability of those states to feed themselves. Indonesia, with its current financial turmoil is in need of food. Asian countries which normally import American commodities are unable to do so this year, exacerbating our farmers' woes.

The situation in North Korea remains grave. Floods, droughts and other natural disasters in the past four years have left many without the ability to feed themselves. Malnutrition and related diseases are common throughout the land. One million people have died in North Korea over the past two years.

Due to climactic conditions and political unrest, there are many in need in Africa. In Sudan alone, experts have indicated that as many as 2.6 million people may go hungry. Mozambique is facing a food crisis which will affect 300,000 people until April of next year. In the northern portions of Sierra Leone, thousands of internally displaced people will face hunger, if not starvation, unless they are provided with aid.

Here in the United States we face a challenge of a different sort. Far from suffering from a lack of food, American farmers are producing an abundance. Unfortunately, U.S. agricultural exports are expected to decline 4.6 percent from projected 1998 levels, mainly because of the collapse of global markets.

One third of the family farmers in this country may go out of business in the next several years, with net farm income projected to decrease by $7.5 billion in 1998. We have the food. All we are lacking is strong markets to buy what we are producing.

Common sense tells us that it is time to bring together our oversupply of domestic agricultural products and the growing international need for food aid. One way to do that is to increase shipments of U.S. agricultural products to countries in need.

In July of this year, the President took steps to do just that, creating the Food Aid Initiative. This initiative directs the Department of Agriculture to purchase 80 million bushels of grain for distribution to poor countries overseas. The Secretary of Agriculture announced the first disbursement of wheat and wheat flour under the Initiative to the World Food Program on September 15th. I applaud the Administration's creation of this Initiative. The potential of this program in combination with other U.S. food assistance programs to provide relief to hungry people is great, and I support the President's efforts.

However, we can and should do more. To begin with, the list of countries that the administration has targeted through the Initiative should be expanded. Last week I wrote to Secretary of State Madeleine Albright, Secretary of Agriculture Dan Glickman and Brian Atwood, the Administrator of the Agency of International Development. In those letters, I indicated among other things, that threatened food shortages in Kosovo and Russia must not go unaddressed.

Not only must we be sure that more countries are being given much needed food, we must be assured that those who are hungry are actually receiving the food. Unfortunately, in some instances, access to food donations is prevented by people in needy nations who either want the food themselves, wish to profit from victims of famine or wish to control the needy population by denying them life's most basic necessities.

In addition to donating to more countries, we should donate more food. According to the United States Department of Agriculture, in the United States today there is a surplus of 6.3 million metric tons or 233 million bushels of wheat. There are several programs through which we can help solve both our domestic and our international problems.

The first is the Agricultural Trade Development and Assistance Act of 1954, commonly referred to as P.L. 480, Food for Peace. This legislation contains three food aid titles. Title One's objective is to make it easier for lesser developed countries to buy American commodities. To this end, commodities are sold to certain countries for US dollars on concessional credit terms.

Title Two is the Emergency and Private Assistance Programs. This is

where the bulk of our humanitarian donations in the form of food aid come from. This year Title Two was funded at the level that the president requested. Unfortunately, given the number of humanitarian disasters that we are currently facing, this may not be enough. It is my hope that the President will ask for more money for this program.

Title Three is the Food for Development Program, under which government to government grants are provided to support the long-term development efforts of those countries that are attempting improve their economic outlooks.

The second program through which we can help address the domestic and overseas challenges we are facing is Section 416(b) of the Agricultural Act of 1949. Through Section 416(b), commodities held by the Commodities Credit Corporation can be donated overseas. This is the program through which the President ordered the purchase of $250 million of wheat in July.

The Food for Progress Act of 1985 is the third program the United States can utilize to address both the American farm crises and dire international need. Food for Progress provides commodities either purchased with funds from the Commodity Credit Corporation, or through P.L. 480 or Section 416(b), as donations to countries that are committing to the increase of free enterprise practices in their agricultural sectors.

I strongly support an aggressive funding of these programs, and have urged the administration to be aggressive in its requests to the Congress as it evaluates the increasing needs overseas and the opportunity to assist our farmers here at home. If we diligently pursue all of our options through current law, I believe that we can help alleviate two very significant and pressing problems. The overabundance of agricultural commodities plaguing American farmers, and the lack of food for starving millions abroad.

I urge my colleagues in Congress consider the full range of resources and programs at our disposal to help end the dilemma facing the farmers of our nation. Implementing a solution to this problem will require that we use all of the creativity and energy that we have. Every day brings us closer to real crises not only in our farm economy, but also in countries important to our national interest.

Such aid is not only clearly in our interest. It would reflect our highest values by preventing the widespread hunger and suffering of men, women and children who had no hand in the tragedies that have befallen their countries.

Again, I urge my colleagues to give this issue prompt and serious attention. I thank the chair and yield the floor.

EDWARD PFEIFER

Mr. LEAHY. Mr. President, recently a publication from St. Michael's College in Winooski Park, Colchester, VT, profiled Professor Edward Pfeifer. Dr. Pfeifer is referred to as ''Historian Ed Pfeifer, '43.'' I have always thought of Ed Pfeifer as the special mentor I had in college and the man who did so much to shape my thinking and my life after college.

He was the kind of professor who not only helped you learn, but taught you to want to learn. He would find students he could mentor and introduce them to the joys of learning. Fortunately, I was one of those students and I have benefited from his help every day since.

Ed and his wife, Joan, are now retired in Vermont. One of the great pleasures Marcelle and I have is when we end up in the same place with them, ranging from events at St. Michael's, to meeting in the grocery store near our own home in Vermont.

Mr. President, I ask unanimous consent that the article from St. Michael's Founders Hall, September 1998, be printed in the RECORD.

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

[From St. Michael's Founders Hall, Sept., 1998]

HISTORIAN ED PFEIFER '43

(By Buff Lindau)

Nine-year old Eileen Gadue had to write an essay explaining why she needed a new trunk to take her sneakers, swim suit, tennis racket, and other belongings to summer camp. She didn't know it, but she had Ed Pfeifer to thank.

Eileen's parents, Mark and Marjorie Gadue '79, of Colchester, Vt., were both students of SMC Emeritus Professor of History Edward Pfeifer '43 in the 1970's. They have shaped their lives and their children's lives on Pfeifer's patient insistence on developing ideas, supporting those ideas, researching to back them, and working carefully with language to clarify and defend the ideas.

After the fifth draft of her essay and repeated discussions with Dad, Eileen got the new trunk.

''He taught us life skills and we teach our kids as we learned from him,'' said Marjorie. ''He was someone who made a real difference.'' All his students say that Dr. Pfeifer taught reading, thinking, debating, clear defending of ideas, and taught with a hard to define skill that included quiet patience, kindness, and intellectual rigor.

Mark Gadue graduated as a history major from Saint Michael's in 1979 and almost headed to get his Ph.D., but entered the family dry cleaning business instead.

Pfeifer students Gary Kulik '67, Joseph Constance '76, Francis MacDonnell '81, Gayle Brunelle '81, and Jonathan Bean '84 were inspired to aim for the professorial ranks as a result of their experience in Pfeifer's classroom. ''I took a number of years off after college, but he influenced me to go back to graduate school and I am ultimately following in his footsteps,'' said Bean, who was unanimously voted in May to receive early tenure as a history professor at Southern Illinois University. Bean, who took at least 10 courses with Pfeifer, models his teaching on Pfeifer's style of methodically eliciting student response. Bean is the author of Beyond the Broker State: Federal Policies Toward Small Business, 1936–1961.

Pfeifer says it was his goal to get a response from students about the historical material they were studying, ''something that was their own comment that reflected their own evaluation.'' But the magic of Pfeifer as a teacher resides in the method and manner he brought to the classroom to get the students engaged, to elicit their response.

To Fran MacDonnell, a teacher who earned his master's in history at Marquette and his Ph.D. at Harvard, ''Dr. Pfeifer is in the handful of teachers that you admire and like to imitate and that you owe a lot to. ''He had three, one-year appointments teaching history at Yale University, and now he and his wife live in Lexington, Va., where she teaches and he finishes his second book—a study of white southerners who fought in the Union Army during the Civil War. (His first book is titled Insidious Foes: The Axis Fifth Column and the American Home Front.) ''I can think of no greater legacy than the one Ed Pfeifer gave his students—I mean Professor Pfeifer taught my dad'' (Dr. Kenneth MacDonnell '57 a Boston physician), MacDonnell said. He gave his students the drive to think independently, and confidence in expressing their thoughts.

Pfeifer was a master Socratic teacher, which meant using the Q & A method to guide the student, leaving room for different opinions and approaches and calling for conclusions from the student. ''That is the hardest kind of teaching, yet the one with the most rewards for the student,'' MacDonnell said, who aspires to Pfeifer's method.

Joe Constance concurs, ''Dr. Pfeifer was probably the finest practitioner of the Socratic method that you'll ever find as a teacher—getting the student to arrive at the answer,'' and encouraging you as you progressed. Constance says Pfeifer also inspired him to pursue the intellectual life; he earned a master's in history at UVM and a library degree at SUNY Albany. Constance is now library director and political science professor at St. Anselm College, and is pursuing his Ph.D. in political science at Boston University.

''I asked Dr. Pfeifer a question in class one morning about a trade agreement between Peru and Bolivia and he didn't know the answer,'' Constance related. ''That afternoon I found a note in my mailbox from him with the answer to the question—I've never been so impressed with a teacher before or after.''

Pfeifer's students all describe him as extremely kind and concerned about them as individuals. They suggest that his influence creeps up on you quietly and takes strong hold, rather than hammering you. He was a model teacher and scholar, one student said; fairness, balance, objectivity characterized him. But there was humor—droll, quiet, dry—but a key element in his make-up that emerged unexpectedly.

In 1986 Edward Pfeifer retired with his wife Joan Sheehey Pfeifer to Cabot, Vt. He says he now has time to keep up with his four children, chase after his grandchildren and mow lots of grass. Because his teaching touched many who have gone on to become teachers, Dr. Pfeifer's legacy multiplies beyond his own classroom into the lives of students in university classrooms from New Hampshire to Illinois to California. Ed's son and daughter are graduates: John '85 and Justine '84 who is married to Frank Landry '82. His brother, Charles '43 is deceased.

EDWARD PFEIFER PROFILE

Pfeifer graduated from Saint Michael's in 1943 with a degree in English, and served in WWII in the U.S. Navy, 1943–46. He earned a master's in American civilization from Brown University in 1948 and then joined the SMC English department. He served in the Navy during the Korean War, 1951–53, and returned to Brown in 1954, where he earned a

Ph.D. in American Studies in 1957. Focusing on the history of science he wrote a dissertation titled. The Reception of Darwinism in the U.S.. 1859–1880. He rejoined the SMC history department in 1956, and created the interdisciplinary American studies major.

Pfeifer was vice president for academic affairs and dean of the College from 1969 to 1974, and was awarded the first SMC faculty appreciation award ever given, in 1966. He received the award again in 1967 and 1982. Pfeifer retired in 1986 and the SMC yearbook was dedicated in his name, yearbook editor, Linda Robitaille '86 said, ''He was kind to his students, he awed us, he was remarkably concerned with helping us learn.''

ROBERT LANCTOT

Mr. LEAHY. Mr. President, my very good friend, Robert Lanctot, died after a courageous bout with cancer. Bob, and his wife Betty, were two very special friends of my wife and I.

When I first ran for the Senate in 1974, Bob helped me in an area of the state where no Democrat could ever expect to get votes. Everybody told him I couldn't win, but he persevered and not only did I win, but went on in subsequent elections to carry the area significantly. I have always felt that a large part of that was do to Bob Lanctot.

Notwithstanding our close friendship, Bob never requested anything for himself or his family from me. He did, however, continuously speak out for those people who did not have a strong voice in Washington. He truly believed in helping working families and those who have always made our state and our country strong. We have lost a special Vermonter, and I ask unanimous consent that the obituary from the Caledonia' Record be printed in the RECORD.

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

[From the Caledonian-Record, Sept. 21, 1998]

LANCTOT: Robert ''Bob'' L. Sr., 77, formerly of Peacham and St. Johnsbury, died at his daughter and son-in-law's home in Waterford Sunday morning, Sept. 20, 1998.

He was born in St. Johnsbury Feb. 28, 1921, the last surviving child of Archie and Ann (Brunelle) Lanctot. He married Betty L. Farnham; together they raised six children. Betty predeceased him, Sept. 12, 1996, and the oldest son Robert predeceased his mother in January of 1996.

Bob was a great believer in the rights of the common worker. He was president of the Northeast Kingdom Labor Council for a number of years, served as vice president of the state labor council, and was a very active member of local 5518. He was the delegate to the state labor convention for the last 25 years and was recognized by the Vermont State labor council AFL–CIO for his significant contributions to that organization, the labor movement and Vermont working families. Bob was a working Vermonter, retiring from Vermont America in 1982.

Bob was a strong Democrat. He was an active and valuable member of the Caledonia County Democratic committee. He held many positions over the years with the Vermont State Democratic Party, including the platform committee, and most recently served on the state executive board.

He was a veteran of World War II and a member of Sheridan Council 421 Knights of Columbus. He also served on the board of directors of NEKCA and Vermont State Council on Alcoholism.

He is survived by five children, Patricia Ann Salomonson of Manchester, N.H., James Lanctot and wife Kathy of Lyndonville, Judith Syx of Hartland, Richard Lanctot of Burlington, and Elaine Robinson and husband Thomas of Waterford; 14 grandchildren and 10 great-grandchildren; a daughter-in-law, Judy Woods Lanctot of Jamaica Plain, Mass.; several nieces and nephews and a multitude of friends. He was predeceased by brothers Lester, Philip and William, and a sister Agnes.

A funeral Mass will be celebrated Wednesday at 11 a.m. at St. John's Church. Burial will be at the convenience of the family at Peacham Cemetery. Visiting hours will be held at the funeral home Tuesday from 6–8 p.m.

Memorial contributions, marked for hospice, may be directed to Caledonia Home Health & Hospice, P.O. Box 383, St. Johnsbury, VT 05819.

Arrangements are by Sayles Funeral Home, 68 Summer St., St. Johnsbury.

U.S. FOREIGN OIL CONSUMPTION FOR WEEK ENDING OCTOBER 2

Mr. HELMS. Mr. President, the American Petroleum Institute reports that for the week ending October 2 the U.S. imported 7,925,000 barrels of oil each day, 1,567,000 barrels a day less than the 9,492,000 imported during the same week a year ago.

While this is one of the rare weeks when Americans imported slightly less foreign oil than the same week a year ago, Americans still relied on foreign oil for 55.7 percent of their needs last week. There are no signs that the upward spiral will abate. Before the Persian Gulf War, the United States imported about 45 percent of its oil supply from foreign countries. During the Arab oil embargo in the 1970s, foreign oil accounted for only 35 percent of America s oil supply.

All Americans should ponder the economic calamity certain to occur in the U.S. if and when foreign producers shut off our supply—or double the already enormous cost of imported oil flowing into the U.S.: now 7,925,000 barrels a day at a cost of approximately $110,870,750 a day.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, October 6, 1998, the federal debt stood at $5,536,217,307,823.51 (Five trillion, five hundred thirty-six billion, two hundred seventeen million, three hundred seven thousand, eight hundred twenty-three dollars and fifty-one cents).

One year ago, October 6, 1997, the federal debt stood at $5,413,433,000,000 (Five trillion, four hundred thirteen billion, four hundred thirty-three million).

Five years ago, October 6, 1993, the federal debt stood at $4,404,063,000,000 (Four trillion, four hundred four billion, sixty-three million).

Ten years ago, October 6, 1988, the federal debt stood at $2,622,288,000,000 (Two trillion, six hundred twenty-two billion, two hundred eighty-eight million).

Fifteen years ago, October 6, 1983, the federal debt stood at $1,385,380,000,000 (One trillion, three hundred eighty-five billion, three hundred eighty million) which reflects a debt increase of more than $4 trillion—$4,150,837,307,823.51 (Four trillion, one hundred fifty billion, eight hundred thirty-seven million, three hundred seven thousand, eight hundred twenty-three dollars and fifty-one cents) during the past 15 years.

NRA'S ''REFUSE TO BE A VICTIM'' IS A VALUABLE, SENSIBLE PROGRAM

Mr. HELMS. Mr. President, the Department of Justice confirms that in the United States there was a rape for every 270 women, a robbery for every 240 women and an assault for every 29 women in 1994. (In the three year period from 1992–94, the number of violent crimes committed against our wives, sisters, mothers, and daughters totaled nearly 14 million.)

In response to statistics like these, the women of the National Rifle Association created the ''Refuse to be a Victim'' program five years ago. The basic premise of the program can be summed up by an old saying—an ounce of prevention is worth a pound of cure. The course teaches women not to live in fear of threats, but rather, to respect likely threats and prepare to avoid or effectively respond to them.

The centerpiece of the ''Refuse to be a Victim'' program is a three-hour public service safety seminar designed by, taught by, and presented to women in order to help them protect themselves. Since its inception, this common sense safety and self-defense program has been presented in 35 states and the District of Columbia. More than 600 instructors, including 9 in North Carolina, have trained and empowered thousands of women to protect themselves and their families.

Mr. President, the course equips women with the tools they need to design their own personal safety strategy. By increasing awareness of dangerous situations and providing knowledge of self-protection techniques and crime-fighting and personal safety resources, the program maximizes its participants ability to successfully avoid or, in the worst case, survive an attack.

The program features practical but frequently overlooked advice on home security such as the installation of effective lock and security systems, planting ''defensive'' shrubbery around windows, and keeping a cellular phone by the bedside in case an intruder disables your home phone. It also provides information on how to avoid being a victim of a car-jacker as well as the proper and safe use of personal safety

devices such as alarms, sprays, stun guns and firearms.

For those unable to attend a seminar personally, the program has distributed more than 200,000 of the informative ''42 Strategies for Personal Safety'' brochures nationwide.

Mr. President, the women of the NRA are to be commended for the development of this important program. The contributions of the ''Refuse to be a Victim'' program are indeed impressive. This program is a fine example of the type of pro-active safety and security training that the National Rifle Association has long provided to our citizens. I hope that women in every part of our great nation will consider participating in this outstanding program and, in so doing, join the more than ten thousand women who have already benefited from it.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 9:48 a.m., the message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House disagrees to the amendment to the Senate to 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, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. ROGERS, Mr. KOLBE, Mr. TAYLOR of North Carolina, Mr. REGULA, Mr. LATHAM, Mr. LIVINGSTON, Mr. YOUNG of Florida, Mr. MOLLOHAN, Mr. SKAGGS, Mr. DIXON, and Mr. OBEY as the managers of the conference on the part of the House.

At 4:04 p.m., a message from the House of Representatives, delivered by Mr. Hanrahan, 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. 1794. An act for the relief of Mai Hoa ''Jasmin'' Salehi.

H.R. 1834. An act for the relief of Mercedes Del Carmen Quiroz Martinez Cruz.

H.R. 4259. An act 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 message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two votes of the two Houses on the amendment of the Senate to 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.

ENROLLED BILLS SIGNED

The House further announced that the Speaker has signed the following enrolled bills:

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.

H.R. 449. An act to provide for the orderly disposal of certain Federal lands in Clark County, Nevada, and to provide for the acquisition of environmentally sensitive lands in the State of Nevada.

H.R. 930. An act 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.

H.R. 1481. An act to amend the Great Lakes Fish and Wildlife Restoration Act of 1990 to provide for implementation of recommendations of the United States Fish and Wildlife Service contained in the Great Lakes Fishery Resources Restoration Study.

H.R. 1836. An act to amend chapter 89 of title 5, United States Code, to improve administrative sanctions against unfit health care providers under the Federal Employees Health Benefits Program, and for other purposes.

The enrolled bills were signed subsequently by the President pro tempore (Mr. THURMOND).

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–7297. A communication from the Chairman of the Board of Governors of the Federal Reserve System and the Chairman of the U.S. Securities and Exchange Commission, transmitting, pursuant to law, a report entitled ''Markets for Small Business and Commercial Mortgage Related Securities''; to the Committee on Banking, Housing, and Urban Affairs.

EC–7298. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Medicare Program; Hospice Wage Index'' (RIN0938–AI87) received on October 2, 1998; to the Committee on Finance.

EC–7299. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Classification of Certain Transactions Involving Computer Programs'' (RIN1545–AU70) received on October 2, 1998; to the Committee on Finance.

EC–7300. A communication from the Interim District of Columbia Auditor, transmitting, pursuant to law, a report entitled ''Statutory Audit of the District's Depository Activities for Fiscal Years 1996 and 1997''; to the Committee on Governmental Affairs.

EC–7301. A communication from the Chairman of the District of Columbia Financial Responsibility and Management Assistance Authority, transmitting, pursuant to law, a report entitled ''Fiscal Year 1999 Performance Accountability Plan for the District of Columbia''; to the Committee on Governmental Affairs.

EC–7302. A communication from the Deputy Associate Administrator for Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of a rule entitled ''Federal Acquisition Regulation; Reform of Affirmative Action in Federal Procurement'' (RIN9000–AH59) received on October 2, 1998; to the Committee on Governmental Affairs.

EC–7303. A communication from the Acting Director of the Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Pollock by Trawl Vessels Using Nonpelagic Trawl Gear in the Bering Sea and Aleutian Islands'' (I.D. 092898A) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7304. A communication from the Acting Director of the Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Pollock by Trawl Vessels Using Nonpelagic Trawl Gear in Bycatch Limitation Zone 1 of the Bering Sea and Aleutian Islands'' (I.D. 092898E) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7305. A communication from the Acting Director of the Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Cod in the Western Regulatory Area of the Gulf of Alaska'' (I.D. 092298B) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7306. A communication from the Acting Deputy Director of the National Institutes of Standards and Technology, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Upgrading of the American Society of Crime Laboratory Directors/Laboratory Accreditation Board (ASCLD/LAB) Accreditation Manual'' (RIN0693–ZA21) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7307. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Transportation Equity Act for the 21st Century; Implementation for Participation in the Value Pricing Pilot Program'' (Docket 98–4300) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7308. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Occupant Protection Incentive Grants'' (Docket 98–4496) received

on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7309. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Regulated Navigation Area; Strait of Juan de Fuca and Adjacent Coastal Waters of Washington; Makah Whale Hunting'' (RIN2115–AE84) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7310. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Special Local Regulations; Columbus Day Regatta Sailboat Race, Miami, Florida'' (RIN2115–AE46) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7311. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Safety Zone; Gulf of Alaska; Southeast of Narrow Cape, Kodiak Island, Alaska'' (RIN2115–AE97) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7312. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Lifesaving Equipment'' (RIN2115–AB72) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7313. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Security for Passenger Vessels and Passenger Terminals'' (RIN2115–AD75) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7314. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Rolls-Royce Limited, Aero Division—Bristol/S.N.E.C.M.A. Olympus 593 Series Turbojet Engines'' (Docket 98–ANE–07–AD) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7315. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Rain and Hail Ingestion Standards; Correction'' (Docket 28652) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7316. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule regarding airworthiness directives on various Twin Commander Aircraft Corporation model airplanes (Docket 97–CE–57–AD) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7317. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Maule Aerospace Technology Corp. M–4, M–5, M–6, M–7, MX–7, and MXT–7 Series Airplanes and Models MT–7–235 and M–8–235 Airplanes; Correction'' (Docket 98–CE–01–AD) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7318. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Israel Aircraft Industries (IAI), Ltd., Model 1121, 1121A, 1121B, 1123, 1124, and 1124A Series Airplanes'' (Docket 98–NM–108–AD) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7319. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Raytheon Aircraft Company 200 Series Airplanes'' (Docket 98–CE–17–AD) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7320. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Trenton, MO'' (Docket 98–ACE–38) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7321. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Wellington, KS'' (Docket 98–ACE–42) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7322. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Ulysses, KS'' (Docket 98–ACE–41) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7323. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Pittsburg, KS'' (Docket 98–ACE–40) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7324. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Great Bend, KS'' (Docket 98–ACE–39) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7325. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; West Plains, MO'' (Docket 98–ACE–37) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7326. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Wichita Mid-Continent Airport, KS'' (Docket 98–ACE–36) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7327. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Establishment of Class E Airspace; Villa Rica, GA'' (Docket 98–ASO–9) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7328. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Standard Instrument Approach Procedures; Miscellaneous Amendments—No. 1892'' (Docket 29344) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7329. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Standard Instrument Approach Procedures; Miscellaneous Amendments—No. 1891'' (Docket 29343) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7330. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Boeing Model 737–100, –200, –300, –400, and –500 Series Airplanes'' (Docket 98–NM–254–AD) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7331. A communication from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Migratory Bird Hunting; Temporary Approval of Tungsten-polymer Shot as Nontoxic for the 1998–99 Season'' (RIN1018–AE66) received on October 2, 1998; to the Committee on Environment and Public Works.

EC–7332. A communication from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Migratory Bird Hunting; Extension of Temporary Approval of Tungsten-Iron Shot as Nontoxic for the 1998–99 Season'' (RIN1018–AE35) received on October 2, 1998; to the Committee on Environment and Public Works.

EC–7333. A communication from the Director of the Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Endangered and Threatened Wildlife and Plants; Determination of Endangered or Threatened Status for Four Southwestern California Plants from Vernal Wetlands and Clay Soils'' (RIN1018–AL88) received on October 2, 1998; to the Committee on Environment and Public Works.

EC–7334. A communication from the Director of the Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Endangered and Threatened Wildlife and Plants; Determination of Endangered or Threatened Status for Five Desert Milk-vetch Taxa from California'' (RIN1018–AB75) received on October 2, 1998; to the Committee on Environment and Public Works.

EC–7335. A communication from the Director of the Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Endangered and Threatened Wildlife and Plants; Endangered or Threatened Status for Three Plants from the Chaparral and Scrub of Southwestern California'' (RIN1018–AD60) received on October 2, 1998; to the Committee on Environment and Public Works.

EC–7336. A communication from the Director of the Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Endangered and Threatened Wildlife and Plants; Determination of Endangered or Threatened Status for Four Plants from Southwestern California and Baja California, Mexico'' (RIN1018–AD38) received on October 2, 1998; to the Committee on Environment and Public Works.

EC–7337. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a major rule regarding petroleum refining process wastes previously submitted as a minor rule (FRL6172–3) received on October 2, 1998; to the Committee on Environment and Public Works.

EC–7338. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Avermectin; Extension of Tolerance for Emergency Exemptions'' (FRL6033–7) received on October 2, 1998; to the Committee on Environment and Public Works.

EC–7339. A communication from the Director of the Office of Regulatory Management

and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Befenthrin; Extension of Tolerance for Emergency Exemptions'' (FRL6034–9) received on October 2, 1998; to the Committee on Environment and Public Works.

EC–7340. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Cyproconazole; Pesticide Tolerance'' (FRL6036–9) received on October 2, 1998; to the Committee on Environment and Public Works.

EC–7341. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Fludioxonil; Pesticide Tolerances'' (FRL6036–8) received on October 2, 1998; to the Committee on Environment and Public Works.

EC–7342. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Glyphosate; Pesticide Tolerance'' (FRL6036–1) received on October 2, 1998; to the Committee on Environment and Public Works.

EC–7343. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Imidacloprid; Extension of Tolerance for Emergency Exemptions'' (FRL6037–2) received on October 2, 1998; to the Committee on Environment and Public Works.

EC–7344. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Pyridate; Pesticide Tolerance'' (FRL6036–2) received on October 2, 1998; to the Committee on Environment and Public Works.

EC–7345. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Sethoxydim; Pesticide Tolerances'' (FRL6034–1) received on October 2, 1998; to the Committee on Environment and Public Works.

EC–7346. A communication from the Acting Assistant Attorney General, Office of Legislative Affairs, Department of Justice, transmitting, a draft of proposed legislation entitled ''The Body Armor Penalty Enhancement Act''; to the Committee on the Judiciary.

EC–7347. A communication from the Chief of the Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, notice of a cost comparison of the base operating support functions at Hill Air Force Base, Utah; to the Committee on Armed Services.

EC–7348. A communication from the Acting Comptroller General of the United States, transmitting, pursuant to law, a list of General Accounting Office reports issued or released in August 1998; to the Committee on Governmental Affairs.

EC–7349. A communication from the Chairman of the United States International Trade Commission, transmitting, pursuant to law, the Commission's combined annual reports entitled ''Caribbean Basin Economic Recovery Act (CBERA)—Impact on the United States'' and ''Andean Trade Preference Act (ATPA)—Impact on the United States'' for calendar year 1997; to the Committee on Finance.

EC–7350. A communication from the Deputy Secretary of the Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled ''Investment Adviser Year 2000 Reports'' (RIN3235–AH45) received on October 2, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–7351. A communication from the Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the Board's report entitled ''The Profitability of Credit Card Operations of Depository Institutions'' for calendar year 1997; to the Committee on Banking, Housing, and Urban Affairs.

EC–7352. A communication from the Acting Deputy Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; License Limitation Program'' (I.D. 060997A3) received on October 2, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7353. A communication from the Acting Director of the Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Atlantic Tuna Fisheries; Atlantic Bluefin Tuna'' (I.D. 091198C) received on October 5, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7354. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, notice of a proposed license for the export of M88A2 Tracked Armor Recovery Vehicles to Thailand (DTC 99–98); to the Committee on Foreign Relations.

EC–7355. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, notice of a proposed license for the export of MK 45 gun mounts to Australia (DTC 113–98); to the Committee on Foreign Relations.

EC–7356. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, notice of a proposed license for the export of TOW 2A, TOW 2B, and TOW Practice Missiles to Italy (DTC128–98); to the Committee on Foreign Relations.

EC–7357. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, notice of a proposed license for the export of defense articles and services relative to the manufacture of military vehicle wiring harnesses in Mexico (DTC 133–98) received on October 5, 1998; to the Committee on Foreign Relations.

EC–7358. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, notice of a proposed license for the export of CH–47D helicopters to Australia (DTC 140–98) received on October 5, 1998; to the Committee on Foreign Relations.

EC–7359. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Veterinary Diagnostic Services User Fees'' (Docket 94–115–2) received on October 5, 1998; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7360. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Importation of Horses'' (Docket 95–054–3) received on October 5, 1998; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7361. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Brucellosis in Cattle; State and Area Classifications; Mississippi'' (Docket 98–097–1) received on October 5, 1998; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7362. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Validated Brucellosis-Free States; South Carolina'' (Docket 98–101–1) received on October 5, 1998; to the Committee on Agriculture, Nutrition, and Forestry.

REPORTS OF COMMITTEE

The following reports of committees were submitted:

By Mr. STEVENS, from the Committee on appropriations:

Special Report entitled ''Further Revised Allocation to Subcommittees of Budget Totals for Fiscal Year 1999'' (Rept. No. 105–373).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources:

Report to accompany the bill (S. 2041) to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Willow Lake Natural Treatment System Project for the reclamation and reuse of water, and for other purposes (Rept. No. 105–374).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources:

Report to accompanying the bill (S. 2140) to amend the Reclamation Projects Authorization and Adjustment Act of 1992 to authorize the Secretary of the Interior to participate in the design planning, and construction of the Denver Water Reuse project (Rept. No. 105–375).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources:

Report to accompany the bill (S. 2142) to authorize the Secretary of the Interior to convey the facilities of the Pine River Project, to allow jurisdictional transfer of lands between the Department of Agriculture, Forest Service, and the Department of the Interior Bureau of Reclamation, and the Bureau of Indian Affairs, and for other purposes (Rept. No. 105–376).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources:

Report to accompany the bill (H.R. 2402) to make technical and clarifying amendments to improve management of water-related facilities in the Western United States (Rept. No. 105–377).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources:

Report to accompany the bill (H.R. 4079) to authorize the construction of temperature control devices at Folsom Dam in California (Rept. No. 105–378).

By Mr. CAMPBELL, from the Committee on Indian Affairs, with an amendment in the nature of a substitute:

S. 391: A bill to provide for the disposition of certain funds appropriated to pay judgment in favor of the Mississippi Sioux Indians, and for other purposes (Rept. No. 105–379).

By Mr. JEFFORDS, from the Committee on Labor and Human Resources, without amendment:

H.R. 1023: A bill to provide for compassionate payments with regard to individuals with blood-clotting disorders, such as hemophilia, who contracted human immunodeficiency virus due to contaminated blood products, and for other purposes.

By Mr. JEFFORDS, from the Committee on Labor and Human Resources, without amendment:

S. 2564: An original bill to provide for compassionate payments with regard to individuals with blood-clotting disorders, such as hemophilia, who contracted human immunodeficiency virus due to contaminated blood products, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of committee was submitted on October 6, 1998:

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources:

Eljay B. Bowron, of Michigan, to be Inspector General, Department of the Interior.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's 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. ROBERTS (for himself and Mr. MCCAIN):

S. 2563. A bill to amend title 10, United States Code, to restore military retirement benefits that were reduced by the Military Retirement Reform Act of 1986; to the Committee on Armed Services.

By Mr. JEFFORDS:

S. 2564. An original bill to provide for compassionate payments with regard to individuals with blood-clotting disorders, such as hemophilia, who contracted human immunodeficiency virus due to contaminated blood products, and for other purposes; from the Committee on Labor and Human Resources; placed on the calendar.

By Mr. DURBIN (for himself, Mr. WARNER, Ms. MIKULSKI, Mr. HUTCHINSON, Mr. ROBB, Mr. KENNEDY, and Mr. DEWINE):

S. 2565. A bill to amend the Federal Food, Drug, and Cosmetic Act to clarify the circumstances in which a substance is considered to be a pesticide chemical for purposes of such Act, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Ms. LANDRIEU (for herself, Mr. MURKOWSKI, Mr. LOTT, Mr. BREAUX, Mr. D'AMATO, Mr. CLELAND, Mr. JOHNSON, Mr. COCHRAN, Ms. MIKULSKI, and Mr. SESSIONS):

S. 2566. A bill to provide Coastal Impact Assistance to State and local governments, to amend the Outer Continental Shelf Lands Act Amendments of 1978, the Land and Water Conservation Fund Act of 1965, the Urban Park and Recreation Recovery Act, and the Federal Aid in Wildlife Restoration Act (commonly referred to as the Pittman-Robertson Act) to establish a fund to meet the outdoor conservation and recreation needs of the American people, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. WELLSTONE:

S. 2567. A bill to ensure that any entity owned, operated, or controlled by the people's Liberation Army or the People's Armed Police of the People's Republic of China does not conduct certain business with United States persons, and for other purposes; to the Committee on Finance.

By Mr. JEFFORDS (for himself and Mr. DODD):

S. 2568. A bill to amend the Internal Revenue Code of 1986 to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualifying placement agencies, and for other purposes; to the Committee on Finance.

By Mr. GORTON (for himself, Mr. SMITH of Oregon, and Mr. KEMPTHORNE):

S. 2569. A bill to amend the Pacific Northwest Electric Power Planning and Conservation Act to provide for expanding the scope of the Independent Scientific Review Panel; to the Committee on Energy and Natural Resources.

By Mr. KOHL (for himself, Mr. REID, and Mrs. FEINSTEIN):

S. 2570. A bill entitled the ''Long-Term Care Patient Protection Act of 1998''; to the Committee on Finance.

By Mr. LIEBERMAN:

S. 2571. A bill to reduce errors and increase accuracy and efficiency in the administration of Federal benefit programs, and for other purposes; to the Committee on Governmental Affairs.

By Mr. SARBANES:

S. 2572. A bill to amend the International Maritime Satellite Telecommunications Act to ensure the continuing provision of certain global satellite safety services after the privatization of the business operations of the International Mobile Satellite Organization, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. LAUTENBERG:

S. 2573. A bill to make spending reductions to save taxpayers money; to the Committee on Armed Services.

By Mr. JOHNSON (for himself and Mr. DASCHLE):

S. 2574. A bill for the relief of Frances Schochenmaier; to the Committee on the Judiciary.

By Mr. CHAFEE (for himself and Mr. MOYNIHAN):

S. 2575. A bill to expand authority for programs to encourage Federal employees to commute by means other than single-occupancy motor vehicles to include an option to pay cash for agency-provided parking spaces, and for other purposes; to the Committee on Governmental Affairs.

By Ms. SNOWE (for herself, Ms. MIKULSKI, Ms. COLLINS, Mrs. HUTCHISON, Ms. MOSELEY-BRAUN, Mrs. MURRAY, Mrs. BOXER, Mr. DODD, Mr. JEFFORDS, Mr. REID, Mr. D'AMATO, Mr. ROCKEFELLER, Mr. KERREY, Mr. LIEBERMAN, Mr. TORRICELLI, Mr. DURBIN, Mr. SARBANES, Mr. KERRY, Mr. LAUTENBERG, Mr. INOUYE, and Mr. LEAHY):

S. 2576. A bill to create a National Museum of Women's History Advisory Committee; to the Committee on Rules and Administration.

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. 289. A resolution authorizing the printing of the ''Testimony from the Hearings of the Task Force on Economic Sanctions''; considered and agreed to.

By Mr. LOTT (for himself and Mr. DASCHLE):

S. Res. 290. A resolution to authorize representation by Senate Legal Counsel; considered and agreed to.

S. Res. 291. A resolution to authorize representation by Senate Legal Counsel; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ROBERTS (for himself and Mr. MCCAIN):

S. 2563. A bill to amend title 10, United States Code, to restore military retirement benefits that were reduced by the Military Retirement Reform Act of 1986; to the Committee on Armed Services.

MILITARY RETIREMENT READINESS ENHANCEMENT ACT OF 1998

Mr. ROBERTS. Mr. President, a few weeks ago I called the Senate's attention to several issues in the military that are contributing to problems in recruiting and retention of key, midcareer military personnel. Briefly, those issues were as follows:

We are asking the military, significantly smaller than it was during the cold war, to operate and deploy much more frequently.

We are asking the military to deploy on missions that may not be in the vital national interest of this Nation.

We are not paying servicemen and women a salary that is comparable to the pay they could get outside the military for the same skills.

We are not providing quality health care for the families of the military, and we have not provided the promised health care for the retired members of the military.

We are not providing quality housing to all military families.

And we are not providing a retirement program that is adequate to justify a career commitment to the arduous lifestyle and the difficult family separations that are necessary in military life.

Mr. President, I rise today to offer legislation to address military retirement. The bill that I am introducing repeals the Military Reform Retirement Act of 1986, also known as REDUX. This experiment in the military retirement system was introduced in 1986 with the intended purpose—and it was a good one—of encouraging members of the military to stay longer than the popular career of 20 years.

The service chiefs now say that retirement is one of the top reasons that our men and women are leaving the service. The Chairman of the Joint Chiefs of Staff, General Shelton, listed it among the most pressing problems facing the military in retaining key people. The Secretary of Defense has voiced very similar concerns.

Pay is being addressed slowly, including a 3.6 percent pay raise in this defense appropriations bill.

The Department of Defense is working on housing issues that may solve the problems. Problems with the health care programs are very complex and multilayered and requires detailed study to solve. The issue of the high rate of deployments and the quality of

missions rests at the feet of the administration and this Congress and are now the subject of policy debate.

Congress must address, however, the issue of retirement. We must show the men and women of our armed services that we are listening to their concerns and that we deeply care about them, their families and the commitment they make to the defense of this Nation.

While the purpose of this bill is to repeal the 1986 retirement program, I want to emphasize it is not the final solution to the military's retirement problem. I urge the Department of Defense to start a comprehensive study—I think they are—and to examine all creative options to solve the recruitment and retention problems that now face the military.

The repeal of REDUX is only but one option. There may be others. I know that private industry has many creative retirement programs that may serve as part of a final solution. The civilian sector of the Federal Government has long experience in retirement programs. Whatever course we end up taking, the bottom line must be a retirement program that is perceived as fair and adequate by our service men and women.

The fundamental job of the Federal Government is to provide for the security of the Nation. That security begins and ends with people. It is clear that they are sending a strong message that we are letting them down. We are not providing adequately for their welfare and their postmilitary life.

So providing better benefits for members of the military will pay dividends for national security. And, Mr. President, it is the right thing to do. We owe it to our military men and women who are making the personal and family sacrifices to do such an important job. They do an outstanding job under the most difficult of circumstances. It is not too much to ask that we provide adequate support for them and their families.

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

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

S. 2563

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

SECTION 1. SHORT TITLE; REFERENCES TO TITLE 10, UNITED STATES CODE.

(a) SHORT TITLE.—This Act may be cited as the ''Military Retirement Readiness Enhancement Act of 1998''.

(b) REFERENCES TO TITLE 10.—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 title 10, United States Code.

SEC. 2. RETIRED PAY MULTIPLIER.

(a) REPEAL OF REDUCTION FOR LESS THAN 30 YEARS OF SERVICE.—Subsection (b) of section 1409 is amended by striking out paragraph (2).

(b) CONFORMING AMENDMENTS.—(1) Paragraph (1) of such subsection is amended by striking out ''paragraphs (2) and (3)'' and inserting in lieu thereof ''paragraph (2)''.

(2) Paragraph (3) of such subsection is redesignated as paragraph (2).

SEC. 3. ADJUSTMENTS OF RETIRED AND RETAINER PAY TO REFLECT CHANGES IN THE CONSUMER PRICE INDEX.

(a) REPEAL OF REDUCED COLA RATE.—Subsection (b) of section 1401a is amended—

(1) by striking out paragraphs (1), (2), (3), and (4), and inserting in lieu thereof the following:

''(1) GENERAL RULE.—Effective on December 1 of each year, the Secretary of Defense shall increase the retired pay of each member and former member of an armed force by the percent (adjusted to the nearest one-tenth of 1 percent) by which—

''(A) the price index for the base quarter of that year, exceeds

''(B) the base index.''; and

(2) by redesignating paragraph (5) as paragraph (2).

(b) FIRST COLA ADJUSTMENT.—Subsections (c)(3) and (d) of such section are amended by striking out ''who first became a member of a uniformed service before August 1, 1986, and''.

(c) REPEAL OF SPECIAL RULE ON PRO RATING INITIAL ADJUSTMENT FOR POST-1986 REFORM RETIREES.—Subsection (e) of such section is repealed.

(d) CONFORMING AMENDMENTS.—Subsections (f), (g), and (h) of such section are redesignated as subsections (e), (f), and (g), respectively.

SEC. 4. RESTORAL OF FULL RETIREMENT AMOUNT AT AGE 62.

(a) REPEAL.—Section 1410 is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 71 is amended by striking out the item relating to section 1410.

SEC. 5. CONFORMING AMENDMENTS FOR SURVIVOR BENEFIT PLAN.

(a) UNREDUCED RETIRED PAY AS BASIS FOR ANNUITY.—Section 1447(6)(A) is amended by striking out ''(determined without regard to any reduction under section 1409(b)(2) of this title)''.

(b) COST-OF-LIVING ADJUSTMENTS AND RECOMPUTATIONS.—Section 1451 is amended by striking out subsections (h) and (i) and inserting in lieu thereof the following:

''(h) ADJUSTMENTS TO BASE AMOUNT FOR COST-OF-LIVING.—

''(1) INCREASES IN BASE AMOUNT WHEN RETIRED PAY INCREASED.—Whenever retired pay is increased under section 1401a of this title (or any other provision of law), the base amount applicable to each participant in the Plan shall be increased at the same time.

''(2) PERCENTAGE OF INCREASE.—The increase shall be by the same percent as the percent by which the retired pay of the participant is so increased.''.

(c) REDUCTION IN RETIRED PAY.—(1) Section 1452 is amended—

(A) in subsection (c), by striking out paragraph (4); and

(B) by striking out subsection (i).

(2) Section 1460(d) is amended by striking out ''or recomputed under section 1452(i) of this title'', or recomputed, as the case may be,'' and ''or recomputation''.

SEC. 6. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect on October 1, 1999, and shall apply with respect to retired or retainer pay accruing for months beginning on or after that date.

Mr. MCCAIN. Mr. President, I rise to support and cosponsor the legislation that Senator ROBERTS introduced earlier today that reinstates the 50 percent retirement ''earned benefit'' plan for men and women in the military who retire with 20 years of military service. I also implore the Senate leadership to act quickly on this legislation and move for its swift passage before the 105th Congress adjourns for the year.

Times have changed since 1986. Our economy has prospered, producing historically high levels of employment and resulting in the emergence of a very difficult recruiting and retention environment for the armed services. Maintaining a top-quality force requires a military personnel system that has the flexibility to react quickly to the dynamics of the civilian market, and the leadership and confidence to follow through with critical personnel decisions rather than neglecting them out of fiscal opportunism. Regrettably, this year, first, second, and third-term enlisted retention, pilot and mid-grade officer retention, and recruiting are all short of the goal for each of the services.

Recruiting and retaining quality individuals requires pay scales that adjust to meet prevailing rates rather than fall 14 percent behind comparable civilian pay. It requires adequate funding for recruiting. It requires proper promotion rates—not promotion boards that take five months to process reports of promotion boards, as is the case with the Navy. It requires proper living conditions and morale, welfare and recreation services. It also requires reasonable tours of duty, a higher quality of civilian leadership, and ''role models'' within the leadership who are seen to take service members' quality-of-life concerns to heart.

Reinstatement of the 50 percent retirement plan for career military men and women would serve as an important signal of resolve to our service members that the United States Congress is aware of the shortfall in benefits for those who wear the uniform of their country and is acting to improve those benefits. Last week, the Senate Armed Services Committee heard directly from the Joint Chiefs that restoring retirement benefits is a requirement for recruiting and retaining the qualified individuals we rely on to defend this nation.

General Hugh Shelton, Chairman of the Joint Chiefs of Staff, stated clearly that fixing the military retirement system is a top recommendation for restoring the readiness of our armed forces. Army Chief of Staff General Reimer has written to me that

> . . .the retirement package we have offered our soldiers entering the Army since 1986 is inadequate. Having lost 25 percent of its lifetime value as a result of the 1980's reforms, military retirement is no longer our number one retention tool. Our soldiers and families deserve better. We need to send them a strong signal that we haven't forgotten them.

The military medical health care system, particularly the TRICARE program, has been described by Service

Chiefs as falling far short of what is warranted and needed. We cannot ignore the erosion of retirement and health care benefits, and the resultant impact on retention and readiness. General Reimer writes,

''The loss in medical benefits when a retiree turns 65 is particularly bothersome to our soldiers who are making career decisions.''

From the Service Chiefs' answers, it is highly questionable whether we are meeting any of these requirements. On the contrary, it is clear that there is much work to be done.

Finally, it is demoralizing to the men and women we send into harm's way, and is incomprehensible to the American people, who expect a well-trained and well-equipped force, to witness as many as 25,000 military personnel and their families on food stamps. One tax provision that I have tried to reverse this year excludes uniformed men and women in the military from beneficial tax treatment on the profits resulting from the sale of their homes. We order servicemembers to move from place to place, but we do not afford them the same tax treatment as other U.S. citizens. Should this issue have been permitted to exist for so many years?

Mr. President, we cannot afford to neglect this array of personnel concerns. Let us begin by acting immediately to restore the higher earned benefit plan for retired service members. Senator ROBERTS has offered critical legislation to help reverse the diminishing retention rates that cripple our Armed Services and ultimately diminish their ability to execute our National Military Strategy. On behalf of all men and women who have honorably dedicated their careers to serving this country in uniform, I urge my colleagues to join me in support of this legislation.

By Ms. LANDRIEU (for herself, Mr. MURKOWSKI, Mr. LOTT, Mr. BREAUX, Mr. D'AMATO, Mr. CLELAND, Mr. JOHNSON, Mr. COCHRAN, Ms. MIKULSKI, and Mr. SESSIONS):

S. 2566. A bill to provide Coastal Impact Assistance to State and local governments, to amend the Outer Continental Shelf Lands Act Amendments of 1978, the Land and Water Conservation Fund Act of 1965, the Urban Park and Recreation Recovery Act, and the Federal Aid in Wildlife Restoration Act (commonly referred to as the Pittman-Robertson Act) to establish a fund to meet the outdoor conservation and recreation needs of the American people, and for other purposes; to the Committee on Energy and Natural Resources.

REINVESTMENT AND ENVIRONMENTAL RESTORATION ACT OF 1998

Ms. LANDRIEU. Mr. President, I begin by thanking my colleague from Louisiana Senator BREAUX, a cosponsor on this measure, as well as Senator MURKOWSKI, Senator LOTT, Senator D'AMATO, Senator CLELAND, Senator JOHNSON, Senator COCHRAN, Senator SESSIONS and Senator MIKULSKI as cosponsors of this measure, and also thank the many leaders on the House side that are today introducing this bill on the House side.

Surely, with the time so short, we will not be considering this bill in this session, but we plan for a very lively debate as the 106th Congress meets in January on this very important piece of environmental legislation for our country.

I will take a few minutes to outline in a highlighted form what this bill will attempt to do, something that we have worked on, a group of us, earnestly and very excitedly for the last year. Then my colleague from Louisiana, Senator BREAUX, will say a few words about the bill.

This is the Reinvestment and Environmental Restoration Act of 1998. It is going to attempt to take 50 percent of the moneys that are now flowing into the Federal Treasury from offshore oil and gas revenues—which have been very significant; $120 billion since 1955—and redistribute those revenues in a smarter way, in a better way, and in a way that our country can be proud of.

We are going to ask that 27 percent of those revenues be distributed to coastal States for coastal conservation impact assistance, 16 percent to fund more fully the Land and Water Conservation Fund, and 7 percent to fund the Wildlife Conservation and Restoration Act. These are the major titles of this bill. Let me very briefly hit on each one.

I am from Louisiana, a State that has supported, proudly supported, oil and gas drilling and exploration. It has created many jobs in our State. We try to do it in a more environmentally sensitive way each and every year, and every decade we make tremendous progress. Other States like Texas, Mississippi, and to a certain degree, Alabama, although not as much, and Alaska, join in that effort.

There are many States that do not have drilling and many States that have a moratorium on drilling. This bill is not a pro-drilling bill or anti-drilling bill. The purpose is to say that the production of those resources off the shores of our States, although they are offshore, have tremendous impact—both positive and negative—on the States that host drilling.

Louisiana has contributed since the 1950s over 90 percent of these revenues that I spoke about, the $120 billion, and we have gotten less than 1 percent back. It is time to correct that inequity. That is what the first title of this bill does. It says to Louisiana, thank you for your commitment to our energy security and for the way that you have contributed to this oil and gas drilling. We believe that some of this money should go back to help your State and the coastal areas to shore up our wetlands and to reinvest in our environment. That is Title I of this bill. It will distribute funds to all coastal States, whether they have drilling or not.

As I said, there are no incentives; there are no disincentives. It is a revenue-sharing bill to all the coastal States. These revenues are collected from a nonrenewable resource. One day these oil and gas wells will be dried up. It might be 10 years from now or 20 years from now, but some day they will be dried up, and we want to make sure that a portion of this money is reinvested back into our States for environmental infrastructure and wetland conservation so that we have something to show for it.

The second part of this bill amends the Land and Water Conservation Act in an attempt to restore this fund, or to more fully fund it. I will ask unanimous consent to have printed in the RECORD an excerpt from an editorial from the New York Times on this subject.

I will read the first short paragraph of this editorial.

More than 30 years ago, Congress passed a quiet little environmental program that offered great promise to future generations of Americans. Conceived under Dwight Eisenhower, proposed by John F. Kennedy and signed into law by Lyndon Johnson, the Federal Land and Water Conservation Fund was designed to provide a steady revenue stream to preserve ''irreplaceable lands of natural beauty and unique recreational value.'' Royalties from offshore oil and gas leases would provide the money, giving the program an interesting symmetry. Dollars raised from depleting one natural resource would be used to protect another.

The problem is, this promise was never fulfilled. That is what the second title of this bill will do. It seeks to make this promise real for our families, for our children, and for the next generation. It will take, as I said, 16 percent of these revenues to almost fully fund the State side and the Federal side of the Land and Water Conservation Fund. It will provide a reliable and steady stream of revenue to do just that.

Let me share with you that on the Federal side in only 6 out of the last 33 years have we really lived up to the promise that we made to the land and water conservation side. On the State side, the funding record has been even more dismal. Only 1 year out of 33 years since this Land and Water Conservation Fund was enacted did we live up to that promise. So title II happens to fully restore funding so that we can plan and count on these moneys to help expand our parks and our recreation for our children and families in rural and urban areas around this great country.

Finally, title III is a new title, a new chapter, but an attempt to sort of weave together some of the attempts by my colleague, Senator BREAUX, and others to improve the Wildlife Conservation and Restoration Act. I believe it makes little sense to spend all of our money in this area on the back end, after species have become endangered. Then we have problems not only

with the species in question but with property rights. We have questions with economies that can be very negatively affected when industries have to move out or can't proceed because of this.

So we believe it is time to start investing some money on the front end. That is what this title does—helping species, helping States to give educational and technical assistance to stop these species from becoming endangered, and therefore saving the taxpayers a lot of money and local economies a lot of anguish, and to give some much-needed revenue to our State wildlife agencies around this country.

So those are generally the titles of the bill.

I just want to say that it is high time that we live up to the promise made 30 years ago, and we can do that by more wisely spending this money. It makes no sense to take 100 percent of these revenues and spend them on Federal operating expenses that have nothing to do with our environment, or with this promise that was made, or with our investments in future generations. It is time not just for Louisiana, Texas, Alaska, and Mississippi, who have contributed so much to this industry, but also it is high time for all of our States to benefit in a more direct way than they are currently. This is a wiser fiscal policy, it is a much wiser environmental policy, and it most certainly is an idea whose time has come.

To reiterate, the Reinvestment and Environmental Restoration Act of 1998 will go farther than any legislation to date to make good on promises that were made to the people of this country decades ago. In addition, it will begin to right a wrong endured by oil and gas producing states for over 50 years, particularly for the states along the Gulf of Mexico, and my state of Louisiana.

The Reinvestment and Environmental Restoration Act first provides a guaranteed source of funding equal to twenty-seven percent of all Outer Continental Shelf revenues for Coastal Impact Assistance to states to offset the impacts of offshore oil and gas activity, as well as to non-producing states for environmental purposes. This funding goes directly to States and local governments for improvements in air and water quality, fish and wildlife habitat, wetlands, or other coastal resources, including shoreline protection and coastal restoration. These revenues to coastal states will help offset a range of costs unique to maintaining a coastal zone. The formula is based on population, coastline and proximity to production.

Second, the bill provides a permanent stream of revenue for the State and Federal sides of the Land and Water Conservation Fund, as well as for the Urban Parks and Recreation Recovery Program. Under the bill, funding to the LWCF becomes automatic at sixteen percent of annual revenues. Receiving just under half this amount, the state side of LWCF will provide funds to state and local governments for land acquisition, urban conservation and recreation projects, all under the discretion of state and local authorities. Since its enactment in 1965, the LWCF state grant program has funded more than 37,000 park and recreation projects throughout the nation, including in Louisiana the Joe Brown Park Development in New Orleans, the Baton Rouge Animal Exhibit, the Veterans Memorial Park in Point Barre and the Northwestern State University Recreation Complex in Natchitoches. The Urban Parks program would enable cities and towns to focus on the needs of its populations within our more densely inhabited areas with fewer greenspaces, playgrounds and soccer fields for our youth. Stable funding, not subject to appropriations, will provide greater revenue certainty to state and local planning authorities.

A stable baseline will be established for Federal land acquisition through the LWCF at a level higher than the historical average over the past decade. Federal LWCF will receive just under half of the amount in this title of the bill. And, nothing in this bill will preclude additional Federal LWCF funds to be sought through the annual appropriations process. Some very worthy national projects that have received funding in the past include the Atchafalaya National Wildlife Refuge in Louisiana, the Mississippi Sandhill Crane Wildlife Refuge, the Cape Cod National Seashore, Voyageurs National Park in Minnesota and the Sterling Forest in New Jersey. Federal LWCF dollars will be used for land acquisition in areas which have been and will be authorized by Congress. The bill will restore Congressional intent with respect to the LWCF, the goal of which is to share a significant portion of revenues from offshore development with the states to provide for protection and public use of the natural environment.

Finally, the wildlife conservation and restoration provision includes guaranteed funding of seven percent of annual OCS revenues for wildlife habitat protection, conservation education and delisting of endangered species. Moreover, this funding may be used by states for habitat preservation and land acquisition of wintering habitat for important species, therefore preventing listings under the Endangered Species Act.

While we are proud of the accomplishment represented by the introduction of this bill, I feel compelled to mention other interests that are not included in the legislation, but for which I maintain a strong level of support and commitment. The National Historic Preservation Fund is an important authorized use for Outer Continental Shelf revenues. In fact, I introduced legislation earlier this year to reauthorize the fund for its continued viability and vitality. We see the Reinvestment and Environmental Restoration Act as a starting point for debate and consideration of additional issues. I would like to work with proponents of historic preservation over the course of the year to see their needs addressed in the future. This would include similar consideration for Historic Battlefield Preservation, which is important to other members in this body. I also wish to work with other groups to address their concerns about other provisions in the bill having to do with formulas. Indeed, this is a measure that should enjoy broad support, and I want to continue to work with groups to that end.

Mr. President, all three portions of the bill will effectively free up State resources which in turn may then be used for other pressing local needs. The Reinvestment and Environmental Restoration Act is a perfect opportunity to reinvest in our nation's renewable resources for the benefit of our children's future and our grandchildren's future. It is an idea whose time has come. I urge my colleagues to carefully consider this proposal.

Mr. President, I thank Chairman MURKOWSKI, and I thank the majority leader, Senator LOTT, for all of their help in making this legislation possible.

I ask unanimous consent that the bill and New York Times editorial be printed in the RECORD.

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

[The bill was not available for printing. It will appear in a future issue of the RECORD]

[From the New York Times, June 16, 1997]

REVIVE THE CONSERVATION FUND

More than 30 years ago, Congress passed a quiet little environmental program that offered great promise to future generations of Americans. Conceived under Dwight Eisenhower, proposed by John F. Kennedy and signed into law by Lyndon Johnson, the Federal Land and Water Conservation Fund was designed to provide a steady revenue stream to preserve ''irreplaceable lands of natural beauty and unique recreational value.'' Royalties from offshore oil and gas leases would provide the money, giving the program an interesting symmetry. Dollars raised from depleting one natural resource would be used to protect another.

Since its inception, the fund has helped acquire seven million acres of national and state parkland and develop 37,000 recreation projects. Its notable triumphs include the Cape Cod National Seashore, the New Jersey Pinelands National Reserve and Voyageurs National Park in Minnesota. But the program fell apart during the Reagan Administration and has yet to recover. Of the $900 million that has flowed to the fund from oil and gas royalties each year since 1980, Congress has seen fit to appropriate only a third, and in some years far less. The rest has simply disappeared into the Treasury, allocated for deficit reduction.

The biggest losers have been the states. Over time, appropriations have been split about evenly between Federal and state conservation projects. But for two years running, not a dime has gone to the states—again for budgetary reasons. This has been hard on New York, which needs Federal help to buy valuable open space threatened by development in the Adirondacks and elsewhere.

Now, quite suddenly, this legislative stepchild has acquired a bunch of new friends. As part of the recent budget deal, Republican leaders agreed to add $700 million to the $166 million that President Clinton has requested for the new fiscal year. The Republicans had been getting heat from governors back home and saw a chance to polish their environmental image. For his part, Mr. Clinton needed about $315 million to complete two important Federal purchases, both strongly supported by this page—$65 million to develop on his pledge to buy the New World Mine on the edge of Yellowstone National Park, the rest to acquire the Headwaters Redwood Grove in California from a private lumber company.

That would still leave several hundred million dollars for other Federal projects and for the states—but only if the House and Senate appropriations committees honor the outlines of the budget deal and commit to sizable share of the money to state projects. State officials have been descending upon Washington in recent days to plead their cased. Gov. George Pataki has written every member of Congress and, last week, the New York State Parks Commissioner, Bernadette Castro, testified at hearings convened by Senator Frank Murkowski of Alaska.

Mr. BREAUX. Mr. President, I thank the Senator from Louisiana and congratulate her for all the effort she has put forth in bringing this legislation to this point.

I have been in Congress for a long time—something like 26 years now, in the House and in this body—and I have never really seen a first-term Member who has been so dedicated to a major legislative effort as has the Senator from Louisiana, Ms. LANDRIEU, in bringing this legislation to the floor of the U.S. Senate. Many Members, on their first day, have come in and introduced a bill, issued a press release, and then forgotten about it. This has been an effort by the Senator from Louisiana, Senator LANDRIEU, of very carefully prodding and very carefully studying and working with Members on both sides of the aisle to put together a bipartisan coalition to bring this legislation to the floor of the Senate.

While this is brought to the floor of the Senate in the last days of this session, we all know that there will be another day. The groundwork that she has laid in putting this package and this coalition together is going to be here in the next Congress. So in the next Congress we will start not from scratch but from the groundwork that she has laid in bringing this legislation to the point it is today.

I congratulate her for the way she has done it. It is something that I have not seen by a new Member of the Congress in all of the years that I have been here. It is a major accomplishment on her part. I am very pleased to participate in it.

Just a brief word on the legislation. I think it is a fair thing to do. Many non-coastal States have Federal property, owned 100 percent by the Federal Government, within their borders. When minerals are extracted or oil and gas are found on those Federal lands, the State in which those lands are located gets as much as 50 percent of the revenue. Coastal States, however, get nothing. That is clearly not fair. Offshore mineral development operations have a major impact on coastal Louisiana. These operations impact our roads, bridges and other infrastructure, our freshwater supply, our housing and other vital public resources. It is only fair that there be a reasonable sharing of those revenues with states that bear these kinds of burdens. The impact coastal states suffer is a burden borne for the good of the whole country and, without it, the whole country would suffer.

Therefore, to share in a true partnership with the coastal States is certainly something that this Congress should favorably consider, and I think that we will because of what the Senator has been able to do in a bipartisan fashion. So while it is late this year, it is early for next year. The work that she has done this year will pay off next year.

Mr. MURKOWSKI. Mr. President, I rise today, along with Senators LANDRIEU and LOTT, to introduce the Reinvestment and Environmental Restoration Act of 1998.

This important piece of legislation remedies a tremendous inequity in the distribution of revenues generated by offshore oil and gas production by directing that a portion of those moneys be allocated to coastal States and communities who shoulder the responsibility for energy development activity off their coastlines. It also provides a secure funding source for state recreation and wildlife conservation programs.

The OCS Impact Assistance portion of this bill is similar to legislation I have introduced in prior Congresses and is an issue I have worked on for my entire Senate career.

Title 1 of the bill directs that a portion of the revenues generated from oil and natural gas production on the Outer Continental Shelf—or OCS—be returned to coastal States and communities that share the burdens of exploration and production off their coastlines.

Offshore oil and gas production generates $3 to $4 billion in revenues annually for the U.S. Treasury. Yet, unlike mineral receipts from onshore Federal lands, OCS oil and gas revenues are not directly returned to the States in which production occurs.

This legislation remedies this disparity. States and communities that bear the responsibilities for offshore oil and gas production will share in its benefits.

This legislation would, for the first time, share revenues generated by OCS oil and gas activities with counties, parishes and boroughs—the local governmental entities most directly affected—and State governments.

The bill also acknowledges that all coastal States, including those States bordering the Great Lakes, have unique needs and directs that a portion of OCS revenues be shared with these States, even if no OCS production occurs off their coasts.

Coastal States and communities can use OCS Impact Assistance funds on everything from environmental programs, to coastal and marine conservation efforts, to new infrastructure requirements.

In Alaska, local communities could use OCS funds to participate in the environmental planning process required by Federal laws before OCS development occurs.

Other rural coastal communities in Alaska will use the money for sanitation improvements. While still others, like Unalakleet, will use the money to construct sea walls and breakwaters or beach rehabilitation—efforts which will combat the impacts of coastal erosion.

This is money that will be used, day-in and day-out, to improve the quality of life on coastal State residents—money which comes from oil and gas production.

Further, as the Federal OCS program expands in Alaska, this legislation will mean even more revenues to the State, boroughs and local communities.

This is a true investment in the future.

As Chairman of the Energy and Natural Resources Committee, I know all too well that offshore oil and gas production is a lightning rod for environmental groups who will go to great lengths to disparage an activity that is vital to the long-term energy and economic security of this country.

These groups will likely say that this bill creates incentives for offshore oil and gas production because a factor in the distribution formula is a State's proximity to OCS production.

Let us remember, this is an impact assistance bill—revenue sharing, if you will.

States only will have impacts if they have production. The States with production, obviously, have greater needs and are most deserving of a larger share of OCS revenues.

Mr. President, let me also remind everyone, that OCS production only occurs off the coasts of 6 States—yet the bill shares OCS revenues with 34 States.

There are 28 coastal States that will get a share of OCS revenues which have no OCS production. In fact, in all areas except the Gulf of Mexico and Alaska there is a moratorium prohibiting any new OCS production.

It is in the long-term best interest of this country to support responsible and sustainable development of nonrenewable resources.

We now import more than 50 percent of our domestic petroleum requirements and the Department of Energy's Information Administration predicts, in ten years, America will be at least 64 percent dependent on foreign oil.

OCS development will play an important role in offsetting even greater dependence on foreign energy.

The OCS accounts for 24 percent of this Nation's natural gas production

and 14 percent of its oil production. We need to ensure that the OCS continues to meet our future domestic energy needs.

I firmly believe that the Federal Government needs to do all it can to pursue and encourage further technological advances in OCS exploration and production.

These technological achievements have and will continue to result in new OCS production having an unparalleled record of excellence on environmental and safety issues.

Additional technological advances with appropriate incentives will further improve new resource recovery and therefore increase revenues to the Treasury for the benefit of all Americans who enjoy programs funded by OCS money.

I will do all I can to ensure a healthy OCS program, including new OCS development in the Arctic.

A number of challenges face new developments in this area—I am confident that we can work through them all.

History has shown us that in the Arctic, and in other OCS areas, development and the environmental protection are compatible.

This bill also takes a portion of the revenues received by the Federal Government from OCS development and invests it in conservation and wildlife programs.

Thus, Titles II and III of the bill share OCS revenues with all States for such purposes.

Title II of this bill provides a secure source of funding for the Land and Water Conservation Fund. The LWCF was established over three decades ago to provide Federal money for State and Federal land acquisition and help meet Americans' recreation needs.

Over thirty years ago, Congress had the foresight to recognize the ever growing need of the American public for parks and recreation facilities with the passage of the Land and Water Conservation Fund Act.

That landmark piece of legislation was premised on the belief that revenues earned from the depletion of a nonrenewable resource need to be reinvested in a renewable resource for the benefit of future generations.

This rationale is as valid today as it was in the mid-1960's.

To accomplish this goal, the Land and Water Conservation Fund Act directs that revenues earned from offshore oil and gas production should be spent on the acquisition of Federal recreation lands by the land management agencies.

The act also creates a state-side matching grant program.

The state-side matching grant program provides 50–50 matching grants to States and local communities for the acquisition and construction of park and recreation facilities.

The state-side program has a truly unique legacy in the history of American conservation by providing the States with a leadership role in the provision of recreation opportunities.

Through the 1995 fiscal year, over 3.2 billion in Federal dollars have been leveraged to fund over 37,000 State and local park and recreation projects.

Yet, despite these successes, the President had not requested any money for the state-side program for the last 4 years.

This is a program supported by this Nation's mayors, Governors, and the recreation community.

The state-side matching grant should not have to justify annually its existence with congressional appropriators.

Title II makes this program self-sufficient and provides secure funding from OCS revenues.

Title III of this bill provides funding for State fish and wildlife conservation programs.

In Alaska, with its unparalleled natural beauty, fishing and hunting are two of the most popular forms of outdoor recreation.

The bill directs that a portion of OCS revenues should go to the States for wildlife purposes.

The money would be distributed through the Pittman-Robertson program administered by the United States Fish and Wildlife Services.

With the inclusion of OCS revenues, the amount of money available for State fish and game programs would nearly double.

This is a no-tax alternative to the Teaming with Wildlife proposal.

States will be able to use these monies to increase fish and wildlife populations and improve fish and wildlife habitat.

States also could use the money for wildlife education programs.

I am proud of this proposal which is a win-win for the oil and gas industry, the States, environmental and conservation groups, and all Americans.

This bill will ensure not only that Coastal States have money to address the effects of OCS-activities but that all States have funds necessary to provide outdoor recreation and conservation resources for all of us today to enjoy.

As we end the 105th Congress, I can pledge, as Chairman of the Energy and Natural Resources Committee, that the enactment of this bill will be one of my highest priorities next year.

Mr. LOTT. Mr. President, it is with great pleasure that I join my colleagues, Senators LANDRIEU and MURKOWSKI, in introducing the Reinvestment and Environmental Restoration Act.

Mr. President, since the inception of the oil and gas program on the Outer Continental Shelf (OCS), states and coastal communities have sought a greater share of the benefits from development. And why shouldn't they? These communities provide the infrastructure, public services, manpower and support industries necessary to sustain this development.

Currently, the majority of OCS revenues are funneled into the Federal Treasury where they are used to pay for various federal programs and to reduce the deficit. While funding programs and reducing the deficit are certainly important, I believe that some percentage of the revenues should be reinvested in that which makes them possible.

Our bill does that. The Reinvestment and Environmental Restoration Act diverts one-half of the OCS revenues from the Federal Treasury to coastal states and communities for a multitude of programs: air and water quality monitoring, wetlands protection, coastal restoration and shoreline protection, land acquisition, infrastructure, public service needs, state park and recreation programs and wildlife conservation.

This bill allows states and communities to use these funds in whatever manner they deem appropriate. In Pascagoula, for example, authorities might choose to restore and secure the shoreline where years of sea traffic have taken their toll. Further north in Vancleave, they may choose instead to refurbish the roads and bridges that carry the heavy machinery coming and going from the coast. This bill provides a framework within which these localities can make the right decisions for their citizens and environment.

Mr. President, I have been working on this issue for many, many years. As a coast dweller myself, I know the impact that the oil and gas industry can have on communities and the importance of reinvestment in these areas. This is not to say that the industry mistreats the states; on the contrary, they work very hard to comply with stringent environmental regulations and to take care of the community as best they can. The OCS Policy Committee said in 1993 that, despite the oil industry's best efforts, ''OCS development still can affect community infrastructure, social services and the environment in ways that cause concerns among residents of the coastal states and communities.''

I know that there is no way to totally eliminate this impact on coastal communities. I also know that, while the benefits of a healthy OCS program are felt nationally, the infrastructure, environmental and social costs are felt locally. Our bill would put money back into the communities that need it most.

It would also put money back into the environmental resources of the area. Exploration for non-renewable resources and stewardship of coastal resources are not mutually exclusive, but must be carefully balanced for both to be sustained. It is important that our wetlands, fisheries and water resources are taken into consideration and afforded adequate protection.

In addition to propping up the states and coastal communities, our bill also provides funding for the Land and Water Conservation Fund (LWCF). Over 30 years ago, Congress set up this fund to address the American public's

desire for more parks and recreational facilities. This bill makes the program self-sufficient, providing secure funding from the OCS revenues. This is an investment in our future—our land, our resources and our recreational enjoyment.

Mr. President, our bill makes yet another investment with these OCS revenues—an investment in fish and wildlife programs. With the inclusion of OCS revenues, the amount of money available for state programs would nearly double. This is money that can be used to increase populations and improve habitat for fish and wildlife. It could even be used for wildlife education programs.

Mr. President, this bill was carefully crafted to strike a balance between the needs and interests of the oil and gas industry, the states, and the environmental and conservation groups. It's a good package that will benefit all Americans, not just those who live and work in coastal areas. It will benefit hunters and anglers. It will benefit bird watchers and campers. It will benefit all Americans who take solace in the fact that the oil industry is taking care of the communities that support it.

I appreciate the hard work of my colleagues and look forward to advancing this important legislation in the 106th Congress.

By Mr. WELLSTONE:

S. 2567. A bill to ensure that any entity owned, operated, or controlled by the People's Liberation Army or the People's Armed Police of the People's Republic of China does not conduct certain business with United States persons, and for other purposes; to the Committee on Finance.

TRADING WITH THE PEOPLE'S REPUBLIC OF CHINA MILITARY ACT OF 1998

• Mr. WELLSTONE. Mr. President, today I'm introducing a bill that would bar firms owned by China's People's Liberation Army and People's Armed Police from operating in the United States and prohibit the import into the United States of products made by these firms or the export of products to these firms. It would also prohibit extension of credit to or ownership interest in Chinese military companies. The bill contains an exemption for humanitarian aid, waiving these prohibitions if the President determines that a transaction involves items intended to relieve human suffering such as food, medicine or emergency supplies.

My bill is based in part on H.R. 4433 introduced in the House on August 6, 1998 by Representatives GEPHARDT, BONIOR, and PELOSI, who I want to commend for taking this bold and important human rights initiative.

Before I get into the key question of why I'm introducing this bill, I would like to touch on the question of the extent of PLA and People's Armed Police commercial relations with the United States. To begin with, I should stress that there is uncertainty about the extent and nature of activities of companies linked to Chinese military and security forces in the United States. For example, a Rand study last year estimated that there are ''between 20–30 PLA-affiliated companies operating in the United States, although there are certainly more that have not yet been identified.'' It added that one of the major obstacles to identifying these companies is that they ''often consciously disguise their military background by using offshore holding companies and unfamiliar names.''

Nevertheless, while there is much we don't know, there is some hard data available on PLA and People's Armed Police business dealings with the United States. In June, 1997 the AFL–CIO's Food and Allied Services Trades Department issued a report providing a wealth of detailed information on these business dealings. The report, based on extensive research, found twelve companies incorporated in the United States owned by the People's Armed Police and various elements of the PLA, including the General Staff Department and the Navy. In addition, the report cited seven PLA companies that had been dissolved after their officials had been accused of smuggling AK–47's into the United States in 1996—an episode I will discuss later. For each company, the report provided addresses and dates of incorporation, and for some companies the names of registered agents, officers, and directors.

The AFL–CIO report also provided detailed data on the exports to the United States of twenty-five People's Armed Police and PLA companies during 1996. The companies included not only major PLA components such as the General Staff and General Logistics Departments, but also some owned by various PLA military regions. All told, these companies exported 34 million pounds of products to the United States, including furniture, chemicals, rain gear, toys, sport rifles, aircraft engines, and fish. According to an AFL–CIO official, PLA companies were the largest exporters of fish for U.S. fast-food restaurants. Finally, the report contained a listing of U.S. companies that had purchased these products. In testimony before the Senate Foreign Relations Committee last November, an AFL–CIO official pointed out that several well-known U.S. concerns had purchased products directly from PLA companies.

While it is not illegal for the People's Armed Police and PLA companies to operate in the United States, on at least one occasion a major PLA company participated in a clearly illegal activity. In May, 1996, federal law enforcement agencies carried out a sting operation connected with seizure of 2,000 fully automatic AK–47 weapons from China. Since 1994 Chinese gun exports to the United States have been illegal and this was the largest seizure of fully automatic weapons in U.S. history. One of the two Chinese companies involved, Poly Technologies, is the most successful PLA-controlled company. Poly is run by China's princelings, family members of top Chinese civilian and military leaders. Poly's president is the late Deng Xiaoping's son-in-law and a retired PLA Major General. The Chairman of Poly is the son of the late Wang Zhen, who was China's vice-president and a retired General. While China experts doubt there was high-level collusion in the smuggling of AK–47's, a federal law enforcement officer noted that those involved were ''in a position to deliver substantial arms and are not low-level flunkies.''

Mr. President, I now want to turn to the key question of why I decided to introduce this bill. Why is there a need for such legislation? Because companies owned by the PLA—the Chinese Government's main and indispensable instrument of repression—are permitted to operate in the United States. Because the American people are unwittingly purchasing products exported to the United States by companies owned by the PLA and the People's Armed Police. Because the American people would be outraged—as deeply outraged as I am—if they knew they were subsidizing those responsible for massacring students, workers, and other demonstrators for democracy in Tiananmen Square on June 4, 1989, those who have occupied Tibet for almost 50 years, brutally oppressing its people and seeking to erase their unique, cultural, linguistic, and religious heritage. And because they would be outraged—as deeply outraged as I am, that their government is not only doing nothing to stop this, but is opposing efforts to end PLA and People's Armed Police profit-making in the United States.

Mr. President, you may well ask what is the People's Armed Police. The People's Armed Police, who are under the operational control of the PLA, are an internal security force of over 1 million troops, one of whose main purposes is to suppress the legitimate protests of the Chinese people. For example, the People's Armed Police is often used to quash the peaceful protests of Chinese workers.

Last year the People's Armed Police was used to brutally break up protests by thousands of laid-off state enterprise workers in Sichuan province. Hundreds of these workers, who took to the streets because company officials embezzled their unemployment compensation, were reportedly beaten by the People's Armed Police and several ''instigators'' were arrested. Chinese officials were said to have ordered hospitals not to treat wounded demonstrators, comparing them to ''counterrevolutionary thugs'' who ''rioted'' at Tiananmen in June 1989. What were the laid-off workers seeking that provoked such a vicious crackdown by the People's Armed Police? Just that the government provide them with the subsistence they are entitled to and that corrupt company officials be punished.

How can we continue to subsidize the thugs who repress Chinese workers?

The People's Armed Police also man the guard towers of the Laogai, China's massive forced labor camp system—the largest in the world. The Laogai is China's version of the Soviet gulag. The Laogai is comprised of more than 1,100 forced labor camps, with an estimated population of 6 to 8 million prisoners. Prisoners are overworked, denied medical treatment and tortured.

How can we continue to subsidize those who guard slave laborers?

The People's Armed Police and the PLA are the key agents of repression in Tibet. The People's Armed Police have been filmed in Lhasa, the capital of Tibet, beating monks and nuns peacefully demonstrating for their rights. This past May, the People's Armed Police and PLA soldiers reportedly fired on 150 Tibetan political prisoners who staged a demonstration in Tibet's main prison and the police later stormed the prison and arrested the demonstrators. Chinese officials were apparently offended when the political prisoners flew a Tibetan national flag during the demonstration.

How can we continue to subsidize those who deny Tibetans fundamental freedoms, beat and torture them, and seek to destroy their unique culture and religion?

Mr. President, this is shameful and it must be stopped. Would we have allowed Stalin's NKVD or Hitler's SS to subsidize their heinous activities by running profit-making entities in the United States and exporting goods to us and buying goods from us? Of course not. Why then do we allow the likes of the PLA and the People's Armed Police to profit from commercial relations with us and why does the Administration oppose efforts to put an end to this?

Mr. President, the Administration in the past has justified the unjustifiable by arguing that imposing sanctions on PLA and People's Armed Police companies would be an ''impossible task'' for U.S. law enforcement agencies, risk retaliation against major U.S. exporters, and harm our efforts to develop a military-to-military dialog and relationship with China.

While I believe these arguments don't hold water, they have been overtaken by events. In July, President Jiang Zemin ordered the PLA and the People's Armed Police to end the ''commercial activities'' of their subordinate units. There are some questions about the extent to which Jiang's orders will be carried out and over what timeframe. Tai Ming Cheung, a noted expert on China's military, foresees some shrinkage of the military-business complex, but predicts that it will ''remain powerful and more focused.'' Some China experts estimate that as much as one-third of total defense spending derive from profits from PLA businesses and it would obviously be difficult for the government to compensate the military for loss of this funding stream.

Be this as it may, the fact remains that it is now Chinese government policy to end the commercial activities of the PLA and the People's Armed Police. I believe that the Senate should do all we can to help Beijing by passing my bill, which seeks to cut U.S. commercial ties with the PLA and the People's Armed Police and to end their business activities in the United States. Since we would be cooperating with Jiang's policies, the Administration can no longer point to alleged harmful effects on our military-to-military dialog or Chinese retaliation against U.S. exporters. Moreover, we would have reason to expect that the ability of U.S. law enforcement agencies to implement the sanctions contained in this bill would be enhanced since PLA and People's Armed Police business activities would be illegal both in China and the United States. Jiang Zemin presumably would have incentives to end or at least circumscribe Chinese military and police business dealings with and in the United States and, perhaps, even cooperate with U.S. law enforcement agencies.

While no one can predict how successful Jiang will be in eliminating or even in cutting back China's military-business complex, we must act to end U.S. subsidies to those who beat, torture, and imprison those who bravely fight for freedom and democracy. By contributing to PLA and People's Armed Police coffers we act in complicity with those who repress workers, run slave labor camps, crush religious freedom, quash Tibetans and other minorities seeking to preserve their identity culture and religion. We betray those who laid down their lives at Tiananmen Square, inspired by American principles of democracy and individual rights and we betray those brave dissidents who rot in Chinese jails or toil in forced labor camps, whose only crime was to fight for the ideals all Americans hold dear. It is time to end this complicity, end these betrayals of our friends.

I urge my colleagues to support this bill.

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

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

S. 2567

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 ''Trading With the People's Republic of China Military Act of 1998''.

SEC. 2. FINDINGS AND POLICY.

(a) FINDINGS.—Congress makes the following findings:

(1) The People's Liberation Army is the principal instrument of repression within the People's Republic of China and is responsible for massacring an unknown number of students, workers, and other demonstrators for democracy in Tiananmen Square on June 4, 1989.

(2) The People's Liberation Army is responsible for occupying Tibet since 1950 and implementing the official policy of the People's Republic of China to eliminate the unique cultural, linguistic, and religious heritage of the Tibetan people.

(3) The People's Liberation Army has operational control of the People's Armed Police, an internal security force of over 1,000,000 troops, whose primary purpose is to suppress the legitimate protests of the Chinese people.

(4) The People's Liberation Army is engaged in a massive effort to modernize its military capabilities.

(5) The People's Liberation Army owns and operates hundreds of companies and thousands of factories the profits from which in some measure are used to support military activities.

(6) Companies owned by the People's Liberation Army and the People's Armed Police export to the United States such products as toys, clothing, frozen fish, lighting fixtures, garlic, glassware, yarn, footwear, chemicals, machinery, metal products, furniture, decorations, gloves, tents, and tools.

(7) Companies owned by the People's Liberation Army and the People's Armed Police regularly solicit investment in joint ventures with United States companies.

(8) The People's Liberation Army and the People's Armed Police have established at least 23 different companies in the United States over the past decade.

(9) The people of the United States are unaware that certain products they purchase in retail stores are produced by companies owned and operated by the People's Liberation Army or the People's Armed Police.

(10) The purchase of these products by United States consumers places them in the position of unwittingly subsidizing the operations of the People's Liberation Army and the People's Armed Police.

(11) The Government of the People's Republic of China, with the assistance of the People's Liberation Army and the People's Armed Police, continues to deny its citizens basic human rights enumerated in the Universal Declaration of Human Rights, persecutes those who seek to freely practice their religion, and denies workers the right to establish free and independent trade unions.

(b) POLICY.—It is the policy of the United States to prohibit any entity owned, operated, or controlled by the People's Liberation Army or the People's Armed Police from operating in the United States or from conducting certain business with persons subject to the jurisdiction of the United States.

SEC. 3. COMPILATION AND PUBLICATION OF LIST OF PEOPLE'S REPUBLIC OF CHINA MILITARY COMPANIES.

(a) COMPILATION AND PUBLICATION.—

(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Secretary of Defense, in consultation with the Secretary of the Treasury, the Attorney General, the Director of Central Intelligence, and the Director of the Federal Bureau of Investigation, shall—

(A) compile a list of persons who are People's Republic of China military companies and who are operating directly or indirectly in the United States or any of its territories and possessions; and

(B) publish the list of such persons in the Federal Register.

(2) PERIODIC UPDATES.—Every 6 months after the date of the publication of the list under paragraph (1), the Secretary of Defense, in consultation with the officials referred to in that paragraph, shall make such additions to or deletions from the list as the

Secretary considers appropriate based on the latest information available.

(b) PEOPLE'S REPUBLIC OF CHINA MILITARY COMPANY.—For purposes of making the determination required by subsection (a), the term ''People's Republic of China military company''—

(1) means a person that is—

(A) engaged in providing commercial services, manufacturing, producing, or exporting; and

(B) owned, operated, or controlled by the People's Liberation Army or the People's Armed Police; and

(2) includes any person identified in Defense Intelligence Agency publication numbered VP–1920–271–90, dated September 1990, or PC–1921–57–95, dated October 1995, or any updates of such publications under subsection (c).

(c) UPDATING OF PUBLICATIONS.—Not later than 90 days after the date of enactment of this Act, and every 6 months thereafter, the Defense Intelligence Agency shall update the publications referred to in subsection (b)(2) for purposes of determining People's Republic of China military companies under this section.

SEC. 4. PROHIBITIONS.

(a) OFFICERS, DIRECTORS, ETC.—It shall be unlawful for any person to serve as an officer, director, or other manager of any office or business anywhere in the United States or its territories or possessions that is owned, operated, or controlled by a People's Republic of China military company.

(b) DIVESTITURE.—The President shall by regulation require the closing and divestiture of any office or business in the United States or its territories or possessions that is owned, operated, or controlled by a People's Republic of China military company.

(c) IMPORTATION.—No goods or services that are the growth, product, or manufacture of a People's Republic of China military company may enter the customs territory of the United States.

(d) CONTRACTS, LOANS, OWNERSHIP INTERESTS.—It shall be unlawful for any person subject to the jurisdiction of the United States—

(1) to make any loan or other extension of credit to any People's Republic of China military company; or

(2) to acquire an ownership interest in any People's Republic of China military company.

(e) EXPORTS.—It shall be unlawful for any person subject to the jurisdiction of the United States to export goods, technology, or services to, or for any person to export goods, technology, or services that are subject to the jurisdiction of the United States to, a People's Republic of China military company.

(f) EXCEPTION FOR HUMANITARIAN ITEMS.—Subsections (a) through (e) shall not apply with respect to a transaction if the President—

(1) determines that the transaction involves the transfer of food, clothing, medicine, or emergency supplies intended to relieve human suffering; and

(2) transmits notice of that determination to Congress.

SEC. 5. REGULATORY AUTHORITY.

The President shall prescribe such regulations as are necessary to carry out this Act.

SEC. 6. PENALTIES.

Any person who knowingly violates section 4 or any regulation issued thereunder—

(1) in the case of the first offense, shall be fined not more than $100,000, imprisoned not more than 1 year, or both; and

(2) in the case of any subsequent offense, shall be fined not more than $1,000,000, imprisoned not more than 4 years, or both.

SEC. 7. DEFINITIONS.

For purposes of this Act:

(1) PEOPLE'S ARMED POLICE.—The term ''People's Armed Police'' means the paramilitary service of the People's Republic of China, whether or not such service is subject to the control of the People's Liberation Army, the Public Security Bureau of that government, or any other governmental entity of the People's Republic of China.

(2) PEOPLE'S LIBERATION ARMY.—The term ''People's Liberation Army'' means the land, naval, and air military services and the military intelligence services of the People's Republic of China, and any member of any such service.●

By Mr. JEFFORDS (for himself and Mr. DODD):

S. 2568. A bill to amend the Internal Revenue Code of 1986 to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualifying placement agencies, and for other purposes; to the Committee on Finance.

EXCLUSION FOR FOSTER CARE PAYMENTS TO APPLY PAYMENTS BY QUALIFYING PLACEMENTS AGENCIES

Mr. JEFFORDS. Mr. President, today I am introducing a bill that will eliminate unnecessary distinctions drawn by the Internal Revenue Code for the tax treatment of payments received by families and individuals who open their homes to care for foster children and adults. Currently, the law allows an exclusion from income for foster care payments received by some providers, while denying eligibility for the exclusion to other foster care providers.

My bill expands the law's exclusion of foster care payments. Under my bill, foster care payments to providers made by placement agencies that contract with, or are licensed by, State or local governments will be eligible for the exclusion, regardless of the age of the individual in foster care. This bill is a companion to H.R. 3991, introduced by Congressman JIM BUNNING of Kentucky. By simplifying the tax treatment of foster care payments, the bill will remove the inequities and uncertainties inherent in the current tax treatment of foster care payments.

Under current law, foster care providers are permitted to deduct expenditures made while caring for foster individuals. Providers must maintain detailed records to substantiate these deductions. In lieu of this detailed record keeping, section 131 of the Internal Revenue Code allows certain foster care providers to exclude from income the payments they receive to care for foster care. Eligibility for this exclusion depends upon a complicated analysis of three factors: the age of the person in foster care; the type of foster care placement agency; and the source of the foster care payments.

For children under age 19 in foster care, section 131 permits providers to exclude payments when a State (or one of its political subdivisions) or a charitable tax-exempt placement agency places the individual in foster care and makes the foster care payments. For persons age 19 and older, section 131 permits providers to exclude foster care payments only when a State (or one of its political subdivisions) places the individual and makes the payments.

This bill will simplify these anachronistic tax rules by expanding the tax code's exclusion to include foster care payments for all persons in foster care, regardless of age, even if the foster care placement is made by a foster care placement agency and even if foster care payments are received through a foster care placement agency, rather than directly from a State (or one of its political subdivisions). To ensure appropriate oversight, the bill requires that the placement agency be either licensed by, or under contract with, a State or a political subdivision thereof.

Increasingly, State and local governments are relying on private agencies to arrange for foster care services for children and adults. While foster care for children has been in existence for decades, foster care for adults is a more recent phenomenon. Sometimes referred to as ''host homes'' or ''developmental homes,'' adult foster care facilities have proven to be an effective alternative to institutional care for adults with disabilities. My home State of Vermont, at the forefront of efforts to develop individualized alternatives to institutional care, authorizes local developmental service providers to act as placement agencies and to contract with families willing to provide foster care in their homes. The tax law's disparate tax treatment of foster care payments, however, impedes alternative arrangements. Persons providing foster care for individuals placed in their homes by the government can exclude foster care payments from income. For providers receiving payments from private agencies, however, the exclusion is not available (unless the individual in foster care is under age 19 and the placement agency is a nonprofit organization). These rules discourage families willing to provide foster care in their homes to persons placed by private placement agencies, thus reducing the availability of care alternatives. Because of the complexity of the current law, providers often receive conflicting advice from tax professionals regarding the proper tax treatment of foster care payments they receive.

Mr. President, this bill will advance the development of family-based foster care services, a highly valued alternative to institutionalization. I urge my colleagues to support it.

Mr. DODD. Mr. President, I am very pleased to rise along with my colleague, Senator JEFFORDS, in introducing a critically important piece of legislation that will ensure fair treatment for individuals and families who provide invaluable care to foster children and adults.

Presently, foster care providers are permitted to deduct expenditures made while caring for foster individuals if detailed expense records are maintained to support such deductions.

However, section 131 of the Internal Revenue Code permits certain foster care providers to exclude, from taxable income, payments they receive to care for foster individuals. Who specifically is available for this exclusion depends upon a complicated analysis of three factors: the age of the individual receiving foster care services, the type of foster care placement agency, and the source of the foster care payments.

Section 131 presently permits foster care providers to exclude payments from taxable income only when a state, or one of its political divisions, or a charitable tax exempt placement agency places the individual and makes the foster care payments for children under 19 years of age. However, for adults over the age of 19, section 131 permits foster providers to exclude payments from taxable income only when a State, or one of its divisions, places the individual and provides the foster care payments.

Mr. President, it is time that we remove the inequities and needless complexities of the current system. States and localities across the country are increasingly relying on private agencies to arrange for foster care services for both children and adults. However, some foster care providers are understandably reluctant to contract with private placement agencies because current law requires such providers to include foster care payments as taxable income. In contrast, current law permits providers who care for foster individuals placed in their homes by government agencies to exclude such payments from taxable income. Current law, therefore, discourages families from providing foster care on behalf of private placement agencies, thereby reducing badly-needed foster care opportunities for individuals requiring assistance.

The bill Senator JEFFORDS and I introduce today will greatly simplify the outdated tax rules applicable to foster care payments. Under our legislation, foster care providers would be able to avoid onerous record keeping by excluding from income any foster care payment received regardless of the age of the individual receiving foster care services, the type of agency that placed the individual, or the source of foster care payments. To ensure appropriate oversight, this bill will require the placement agency to be licensed either by, or under contract with, a state or one or its political divisions.

Mr. President, this legislation accomplishes what current law does not—consistent and fair treatment of families and individuals who open their homes and their hearts to foster children and adults.

By Mr. KOHL (for himself, Mr. REID, and Mrs. FEINSTEIN):

S. 2570. A bill entitled the ''Long-Term Care Patient Protection Act of 1998''; to the Committee on Finance.

LONG-TERM CARE PATIENT PROTECTION ACT OF 1998

Mr. KOHL. Mr. President, I rise today to introduce the Long-Term Care Patient Protection Act of 1998, along with Senators REID and FEINSTEIN. I am pleased to introduce this legislation on behalf of the Administration.

Recently, the Department of Health & Human Services Office of Inspector General issued a report describing how easy it is for people with abusive and criminal backgrounds to find work in nursing homes. On September 14th, the Senate Aging Committee held hearings on this disturbing problem, where we heard horrifying stories of elderly patients being abused by the very people who are charged with their care. While the vast majority of nursing home workers are dedicated and professional, even one instance of abuse is inexcusable. This should not be happening in a single nursing home in America.

Senator REID and I have already introduced legislation, the Patient Abuse Prevention Act, to require background checks for health care workers. Those with prior abusive and criminal backgrounds would be prohibited from working in patient care. I am pleased that the Administration has also recognized the importance of addressing this problem, and I have been glad to work with them in this effort. While the bill we introduce today on the Administration's behalf is not perfect, I believe it is another important step in our efforts to pass strong patient protections.

Mr. President, it is estimated that more than 43 percent of Americans over the age of 65 will likely spend time in a nursing home. The number of people needing long-term care services will continue to increase as the Baby Boom generation ages. The vast majority of nursing homes do an excellent job in caring for their patients, but it only takes a few abusive staff to cast a dark shadow over what should be a healing environment.

A disturbing number of cases have been reported where workers with criminal backgrounds have been cleared to work in direct patient care, and have subsequently abused patients in their care. Just last year, the Milwaukee Journal-Sentinel ran a series of articles describing this problem. This past March, The Wall Street Journal published an article describing the difficulties we face in tracking known abusers.

These news stories are only the tip of the iceberg. Unfortunately, it is just far too easy for a worker with a history of abuse to find employment and prey on the most vulnerable patients. The OIG report found that 5 percent of nursing home employees in Maryland and Illinois had prior criminal records. And it also found that between 15–20 percent of those convicted of patient abuse had prior criminal records. It is just too easy for known abusers to find work in health care and continue to prey on patients.

Why is this the case? Because current state and national safeguards are inadequate to screen out abusive workers. All States are required to maintain registries of abusive nurse aides. But nurse aides are not the only workers involved in abuse, and other workers are not tracked at all. Even worse, there is no system to coordinate information about abusive nurse aides between States. A known abuser in Iowa would have little trouble moving to Wisconsin and continuing to work with patients there.

In addition, there is no Federal requirement that nursing homes conduct a criminal background check on prospective employees. People with violent criminal backgrounds—people who have already been found guilty of murder, rape, and assault—could easily get a job in a nursing home or other health care setting without their past ever being discovered.

The Administration's bill that we introduce today builds upon the extensive work that Senator REID and I have done to address this issue, and incorporates some new ideas as well.

First, this legislation will create a National Registry of abusive nursing home employees. States will be required to submit information from their current State registries to the National Registry. Nursing homes will be required to check the National Registry before hiring a prospective worker. Any worker with a substantiated finding of abuse will be prohibited from working in nursing homes.

Second, the bill provides a second line of defense to prevent people with criminal backgrounds from working in nursing homes. If the National Registry does not include information about the prospective worker, the nursing home is then required to contact the state to initiate an FBI background check. Any conviction for patient abuse or a relevant violent crime would bar that applicant from working in nursing homes.

Let me be clear: I realize that this legislation is not perfect. I have significant concerns about several unresolved issues that I believe must be addressed. We must continue to work on minimizing costs and determine a fair and reasonable way to distribute those costs. We must ensure that the system is efficient and effective, with a quick turnaround time and accurate information for providers. And I believe that we must apply these requirements to other health care settings besides nursing homes. It would do little good to ban these people from working in nursing homes, and still permit them to work in home health care.

Senator REID and I have worked for a long time with patient advocates, the nursing home and home health industries, and law enforcement officials to address these issues. I have been very heartened by their enthusiasm and willingness to work with us in this effort. It is in all of our best interests to pass legislation that is strong, workable, and enforceable.

Despite the unresolved issues I have mentioned, I am introducing the Administration's legislation today because I believe it will provide a strong incentive for everyone to stay at the table and resolve these issues. All of us—the President, Congress, health care professionals and consumer advocates—we all share the common goal of protecting patients from abuse, neglect and maltreatment. We must keep working together to create a viable national system that will prevent abusive workers from working with patients.

Although the remaining days of this Congress are few, we all need to come together once again to reach consensus on the remaining issues and prepare to move this process forward. This legislation gives us an opportunity to act now. I look forward to continuing our work on this issue, and I welcome comments and suggestions for improving the bill.

Mr. President, I want to repeat that I strongly believe that most nursing homes and their staff provide the highest quality care. However, it is imperative that Congress act immediately to get rid of the few that don't. When a patient checks into a nursing home, they should not have to give up their right to be free from abuse, neglect, or mistreatment. They should not have to worry about dying from malnutrition and dehydration.

Our nation's seniors made our country what it is today. Before we cross that bridge to the next century that we have all heard so much about, we must make sure we treat the people that brought us this far with the dignity, care, and respect they deserve. I look forward to working with my colleagues and the administration in this effort to protect patients. Our Nation's seniors and disabled deserve nothing less than our full attention to this matter.

Mr. President, I ask that the text of the bill be printed in the RECORD.

[The bill was not available for printing. It will appear in a future issue of the RECORD.]

Mr. REID. Mr. President, I rise today to join my colleague, Senator KOHL, in introducing the ''Long Term Care Patient Protection Act of 1998''. This legislation represents our latest step in a series of efforts to institute greater protections for nursing home residents.

Over the past year, Senator KOHL and I, along with our colleagues on the Senate Special Committee on Aging, have worked to ensure that seniors are not placed in the hands of criminals in nursing homes. The disturbing problem of nursing home abuse by workers with a violent or criminal history was brought to our attention just over a year ago. Shortly thereafter, Senator KOHL, GRASSLEY, and I introduced S. 1122, ''The Patient Abuse Prevention Act.'' This measure would require criminal background checks for potential long-term care facility workers and would create a national registry of abusive health care workers.

This past July, Senator KOHL and I sponsored an amendment that would authorize nursing homes and home health agencies to use the FBI criminal background check system. This amendment is an important step towards our goal of mandatory background checks, and I am proud to report that this language was included in the Commerce, Justice, State Appropriations Bill.

Upon our request, the Senate Special Committee and Aging dedicated a hearing to the issue of criminal background checks for long-term care workers. At this time, the Office of the Inspector General (OIG) at the Department of Health and Human Services released a report entitling, ''Safeguarding Long Term Care Residents''. The year-long investigation by the OIG spanning facilities across the country produced the very recommendations Senator KOHL and I have been advocating for over a year. Specifically, the OIG concurred with our proposal to develop criminal background checks, and to create a national registry for nursing facility employees. Their findings were consistent with our position that a criminal background check system could help weed out potential employees with a history of abuse and prevent them from working with patients.

Recently, President Clinton acknowledged the need for tough legislative and administrative actions to improve the quality of nursing homes. Using our original legislation as a guide, the Administration drafted a proposal to address the crucial issue of criminal background checks for nursing home workers. I am pleased that the Administration has recognized the need for criminal background checks and has modeled its initiative after our legislation. I am introducing the ''Long-Term Care Patient Protection Act of 1998'' on behalf of the Administration because it builds on our extensive work in this area and represents an important step in the right direction.

The ''Long-Term Care Patient Protection Act of 1998'' would create a national registry of abusive workers. Further, the bill would expand the existing State nurse aide registries to include substantiated findings of abuse by all nursing facility employees, not just nurse aides. States would be required to submit any existing or newly acquired information contained in the State registries to the national registry of abusive workers. This provision is crucial because it would ensure that once an employee is added to the national registry, the offender will not be able to simply cross state lines and find employment in another nursing home where he may continue to prey on vulnerable seniors.

Another important portion of the bill outlines the process by which nursing homes must screen prospective employees. According to this legislation, all nursing homes must first initiate a search of the national registry of abusive workers. In cases where the prospective employee is not listed on the registry, the nursing home would be required to conduct a State and national criminal background check on the individual through the Federal Bureau of Investigations.

Finally, nursing homes would be required to report to the State any instance in which the facility determines that an employee has committee an act of resident neglect, abuse, or theft of a resident's property during the course of employment. The OIG at the Department of Health and Human Services reported that 46 percent of facilities believe that incidents of abuse are underreported. This provision would ensure that offenders are reported and added to the national registry before they have the opportunity to strike again.

One of the most difficult times for any individual or family is when they must make the decision to rely upon the support and services of a long-term care facility. Families should not have to live with the fear that their loved one is being left in the hands of an individual with a criminal record. No one should have to endure the pain and outrage of learning that their loved one has fallen prey to a nursing home employee with a violent or criminal record. At last month's Aging Committee hearing, we heard the real life nightmare of Richard Meyer, whose 92 year-old mother was sexually assaulted by a male certified nursing assistant who had previously been charged and convicted for sexually assaulting a young girl. We can and we must work to prevent tragedies like this one from occurring again in the future.

Americans over the age of 85 are the fastest growing segment of our elderly population. There are 31.6 million Americans over the age of sixty-five, and as the baby boom generation ages, that number will skyrocket. Over 43 percent of Americans will likely spend time in a nursing home. As our nation seeks ways to care for an aging population, we must establish greater protections to ensure that our seniors will receive the best care possible.

I have visited countless nursing homes in my home state of Nevada. During these visits, I have always been impressed by the compassion and dedication of the staff. Most nurse aides and health care workers are professional, honest, and dedicated. Unfortunately, it only takes one abusive staff member to terrorize the lives of the residents. That is why we must work to wed our the ''bad apples'' who do not have the best interest of the patient in mind. I urge you join Senator KOHL and me in our efforts to provide greater protections for all nursing home residents.

By Mr. LIEBERMAN:

S. 2571. A bill to reduce errors and increase accuracy and efficiency in the administration of Federal benefit programs, and for other purposes; to the Committee on Governmental Affairs.

FEDERAL BENEFIT VERIFICATION AND INTEGRITY ACT

Mr. LIEBERMAN. Mr. President, today I introduce the Federal Benefit

Verification and Integrity Act. This legislation takes a government-wide approach to improving eligibility verification and debt collection in Federal benefit and assistance programs by identifying, testing, evaluating, and, in some cases, implementing ''data sharing'' information technologies. Federal agencies would be encouraged to make use of federal, state, and private databases such as the National Directory of New Hires and credit bureau data to help ensure that the government delivers benefits to the right person, at the right time, for the right amount. This bill mirrors Title VI of H.R. 4243, a bill introduced in the House by Representatives STEVE HORN and CAROLYN MALONEY.

The President's Council on Integrity and Efficiency has found that the federal government loses billions of dollars each year by not adequately verifying information in applications for federal benefit programs. For example, an audit by the Department of Education's Office of Inspector General disclosed that approximately $109 million in Pell grants had been over-awarded in 1996 because students failed to report or under-reported their income. The Department of Housing and Urban Development projected that during the same year it had paid out at least $600 million in excess rental subsidies because of tenants' under-reporting of income.

News reports confirm the pervasiveness of this type of fraud against the government. One story in the Wall Street Journal described how ''student-aid consultants'' charged clients $350 each for phony tax returns, which would under-report the student's family income. Because the government does not compare the tax return accompanying the student loan application with the tax forms that had been submitted to the IRS, the student can fraudulently apply to the government for financial aid and receive thousands of dollars in Pell grants. In another example, the Washington Post reported that an owner of a California trade school was indicted on allegations that he stole $1 million in federal Pell grants by creating imaginary students. Since the government never compared the names of these students with information it already had, the school was able to hide its crimes for years.

The report of the President's Council on Integrity and Efficiency concluded that federal agencies need eligibility verification to deter and detect the growing fraud in federal benefit and assistance programs. Several federal agencies do have procedures to try to verify information submitted by applicants by comparing it with information contained in various federal and state government databases. Unfortunately the legislative authority for gaining access to this verifying data often does not encompass many of the most useful government sources: there is no comprehensive authority to share data among agencies. Private industry has made great strides in improving eligibility information accuracy, and the federal government could clearly learn from the best business practices of companies like American Express, Visa, Citicorp and Nationsbank. This bill contains provisions to encourage the government to test and incorporate best commercial business practices for eligibility verification.

Similarly, information contained in the National Directory of New Hires and other databases could be a vital aid to the Department of Education's efforts to locate debtors under its student loan programs, and to other agencies trying to locate and collect from debtors. The Department of Education devotes 70% of its debt collection efforts to locating debtors. The National Directory of New Hires, a comprehensive database that lists where virtually all Americans are employed, was recently established as part of the legislation to find and crack down on ''deadbeat dads''. The Directory is maintained by the Department of Health and Human Services, and the data contained in the database cannot be shared with other agencies without explicit legislative authorization. As with child support collection, the Department of Education could use the New Hires directory as an enormously helpful tool to locate where a debtor lives and works. Once a debtor is found, the Department could then use its existing authority to notify the debtor, and then as a last resort and after meeting all due process requirements, the Department could garnish the debtor's wages.

To improve government-wide data-sharing coordination, this legislation creates a ''Federal Benefit Verification and Payment Integrity Board'' which would provide oversight and foster agency interest in pursuing data sharing ideas and technologies. Once an agency tests an idea and obtains a positive result, the Board can recommend to the Congress that permanent authorizing legislation be enacted. Federally funded benefit programs that could use data-sharing technologies include: the Pell Grant program, federal student loan programs, Medicaid, the Food Stamp program, USDA and HUD housing programs, veterans compensation programs, Social Security programs, the Railroad Retirement Survivor program, the Civil Service Retirement Program, Small Business Administration programs, and USDA business programs. While this list is not exhaustive, the legislation would promote data-sharing between agencies that have the current statutory authority to do so.

In addition, this legislation balances the need for data in verifying eligibility with the paperwork burden and privacy intrusion that data sharing imposes. In fact, this legislation contains a number of increased privacy protections, including requiring that agency proposals contain administrative, technical, and physical safeguards to ensure the security and confidentiality of records; prohibiting nonessential duplication and re-disclosure of records within or outside an agency receiving information for a test; expanding encryption and electronic signature technology to protect the confidentiality and integrity of information; and doubling the penalty for willfully violating the privacy act to $10,000. Existing computer matching and privacy act laws will not be changed.

The act also expands on the present full due process rights of beneficiaries, including all rights under the Fair Debt Collection Practices Act. The bill ensures that agencies administering federally funded benefit programs adequately inform applicants applying for benefits that their data can be shared to verify their eligibility for those benefits. The agency will be required to maintain a record of each applicant's acknowledgment. In this way, agencies can encourage individuals to provide accurate information when applying for benefits. Moreover, applicants will be given the opportunity to explain inconsistencies.

Finally, the Committee recognizes the importance of keeping the National Directory of New Hires data secure and private. Consequently, this legislation intends that any agency requesting access to the National Directory of New Hires have the statutory authorization to access the same kind of data from other data sources. Also, all data matches with the New Hires database must occur under the Department of Health and Human Services, the agency who owns this information. This way, the government would be able to centralize all data matches at one location—where the data resides.

By using data-sharing technologies, agencies can deter and prevent fraud while becoming more accurate and efficient. This bill promotes data-sharing tools which can save taxpayers substantial resources and at the same time encourage beneficiaries of government programs to deal honestly with their government. Accordingly, I urge my colleagues to support this legislation.

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

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

S. 2571

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 ''Federal Benefit Verification and Integrity Act''.

SEC. 2. PURPOSES.

The purposes of this Act are the following:

(1) To reduce errors in Federal benefit programs that lead to waste, fraud, or abuse and encourage agencies to work together to identify common sources of errors.

(2) To identify solutions to common problems that will save money for the taxpayer and demonstrate the Government's ability to deliver Federal benefits to the right person, at the right time, for the right amount.

(3) To focus on increasing accuracy and efficiency for Federal benefit program eligibility, financial and program management, and debt collection.

(4) To improve the coordination of Government information resources across Government agencies to strengthen the delivery of Federal benefits.

(5) To balance the need for data in verifying eligibility with the paperwork burden and privacy intrusion that data sharing imposes.

(6) To emphasize deterring and preventing fraud in the provision of Federal benefits, rather than seeking to detect fraud after Federal benefits have been provided.

(7) To ensure that agencies administering federally funded benefit programs inform applicants applying for benefits under those programs that their data can be shared to verify their eligibility for those benefits.

(8) To encourage individuals to provide accurate information when applying for benefits under federally funded benefit programs.

SEC. 3. DEFINITIONS.

In this Act:

(1) BOARD.—The term ''Board'' means the Federal Benefit Verification and Payment Integrity Board established under this Act.

(2) FEDERAL BENEFIT PROGRAM.—The term ''Federal benefit program'' means any program administered or funded by the Federal Government, or by any agent or State on behalf of the Federal Government, providing cash assistance or in-kind assistance in the form of payments, grants, loans, or loan guarantees to or for the benefit of any person.

TITLE I—NOTIFICATION OF FEDERAL BENEFIT RECIPIENTS REGARDING DATA VERIFICATION

SEC. 101. PROGRAM AGENCY RESPONSIBILITY TO PROVIDE CORRECT INFORMATION.

(a) IN GENERAL.—An agency that administers a Federal benefit payment program shall provide notice informing applicants under the program, in information material and instructions accompanying program application forms, that applicants' data may be verified to the extent permitted by law.

(b) AGENCY COMPLIANCE.—An agency may comply with subsection (a) by modifying program materials and applications to include such notice as part of their normal reissuance cycle for reprinting forms, but in no case later than December 31, 2000.

(c) RECORD OF ACKNOWLEDGMENTS.—The head of each agency that administers a Federal benefit program shall maintain a record of each applicant's acknowledgment that the applicant has received notice of the uses and disclosures to be made of the applicant's information, for as long as the applicant receives benefits from or owes a debt to the Government under the program.

TITLE II—FEDERAL BENEFIT PROGRAM MANAGEMENT IMPROVEMENT TESTS

SEC. 201. TESTS OF PRACTICES AND TECHNIQUES FOR IMPROVING FEDERAL BENEFIT PROGRAM MANAGEMENT.

(a) AUTHORITY TO CONDUCT TESTS.—

(1) IN GENERAL.—A Federal agency that administers a Federal benefit program may conduct a test of information technology practices or techniques to improve income verification, debt collection, data privacy and integrity protection, and identification authentication in the administration of the program, in accordance with a proposal approved by the Federal Benefit Verification and Payment Integrity Board established by this title.

(2) WAIVER OF REGULATIONS.—Upon the request of the Board, the head of an agency may waive the enforcement of any regulation of the agency for the purposes of carrying out a test under this section.

(3) IDENTIFICATION OF TEST AREAS.—The Director of the Office of Management and Budget and the Chief Information Officers' Council shall each recommend to the Board, within 120 days after the date of enactment of this Act, various information technology practices and techniques that should be tested under this title.

(b) APPROVAL OF AGENCY PROPOSALS.—

(1) IN GENERAL.—The head of a Federal agency may develop and submit to the Board a proposal for carrying out a test under this section for a specific Federal benefit program administered by the agency. The proposal shall contain specific goals, including a schedule, for improving customer service and error reduction in the program and other information requested by the Board.

(2) CONTENTS.—The proposal shall provide for the testing of information sharing in an integrated manner where feasible of electronic practices and techniques for improving Federal benefit program management, including the following:

(A) Use of encryption and electronic signature technology consistent with techniques acceptable to the National Institute of Standards and Technology, to protect the confidentiality and integrity of information.

(B) Use of other security controls and monitoring tools.

(C) Use of risk profiles and risk alert technologies, including use of Federal, State, and private databases such as the National Directory of New Hires, Federal and State tax data, and credit bureau data.

(D) Establishment of a management framework for exploring and reducing the information security risks associated with Federal agency operations and technologies, including risk assessments and disaster recovery planning.

(3) CONSULTATION.—Any agency whose proposals would require access to another agency's database shall consult with that agency prior to submission of the proposal to the Board, including consultation with the appropriate data integrity board.

(4) PRIVACY SAFEGUARDS.—A proposal submitted to the Board must contain a description of appropriate administrative, technical, and physical safeguards to ensure the security and confidentiality of records and to protect against any anticipated threats or hazards to their security or integrity which could result in substantial harm, embarrassment, inconvenience, or unfairness to any individual with respect to whom information is maintained. The proposal shall include, in particular, prohibitions on duplication and redisclosure of records provided by the source agency within or outside the recipient entity, except where required by law or essential to the conduct of the test.

(5) AGENCY REIMBURSEMENT.—The proposal shall include an estimate for reimbursement that may be charged by a Federal agency to another agency in conducting tests under the proposal.

(6) REVIEW OF PROPOSALS.—Not later than 60 days after the date of receipt of a proposal under this subsection, the Board shall review and recommend disposition of the proposal to the heads of the data sharing agencies under the proposal. The head of the agency shall respond to the Board within 90 days. Such a response shall include findings as appropriate by the data integrity board.

(c) COOPERATIVE AGREEMENTS AND CONTRACTS.—The head of an agency participating in a test under this section, in consultation with the Board, may enter into a cooperative agreement with a State or contract with a private entity under which the State or private entity, respectively, may provide services on behalf of the Federal agency in carrying out the test.

(d) GENERAL IMPLEMENTATION PLAN.—The Board shall prepare a plan for the implementation of this section, including for the coordination of the conduct of tests under this title and the procedures for submission of proposals for those tests.

(e) REPORTS ON RESULTS OF TESTS.—

(1) ANNUAL REPORT.—Beginning not later than 1 year after the date of enactment of this Act, the Board shall submit annually to the Congress a report on the tests conducted under this section.

(2) CONTENT.—The report shall include—

(A) an estimate of potential cost savings and other impacts demonstrated by the tests;

(B) an analysis of the feasibility of applying the practices and techniques demonstrated in each test within the Federal Government, including analysis of what was the least amount of information that was necessary to verify eligibility of applicants under each Federal benefit program that participated in the tests;

(C) an assessment of the value of State data in those tests. and

(D) such recommendations as the Board considers appropriate.

(f) RECOMMENDATIONS ON IMPLEMENTATION OF ACT.—The Chairperson of the Board shall make recommendations annually to the Director of the Office of Management and Budget regarding how savings resulting from the implementation of the Federal Benefit Verification and Integrity Act may be used to enhance program integrity in high-risk programs such as Medicare and to reduce the potential of waste, fraud, and erroneous payments.

(g) AUTHORITY TO REQUEST TEST.—The Board may request the head of a Federal agency that administers a Federal benefit program to conduct a test under this section, including the preparation and submission of a proposal for such a test in accordance with this section. The head of an agency shall respond within 30 days by approving or disapproving such a request of the Board.

(h) USE OF TEST INFORMATION.—Information on any individual obtained in the course of a test under this section shall not be used as the exclusive basis of a decision concerning the rights, benefits, or privileges of any individual.

SEC. 202. SHARING OF INFORMATION IN NATIONAL DIRECTORY OF NEW HIRES.

(a) AVAILABILITY OF INFORMATION.—Notwithstanding section 453(l) of the Social Security Act (42 U.S.C. 653(l)), the Secretary of Health and Human Services may disclose information to another Federal agency from the National Directory of New Hires established pursuant to section 453(i) of that Act (42 U.S.C. 653(i)) based on matches conducted by the Department of Health and Human Services for purposes of conducting a test under this title. In determining whether to disclose such information to a Federal agency for such a test, the Secretary shall take into consideration the potential negative impact of the disclosure or use of such information on the effective operation of the Federal Parent Locator Service under section 453 of such Act, and of other Federal and State child support enforcement activities under part D of title IV of such Act.

(b) FEE.—The head of an agency to which information is disclosed pursuant to subsection (a) shall reimburse the Secretary of Health and Human Services in accordance with section 453(k)(3) of the Social Security Act.

(c) AUTHORITY TO DISCLOSE INFORMATION.—The head of an agency to whom information is disclosed under this section may disclose the information to another Federal agency for use by the agency only as specified under a test proposal under this title. The head of

a Federal agency to whom information is disclosed under this subsection may disclose such information to a State agency administering a federally funded benefit program, a public housing authority, or a guaranty agency (as that term is defined in section 435(j) of the Higher Education Act of 1965) only for the purpose of conducting the test.

(d) REDISCLOSURE LIMITATION.—An entity that receives information for use in a test under this title that it was not otherwise authorized by law to obtain may not redisclose the information or use it for any other purpose.

(e) SHARING OF STATE INFORMATION.—The provision of information pursuant to subsection (a) shall not affect any determination of whether a State meets the requirements of section 303(h)(1)(C) of the Social Security Act.

SEC. 203. INCREASED PENALTIES AND PUNITIVE DAMAGES UNDER PRIVACY ACT.

(a) INCREASED PENALTIES.—Section 552a(i) of title 5, United States Code, is amended in each of paragraphs (1) and (3) by striking ''shall be guilty'' and all that follows through the period and inserting ''shall be fined not more than $10,000, imprisoned for not more than one year, or both.''.

(b) PUNITIVE DAMAGES.—Section 552a(g)(4) of title 5, United States Code, is amended—

(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(2) by inserting ''(A)'' after ''(4)''; and

(3) by adding at the end the following:

''(B) In any such suit in which the court determines that the agency acted in a manner that was willful and intentional, the court may award punitive damages in addition to damages and costs referred to in subparagraph (A).''.

SEC. 204. ESTABLISHMENT OF THE FEDERAL BENEFIT VERIFICATION AND PAYMENT INTEGRITY BOARD.

(a) ESTABLISHMENT.—There is established the Federal Benefit Verification and Payment Integrity Board.

(b) MEMBERSHIP.—The Board shall be composed of 10 members appointed from among Federal or State employees, as follows:

(1) 3 members, of whom one shall be appointed by the head of each of 3 Federal agencies designated by the Director of the Office of Management and Budget. The Director shall designate agencies under this paragraph from among the Federal agencies responsible for administering Federal benefit programs.

(2) 2 members appointed by the Director of the Office of Management and Budget, of whom at least one shall be a State employee appointed to represent federally funded State administered benefits programs.

(3) 1 member appointed by the Secretary of Health and Human Services.

(4) 1 member appointed by the Secretary of the Treasury.

(5) 1 member appointed by the Commissioner of Social Security.

(6) 1 member appointed by the Secretary of Labor.

(7) 1 member appointed by the Director of the Office of Management and Budget to address privacy concerns.

(c) CHAIRPERSON.—The Director of the Office of Management and Budget shall designate one of the members of the Board as the chairperson of the Board.

(d) ADMINISTRATIVE SUPPORT.—The heads of Federal agencies having a member on the Board may provide to the Board such administrative and other support services and facilities as the Board may require to perform its functions under this title.

(e) TRAVEL EXPENSES.—Members of the Board shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(f) REPORTS.—The Board shall periodically report to the Director of the Office of Management and Budget regarding its activities.

SEC. 205. RECIPIENT BENEFIT ACCESS; IMPLEMENTATION OF TESTED INFORMATION TECHNOLOGY PRACTICES OR TECHNIQUES.

(a) COMMERCIAL SERVICES FOR ELECTRONIC SUBMISSIONS.—

(1) IN GENERAL.—The Administrator of General Services may acquire on behalf of Federal agencies commercial services for accepting electronic payments for grants or loans and electronic claims submissions from the public. Such services shall be based on accepted commercial practices for electronic identification, authentication, and income verification.

(2) AGENCY REGULATIONS.—The head of each Federal agency shall promulgate regulations providing for the use of the services described in paragraph (1) by program recipients.

(3) FUNDING.—The Administrator may expend such funds as may be required for the design, testing, and pilot of a standard method by which the public may be provided consistent, secure, and convenient electronic access in applying to Federal agencies for loans and grants and in submitting claims. Beginning in fiscal year 2002, the Administrator may finance the acquisition and management of the commercial services described in paragraph (1).

(4) DEFINITION OF ELECTRONIC.—For purposes of this subsection, the term ''electronic'' means through the Internet or telephonically.

(b) RECOMMENDATIONS.—If the Board determines that any information technology practice, technique, or information sharing initiative tested under this title was successfully demonstrated in the test and should be implemented in the administration of a Federal benefit program, the Board shall—

(1) recommend regulations or legislation to implement that practice, technique, or initiative, if the Board determines that implementation is not otherwise prohibited under another law; or

(2) include in its annual report to the Congress under section 201 recommendations for such legislation as may be necessary to authorize that implementation.

(c) REQUIREMENTS REGARDING DATA PROCESSING SYSTEMS.—The Board shall include in any recommendation of regulations under subsection (a)—

(1) provisions that ensure use of generally accepted data processing system development methodology; and

(2) provisions that will result in system architecture that will facilitate information exchange, increase data sharing, and reduce costs, by elimination of redundancy in development and acquisition of data processing systems.

By Mr. SARBANES:

S. 2572. A bill to amend the International Maritime Satellite Telecommunications Act to ensure the continuing provision of certain global satellite safety services after the privatization of the business operations of the International Mobile Satellite Organization, and for other purposes; to the Committee on Commerce, Science, and Transportation.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

• Mr. SARBANES. Mr. President, today I am introducing legislation to authorize continued U.S. participation in the International Mobile Satellite Organization, currently known as ''Inmarsat'', during and after its restructuring, scheduled to take place April 1. The United States is currently a member of this organization, but its structure and functions are slated for significant reform. Rather than actually owning and operating mobile satellite telecommunications facilities, the intergovernmental institution will retain the much more limited role of overseeing the provision of global maritime distress and safety services, ensuring that this important function is carried out properly and effectively under contract. U.S. participation in the organization—which will keep the same name but change its acronym to ''IMSO''—will not require a U.S. financial contribution and will not impose any new legal obligations upon the U.S. government. Privatization of Inmarsat's commercial satellite business is an objective broadly shared by the legislative and executive branches, American businesses, COMSAT, which is the U.S. signatory entity, and the international community.

To give some brief background, Inmarsat was established in 1979 to serve the global maritime industry by developing satellite communications for ship management and distress and safety applications. Over the past 19 years, Inmarsat has expanded both in terms of membership and mission. The intergovernmental organization now counts 84 member countries and has expanded into land-mobile and aeronautical communications.

Inmarsat's governing bodies, the Inmarsat Council and the Assembly of Parties, recently reached an agreement to restructure the organization, a move that has been strongly supported and encouraged by the United States. This restructuring will shift Inmarsat's commercial activities out of the intergovernmental organization and into a broadly-owned public corporation by next spring. The new corporation will acquire all of Inmarsat's operational assets, including its satellites, and will assume all of Inmarsat's operational functions. All that will remain of the intergovernmental institution is a scaled-down secretariat with a small staff to ensure that the new corporation continues to meet certain public service obligations, such as the Global Maritime Distress and Safety System (GMDSS). It is important to U.S. interests that we participate in the oversight of this function, as well as that we be fully represented in the organization throughout the process of privatization.

The legislation I am introducing will enable a smooth transition to the new structure. It contains two major provisions. First, it authorizes the President to maintain U.S. membership in IMSO after restructuring to ensure the continued provision of global maritime distress and safety satellite communications services. Second, it repeals those provisions of the International

Maritime Satellite Telecommunications Act that will be rendered obsolete by the restructuring of Inmarsat, including all those relating to COMSAT's role as the United States' signatory. The bill's provisions will take effect on the date that Inmarsat transfers its commercial operations to the new corporation.

Mr. President, I urge my colleagues to join me in support of this measure and ask unanimous consent that a copy of this legislation be included in the RECORD.

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

S. 2572

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

SECTION 1. CONTINUING PROVISION OF GLOBAL SATELLITE SAFETY SERVICES AFTER PRIVATIZATION OF BUSINESS OPERATIONS OF INTERNATIONAL MOBILE SATELLITE ORGANIZATION.

(a) AUTHORITY.—The International Maritime Satellite Telecommunications Act (47 U.S.C. 751 et seq.) is amended by adding at the end the following:

''GLOBAL SATELLITE SAFETY SERVICES AFTER PRIVATIZATION OF BUSINESS OPERATIONS OF INMARSAT

''SEC. 506. In order to ensure the continued provision of global maritime distress and safety satellite telecommunications services after the privatization of the business operations of INMARSAT, the President may maintain on behalf of the United States membership in the International Mobile Satellite Organization.''.

(b) REPEAL OF SUPERSEDED AUTHORITY.—

(1) REPEAL.—That Act is further amended by striking sections 502, 503, 504, and 505 (47 U.S.C. 751, 752, 753, and 757).

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on the date on which the International Mobile Satellite Organization ceases to operate directly a global mobile satellite system.●

By Mr. LAUTENBERG:

S. 2573. A bill to make spending reductions to save taxpayers money; to the Committee on Armed Services.

SAVING TAXPAYERS FROM OBSOLETE PROGRAMS AND SPENDING ACT OF 1998

● Mr. LAUTENBERG. Mr. President, today I introduce the Saving Taxpayers from Obsolete Programs and Spending Act of 1998 also known as the STOP Spending Act of 1998. This legislation cuts or eliminates over 25 unnecessary federal programs and would save approximately $80 billion over the next five years.

This legislation targets programs throughout the government—from the Pentagon, to the Departments of Agriculture, Interior and Energy, to NASA. If this legislation were to be enacted, we would have a leaner, better, smarter government. Many of these programs, like the peanut quota program, are outdated relics of a different era. Others, like the cancellation of an unnecessary tactical aircraft program, just represent new thinking that more properly reflects a changing international security environment.

Mr. President, the federal government spends about $1.7 trillion each year. Much of this is for important programs that provide health care to American families, Social Security and Medicare to senior citizens, education for our kids, roads for our cars, security for our nation, housing for families with modest incomes, protection for the environment, and research to advance our civilization. However, there also is too much waste in government. And we must constantly reassess our spending priorities.

Many of the programs targeted in this legislation represent bad policy and bad economics. The benefits go primarily to a narrow group of beneficiaries, while the costs are borne by consumers, taxpayers, and in some cases, the environment. The U.S. Department of Agriculture's sugar program is one example of a program which interferes with the proper functioning of the marketplace at the expense of consumers and the general public. This program guarantees U.S. sugar growers a price that is well above the world price of sugar and results in American consumers paying over $1 billion extra for sugar products each year. In addition, since the artificially high sugar prices that result from the sugar program encourages cultivation of marginal agricultural lands near the Florida Everglades, much environmental damage has been done as a result of increased pollution and runoff from these lands. Unfortunately, the benefits from this program primarily go to very few large and politically powerful corporations, not small farmers.

This is but one example of the many wasteful and outdated programs cut or eliminated as part of this legislation. There are many more examples which I will not detail at this time. However, the bottom line is that we can make our government more effective and save money at the same time if we make the commitment to do so.

Mr. President, I understand that with the limited time remaining in the 105th Congress, this legislation is not likely to be approved before the end of this session. And I realize that many of these proposals would face strong opposition. But I hope my colleagues will review this legislation and support my efforts to reduce government spending in the future by cutting these outdated and wasteful programs.

I ask unanimous consent that a table showing the spending cuts included in this legislation be included in the RECORD.

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

THE STOP SPENDING ACT OF 1998

Program cut	Five-year total savings (In Billions)
Terminate Agricultural subsidies in 2003	$4.00
Eliminate the Market Access Program	0.45
Phase out the sugar program	0.00
Phase out the peanut program	0.00
Elimnate Wildlife Services Predator Control Program	0.05
Extend deficit reduction assessment on tobacco farmers	0.15

THE STOP SPENDING ACT OF 1998—Continued

Program cut	Five-year total savings (In Billions)
Eliminate Rural Utilities Service electricity loan subsidies	0.18
Means-test irrigation subsidies	0.05
Update domestic livestock grazing fees	0.25
Update hardrock mining royalties	1.00
Sell Power Marketing Administrations	6.60
Terminate funding for DOE's Plutonium Pyroprocessing program	0.23
Terminate DOE's Petroleum R&D Program	0.24
Cut funding for construction of new forest roads	0.25
Adjust price of timber sold by Forest Service	1.00
Abolish the Forest Service Salvage Fund	0.18
Cancel tactical aircraft program & procure current generation plan (e.g., F–22)	13.70
Close Uniformed Services University of the Health Services	0.30
Return inflation windfall in DoD funds to the Treasury	23.00
Delay next stage funding of THAAD	1.10
Reform troop transport to deployed ships	7.00
Accelerate Start II implementation	5.10
Discontinue D5 missile	3.00
Reduce excess DoD inventory	0.50
Eliminate Navy's ELF Communications System	0.07
Consolidate pilot training programs	0.60
Terminate Space Station	10.65
Total savings	$79.65●

By Ms. SNOWE (for herself, Ms. MIKULSKI, Ms. COLLINS, Mrs. HUTCHISON, Ms. MOSELEY-BRAUN, Mrs. MURRAY, Mrs. BOXER, Mr. DODD, Mr. JEFFORDS, Mr. REID, Mr. D'AMATO, Mr. ROCKEFELLER, Mr. KERREY, Mr. LIEBERMAN, Mr. TORRICELLI, Mr. DURBIN, Mr. SARBANES, Mr. KERRY, Mr. LAUTENBERG, Mr. INOUYE, and Mr. LEAHY):

S. 2576. A bill to create a National Museum of Women's History Advisory Committee; to the Committee on Rules and Administration.

ADVISORY COMMISSION FOR THE NATIONAL MUSEUM OF WOMEN'S HISTORY

● Ms. SNOWE. Mr. President, today I am introducing legislation to create an Advisory Committee for the National Museum of Women's History. And I am pleased to be joined by 20 of my colleagues: Senators MIKULSKI, COLLINS, DODD, JEFFORDS, ROCKEFELLER, D'AMATO, HUTCHISON, KERREY (NB), LIEBERMAN, MOSELEY-BRAUN, MURRAY, REID, TORRICELLI, DURBIN, SARBANES, KERRY (MA), LAUTENBERG, BOXER, INOUYE, and LEAHY.

For far too long, women have contributed to history, but seem to have largely been forgotten in our history books, as well as our monuments and museums. It is long past time that the roles women have played be removed from the shadows of indifference and given a place where they can shine.

The bill we are introducing today will create a 26 member Advisory Committee will look at the following three issues and report back to Congress on (1) identifying a site for the museum in the District of Columbia; (2) developing a business plan to allow the creation and maintenance of the museum to be done solely with private contributions and (3) assistance with the collection and program of the museum.

It is important to note that this bill does not commit Congress to spending any money for this museum. The Committee's report will tell us the feasibility of funding the museum privately. And I believe that the Museum's Board

has shown that they have the ability to do just that.

The concept for the National Museum of Women's History (NMWH) was created back in 1996. Since that time, the Board of Directors, lead by President Karen Staser, has worked tirelessly to build support and interest for this project. And judging by the fact that they have raised close to $10 million for the project, lent their support to the moving of the Suffragette statute from the crypt to the Rotunda, and raised $85,000 for that effort, I'd say they are well on their way to success.

In fact, just this summer they donated a bust of Sojourner Truth that was unveiled during the 150th anniversary of the Suffragette movement. And on September 28 they opened their ''cyber museum'' to the computer-going public (www.nmwh.org), which will serve as the Museum's ''home'' until there is a building. To steal a line from a song, these sisters are truly ''doing it for themselves''!

They have also spent a lot of time answering the question ''why do we need a women's museum when we have the Smithsonian.'' The first answer to that comes from Edith Mayo, Curator Emeritus of the Smithsonian National Museum of American History, who notes that since 1963 only two exhibits—two—were dedicated to the role of women in history.

Is it any wonder, then, that Congress got in the habit of designating March as National Women's History Month? The fact is, in the story of America's success, the chapter on women's contributions has largely been left on the editing room floor.

Here's what I mean: We all know that JOHN GLENN, the distinguished Senator from the State of Ohio, was the first American to orbit the earth on board Friendship 7 in 1962—and we wish him godspeed as he embarks on his second journey into space at the end of this month. But how many people know that Margaret Reha Seddon was the first U.S. woman to achieve the full rank of astronaut, and flew her first space mission aboard the Space Shuttle ''Discovery'' in 1985, twenty three years after Senator GLENN's historic flight?

And I can guarantee you more people know the last person to hit over .400 in baseball—Ted Williams—than can name the first woman elected to Congress—Jeannette Rankin of Montana, who was elected in 1916, four years before ratification of the 19th Amendment gave women the right to vote. And how many people can tell you that, in 1924 Nellie Ross of Wyoming was the first woman elected governor of a state? Or that it wasn't until 1974—50 years later—that the first woman governor was elected in her own right: Connecticut's Ella Grasso?

History is filled with such little known but important milestones: like the first woman elected to the United States Senate was Hattie Wyatt Caraway from Louisiana in 1932. That Maine's own Margaret Chase Smith was the first woman elected to the U.S. Senate in her own right in 1948, and in 1962 became the first woman to run for the U.S. Presidency in the primaries of a major political party. Or that the first female cabinet member was Frances Perkins, who was Secretary of Labor for FDR.

Hardly household names. But they should be. And with a place to showcase their accomplishments, perhaps one day they will take their rightful place beside America's greatest minds, visionary leaders, and groundbreaking figures.

But until then, we have a long way to go. Many of us know that women fought and got the vote in 1920, with the ratification of the 19th Amendment to the Constitution. But how many know that Wyoming gave women the right to vote in 1869, 51 years earlier, and that by 1900 Utah, Colorado and Idaho had granted women the right to vote? Or that the suffragette movement took 72 years to meet its goal? And few know that the women of Utah sewed dresses made from silk for the Suffragettes on their cross country tour.

Rosie the Riverter was the name given to the hundreds of thousands of women who entered the workforce to help the war effort during World War II on the home front. But our history books don't discuss Jacquline Cochran and Nancy Harkness Love.

Jackie was a pilot who went to Great Britain with 21 other women and ferried planes. In fact, she created quite a stir when she ferried a new bomber from Canada to England on the trip overseas.

Nancy created a ferrying program in Connecticut, known as the Women's Auxiliary Ferrying Squadron, which also ferried planes in the states. They made an important contribution to our war effort, yet both of them have ''flown under the radar screen'' of history for far too many years.

We now have two women on the Supreme Court; Sandra Day O'Conner appointed in 1981, and Ruth Bader Ginsberg who joined her in 1993. But what we never learned is that in 1870, Iowa became the first state to admit a woman to the bar: Arabella Mansfield. Or that the first woman was allowed to practice before the U.S. Supreme Court in 1879, and her name was Belva Lockwood.

Whatever period of history you chose—women played a role. Sybil Ludington, a 16 year old, rode through parts of New York and Connecticut in April of 1777 to warn that the Redcoats were coming. Sacajawea, the Shoshone Indian guide, helped escort Lewis and Clark on their 8000 mile expedition. Rosa Parks, Jo Ann Robinson and Myrlie Evers played important roles in the civil rights movement in the 50's and 60's. And as we move into the 21st century, the role of women—who now make up 52 percent of the population—will continue to be integral to the future success of this country.

In fact the real question about the building of a women's museum is not so much where it will be built—although that remains to be explored. And it's not even who will pay for it—as I've said, it will be done entirely with private funds. The real question when it comes to a museum dedicated to women's history is, where will they put it all!

I would argue that we have a solemn responsibility to teach our children, and ourselves, about our rich past—and that includes the myriad contributions of women, in all fields and every endeavor. These women can serve as role models and inspire our youth. They can teach us about our past and guide us into our future. They can even prompt young women to consider a career in public service—as Senator Smith of Maine did for me.

Instead, today in America, more young women probably know the names of the latest super models then the names of the female members of this Administration's Cabinet. That is why we need a National Museum of Women's History, that is why I am proud to sponsor this legislation, and that is why I hope that my colleagues will join us in supporting the creation of this Advisory Committee as a first step toward writing the forgotten chapters of the history of our nation.●

By Mr. CHAFEE (for himself and Mr. MOYNIHAN):

S. 2575. A bill to expand authority for programs to encourage Federal employees to commute by means other than single-occupancy motor vehicles to include an option to pay cash for agency-provided parking spaces, and for other purposes; to the Committee on Governmental Affairs.

THE ''FEDERAL EMPLOYEE FLEXIBILITY ACT OF 1998''

Mr. CHAFEE. Mr. President, I rise today to introduce, with Senator MOYNIHAN, the ''Federal Employee Flexibility Act of 1998,'' a bill that would provide flexibility and choices for Federal employees. This flexibility was provided to private sector employees in the Taxpayer Relief Act of 1997 and the Transportation Equity Act for the 21st Century, so-called TEA 21. We believe that these provisions provide to employers and employees important new flexibility which should reduce single occupant vehicle trips from our highways and therefore contribute to reduced congestion, a cleaner environment, and increased energy conservation.

The Taxpayer Relief Act of 1997 and the Transportation Equity Act for the 21st Century include significant changes to the way the Internal Revenue Code treats employer-provided transportation fringe benefits. Unfortunately, we have become aware that personnel compensation law for Federal employees restricts implementation of this new flexibility.

Prior to enactment of these two bills, the Federal tax code provided that employer-provided parking is not subject

to Federal taxation, up to $170 per month. However, this tax exemption was lost for all employees if the parking was offered in lieu of compensation for just one employee. In other words, if an employer gave just one employee a choice between parking and some other benefit (such as a transit pass, or increased salary), the parking of all other employees in the company became taxable. It goes without saying that no employers jeopardized a tax benefit for the overwhelming majority of their employees to provide flexibility to others. In effect, the tax code prohibited employers from offering their employees a choice. Parking was a take-it or leave-it benefit.

The changes in these two laws make it possible for employers to offer their employees more choices by eliminating the take-it or leave-it restriction in the Federal tax code. Employees whose only transportation benefit is parking can now instead accept a salary enhancement, and find other means to get to work such as car pooling, van pooling, biking, walking, or taking transit.

Unfortunately, Federal employees will not be able to benefit from the increased flexibility available to private sector employees, unless Federal compensation law is modified. Current Federal law provides that a Federal employee may not receive additional pay unless specifically authorized by law. Therefore, a Federal employee could not ''cash out'' a parking space at work, and instead receive cash or other benefits.

To address this limitation for transit passes and similar benefits, the ''Federal Employees Clean Air Incentives Act'' allows the Federal government to provide transit benefits, bicycle services, and non-monetary incentives to employees. However, when this legislation was enacted, the Federal tax code prohibited the so-called ''cash out'' option discussed above, and therefore was not included in the list of transportation-related exemptions in that statute.

The short and simple bill we introduce today would add ''taxable cash reimbursement for the value of an employer-provided parking space'' to the list of benefits that can be received by Federal employees.

Let me assure my colleagues and Federal employees that this bill would not require that Federal employees lose their parking spaces, as may be feared when there is discussion of Federal employee parking spaces. The bill simply provides Federal employees the same flexibility that is available to private sector employees. Employees who want to retain their tax-free parking space would be free to do so.

We think it is vital that the Federal government show leadership on the application of new and innovative ways to solve our transportation and environmental problems. I hope that my colleagues will join me in supporting this bill and that we can act swiftly on it in the next session of Congress.

Mr. President, I ask that the text of the bill be printed in the RECORD.

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

S. 2575

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

SECTION 1. CASH PAYMENT TO FEDERAL EMPLOYEES FOR PARKING SPACES.

(a) SHORT TITLE.—This Act may be cited as the ''Federal Employee Flexibility Act of 1998''.

(b) IN GENERAL.—Section 7905(b)(2) of title 5, United States Code, is amended—

(1) in subparagraph (B) by striking ''and'' after the semicolon;

(2) in subparagraph (C) by striking the period and inserting a semicolon and ''and''; and

(3) by adding at the end the following:

''(D) taxable cash payment to an employee in lieu of an agency-provided parking space.''.

Mr. MOYNIHAN. Mr. President, I rise today with my friend and colleague Senator CHAFEE to introduce the ''Federal Employee Flexibility Act of 1998,'' a bill to provide Federal employees with the commuting benefits that were created in the Transportation Equity Act for the 21st Century, known as TEA–21, and are now available for private sector employees.

This Act is part of an ongoing effort that we started over seven years ago in the Intermodal Surface Transportation Efficiency Act to introduce pricing and economic incentives into our national transportation policy. Traditionally, U.S. transportation policy has favored new highway construction over repair and maintenance and auto travel over transit and other modes. Our tax code also reflected this bias by providing large incentives to employers to offer their employees tax-free parking spaces, while making it less attractive to provide transit or cash benefits in lieu of parking.

The Finance Committee first set out to tackle this problem in the National Energy Policy Act of 1992. That Act capped non-taxable monthly parking benefits at $155, increased monthly transit benefits from $21 to $60, and added an annual COLA adjustment for both. However, because of the ''constructive receipt'' principle in the tax code, under the 1992 Act, an employer could not offer his employees the tax-free commuting benefits in lieu of taxable salary.

In other words, if an employer offered to provide his employees non-taxable $65 monthly transit passes but lower their salaries by $65 a month, and any employee chose to keep the salary—maybe they walk to work—under the ''constructive receipt'' principle, the transit passes for the other employees would lose their tax-free status. This made the transit benefit program of only limited attractiveness to employers since they could only offer it as part of a negotiated increase in salary, not as a benefit in lieu of existing salary.

Likewise, Federal tax code allowed an employer to offer tax-free parking up to a value of 4170 per month per employee. However, if an employer gave just one employee a choice between parking and some other taxable benefit—such as increased salary—the parking of all other employees in the company became taxable. The result—employers have had no incentive to offer employees the opportunity to ''cash out'' their parking, perhaps taking an increase in salary and using mass transit or carpooling. That hidden pro-parking bias in the tax code has likely resulted in far too many employees choosing to drive to work over riding transit and other modes.

The tax title of TEA–21 now contains the proper language and offsets in place to eliminate this ''constructive receipt'' requirement—and increase the transit benefit from its current $65 to $100 in 2002. It means that employers who provide the transit benefit in lieu of salary will pay less in payroll taxes, while employees will receive a benefit worth a full $65, instead of taxable income of $65. Likewise employers can now offer employee cash instead of a tax-free parking parking space, and we hope reduce the number of employees who drive to work. The measure is ''paid for,'' in Budget Act parlance, by a one-year freeze in the COLA adjustments for parking benefits, currently at $175 per month, and transit benefits.

But, unfortunately, the job is not quite done. Federal employees will not be able to benefit from the increased flexibility available to private sector employees, unless Federal compensation law is modified. Current Federal law provides that a Federal employee may not receive additional pay unless specifically authorized by law. Therefore, a Federal employee could not ''cash out'' a parking space at work, and instead receive cash or other benefits. This has particularly unfortunate consequences here in Washington, one of the most congested cities in the country, with an enormous Federal workforce, the great majority of whom drive single-occupancy vehicles to work every day.

The simple bill that Senator CHAFEE and I introduce today would add ''taxable cash reimbursement for the value of an employer-provided parking space'' to the list of benefits Federal employees can receive. I hope my colleagues will join us in supporting this bill and that we can act swiftly on this bill in the next session of Congress.

ADDITIONAL COSPONSORS

S. 1286

At the request of Mr. JEFFORDS, the name of the Senator from Utah [Mr. BENNETT] was added as a cosponsor of S. 1286, a bill to amend the Internal Revenue Code of 1986 to exclude from gross income certain amounts received as scholarships by an individual under the National Health Corps Scholarship Program.

S. 1466

At the request of Mr. ABRAHAM, the name of the Senator from Georgia [Mr. COVERDELL] was added as a cosponsor of S. 1466, a bill to amend the Public Health Service Act to permit faith-based substance abuse treatment centers to receive Federal assistance, to permit individuals receiving Federal drug treatment assistance to select private and religiously oriented treatment, and to protect the rights of individuals from being required to receive religiously oriented treatment.

S. 1720

At the request of Mr. LEAHY, the name of the Senator from Illinois [Mr. DURBIN] 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. 1970

At the request of Mr. ABRAHAM, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 1970, a bill to require the Secretary of the Interior to establish a program to provide assistance in the conservation of neotropical migratory birds.

S. 2080

At the request of Mr. HELMS, the names of the Senator from Alabama [Mr. SHELBY], the Senator from Kentucky [Mr. FORD], and the Senator from Montana [Mr. BURNS] were added as cosponsors of S. 2080, a bill to provide for the President to increase support to the democratic opposition in Cuba, to authorize support under the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996 for the provision and transport of increased humanitarian assistance directly to the oppressed people of Cuba to help them regain their freedom, and for other purposes.

S. 2180

At the request of Mr. LOTT, the names of the Senator from Louisiana [Ms. LANDRIEU], the Senator from Texas [Mrs. HUTCHISON], and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of S. 2180, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to clarify liability under that Act for certain recycling transactions.

S. 2263

At the request of Mr. GORTON, the names of the Senator from California [Mrs. FEINSTEIN] and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 2263, a bill to amend the Public Health Service Act to provide for the expansion, intensification, and coordination of the activities of the National Institutes of Health with respect to research on autism.

S. 2268

At the request of Mr. BINGAMAN, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 2268, a bill to amend the Internal Revenue Code of 1986 to improve the research and experimentation tax credit, and for other purposes.

S. 2283

At the request of Mr. DEWINE, the name of the Senator from Illinois [Mr. DURBIN] was added as a cosponsor of S. 2283, a bill to support sustainable and broad-based agricultural and rural development in sub-Saharan Africa, and for other purposes.

S. 2356

At the request of Mr. ROBERTS, the names of the Senator from Arkansas [Mr. HUTCHINSON] and the Senator from Idaho [Mr. KEMPTHORNE] were added as cosponsors of S. 2356, a bill to amend the Federal Food, Drug, and Cosmetic Act to provide for uniform food safety warning notification requirements, and for other purposes.

S. 2358

At the request of Mr. ROCKEFELLER, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 2358, a bill to provide for the establishment of a service-connection for illnesses associated with service in the Persian Gulf War, to extend and enhance certain health care authorities relating to such service, and for other purposes.

S. 2364

At the request of Mr. CHAFEE, the names of the Senator from Wisconsin [Mr. FEINGOLD], the Senator from Louisiana [Mr. BREAUX], and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of S. 2364, a bill to reauthorize and make reforms to programs authorized by the Public Works and Economic Development Act of 1965.

S. 2415

At the request of Mr. SANTORUM, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 2415, a bill to amend the Internal Revenue Code of 1986 to reduce the tax on beer to its pre-1991 level.

S. 2418

At the request of Mr. JEFFORDS, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 2418, a bill to establish rural opportunity communities, and for other purposes.

S. 2514

At the request of Mr. LEAHY, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 2514, a bill to amend the Communications Act of 1934 to clarify State and local authority to regulate the placement, construction, and modification of broadcast transmission and telecommunications facilities, and for other purposes.

S. 2525

At the request of Mr. LOTT, the name of the Senator from Missouri [Mr. ASHCROFT] was added as a cosponsor of S. 2525, a bill to establish a program to support a transition to democracy in Iraq.

SENATE CONCURRENT RESOLUTION 94

At the request of Mr. ABRAHAM, the name of the Senator from Ohio [Mr. DEWINE] was added as a cosponsor of Senate Concurrent Resolution 94, a concurrent resolution supporting the religious tolerance toward Muslims.

SENATE CONCURRENT RESOLUTION 121

At the request of Mr. SPECTER, the names of the Senator from Minnesota [Mr. WELLSTONE], the Senator from Montana [Mr. BAUCUS], and the Senator from Illinois [Ms. MOSELEY-BRAUN] 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 56

At the request of Mr. GRASSLEY, the names of the Senator from Indiana [Mr. LUGAR] and the Senator from Colorado [Mr. ALLARD] were added as cosponsors of Senate Resolution 56, a resolution designating March 25, 1997 as ''Greek Independence Day: A National Day of Celebration of Greek and American Democracy.''

SENATE RESOLUTION 257

At the request of Mr. MURKOWSKI, the name of the Senator from West Virginia [Mr. BYRD] was added as a cosponsor of Senate Resolution 257, a resolution expressing the sense of the Senate that October 15, 1998, should be designated as ''National Inhalant Abuse Awareness Day.''

SENATE RESOLUTION 289—AUTHORIZING THE PRINTING OF THE ''TESTIMONY FROM THE HEARINGS OF THE TASK FORCE ON ECONOMIC SANCTIONS''

Mr. MCCONNELL submitted the following resolution; which was considered and agreed to:

S. RES. 289

Resolved, That the ''Testimony from the Hearings of the Task Force on Economic Sanctions'', be printed as a Senate document, and that there be printed 300 additional copies of such document for the use of the Task Force on Economic Sanctions at a cost not to exceed $16,311.

SENATE RESOLUTION 290—TO AUTHORIZE REPRESENTATION BY SENATE LEGAL COUNSEL

Mr. LOTT (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 290

Whereas, Senator John F. Kerry has received a subpoena for documents in the case of *Tyree* v. *Central Intelligence Agency, et al.*, Case No. 98–CV–11829, now pending in the United States District Court for the District of Massachusetts;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. 288b(a) and 288c(a)(1), the Senate may direct its counsel to represent Members of the Senate with respect to any subpoena, order, or request for documents relating to their official responsibilities; and

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate may, by the judicial process, be taken from such control or possession but by permission of the Senate: Now, therefore, be it

Resolved, That the Senate Legal Counsel is authorized to represent Senator Kerry in connection with the subpoena served upon him in the case of *Tyree* v. *Central Intelligence Agency, et al.*

SENATE RESOLUTION 291—TO AUTHORIZE REPRESENTATION BY SENATE LEGAL COUNSEL

Mr. LOTT (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 291

Whereas, the Secretary of the Senate, Gary Sisco, and the Sergeant at Arms and Doorkeeper of the Senate, Gregory S. Casey, have been named as defendants in the case of *Clifford Alexander, et al.* v. *William M. Daley, et al.*, Case No. 1:98CV02187, now pending in the United States District Court for the District of Columbia; and

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1987, 2 U.S.C. 288b(a) and 288c(a)(1), the Senate may direct its counsel to represent officers of the Senate in civil actions with respect to their official responsibilities: Now, therefore, be it

Resolved, That the Senate Legal Counsel is authorized to represent the Secretary of the Senate and the Sergeant at Arms and Doorkeeper of the Senate in the case of *Alexander, et al.* v. *Daley, et al.*

AMENDMENTS SUBMITTED

INTERNET TAX FREEDOM ACT

GRAHAM AMENDMENTS NOS. 3750–3751

(Ordered to lie on the table.)

Mr. GRAHAM submitted two amendments intended to be proposed by him to amendment No. 3722 submitted by Mr. MCCAIN 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:

AMENDMENT NO. 3750

On page 2, line 4, strike ''and'' and insert the following:

''(E) 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 owned on in-State purchases from out-of-State sellers; and''.

AMENDMENT NO. 3751

On page 2, line 4, strike ''and'' and insert the following:

''(E) with respect to electronic commerce, an examination of the efforts of State and local governments to collect sales and use taxes owned 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, the likely impact of such collections on local retail sales, and the level of contacts sufficient to permit a State or local government to impose an obligation to collect such taxes on such interstate sellers; and''.

GRAHAM AMENDMENT NO. 3752

(Ordered to lie on the table.)

Mr. GRAHAM submitted an amendment intended to be proposed by him to amendment No. 3720 submitted by Mr. MCCAIN to the bill, S. 442, supra; as follows:

On page 1, line 8, strike '', assessed or'' and insert ''and''.

GRAHAM AMENDMENT NO. 3753

(Ordered to lie on the table.)

Mr. GRAHAM submitted an amendment intended to be proposed by him to amendment No. 3716 submitted by Mr. MCCAIN to the bill, S. 442, supra; as follows:

On page 1, line 1, strike ''4'' and insert ''3''.

GRAHAM AMENDMENT NO. 3754

(Ordered to lie on the table.)

Mr. GRAHAM submitted an amendment intended to be proposed by him to amendment No. 3715 submitted by Mr. MCCAIN to the bill, S. 442, supra; as follows:

On page 1, line 1, strike ''6'' and insert ''3''.

GRHAM AMENDMENT NO. 3755

(Ordered to lie on the table.)

Mr. GRAHAM submitted an amendment intended to be proposed by him to amendment No. 3714 submitted by Mr. MCCAIN to the bill, S. 442, supra; as follows:

On Page 1, line 1, strike ''5'' and insert ''3''.

GRAHAM AMENDMENTS NOS. 3756–3758

(Ordered to lie on the table.)

Mr. GRAHAM submitted three amendments intended to be proposed by him to amendment No. 3711 submitted by Mr. MCCAIN to the bill, S. 442, supra; as follows:

AMENDMENT NO. 3756

On page 3, line 4, strike ''; or'' and all that follows through line 23, and insert a period.

AMENDMENT NO. 3758

On page 2, strike lines 16 through 22.

Amendment No. 3757

On page 2, line 19, insert ''billing,'' after ''business,''.

BENNETT (AND OTHERS) AMENDMENT NO. 3759

(Ordered to lie on the table.)

Mr. BENNETT (for himself, Mr. KERREY, Ms. LANDRIEU, and Mr. MCCAIN) submitted an amendment intended to be proposed by them to the bill, S. 442, supra; as follows:

Beginning on page ___, line ___, strike all through page ___, line ___, and insert:

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 2 years 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 2 years 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.

HUTCHINSON (AND OTHERS) AMENDMENT NO. 3760

Mr. HUTCHINSON (for himself, Mr. ENZI, and Mr. GRAHAM) proposed an amendment to the bill, S. 442, supra; as follows:

At the end of the McCain amendment, add the following:

(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.

GRAMM AMENDMENTS NOS. 3761–3770

(Ordered to lie on the table.)

Mr. GRAMM submitted 10 amendments intended to be proposed by him to the bill, S. 442, supra; as follows:

AMENDMENT NO. 3761

Strike ''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.''.

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Strike ''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.''.

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Strike ''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.'', and insert in lieu thereof: ''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 17 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''.

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Strike ''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.'', and insert in lieu thereof: ''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 18 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. 3765

Strike ''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.'',

and insert in lieu thereof: ''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.—Ten 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. 3766

Strike ''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.'', and insert in lieu thereof: ''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 21 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.''

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Strike ''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.'', and insert in lieu thereof:

(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 20 months after the date of the enactment of this Act.

(f) RULES OF THE COMMISSION.—

(1) QUORUM.—Ten 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.''

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Strike ''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.'', and insert in lieu thereof: ''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 19 months after the date of the enactment of this Act.

(f) RULES OF THE COMMISSION.—

(1) QUORUM.—Ten 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. 3769

Strike ''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.

AMENDMENT NO. 3678

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.'', and insert in lieu thereof: ''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.—Twelve 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.''

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Strike ''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.'', and insert in lieu thereof: ''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.—Eleven 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.''

McCAIN AMENDMENTS NOS. 3771–3772

(Ordered to lie on the table.)

Mr. McCAIN submitted two amendments intended to be proposed by him to amendment No. 3722 submitted by him to the bill, S. 442, supra; as follows:

AMENDMENT NO. 3771

Strike all and insert the following substitute:

On page 17, beginning with line 18, strike through line 21 on page 19 and insert the following:

(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 19 members appointed in accordance with subsection (b), including the chairperson 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) 3 representatives from the Federal Government, comprised of the Secretary of Commerce, the Secretary of the Treasury, and the United States Trade Representative (or their respective delegates).

(B) 8 representatives from State and local governments (one such representative shall be from a State or local government that does not impose a sales tax).

(C) 8 representatives of the electronic commerce industry (including small business), telecommunications carriers, local retail businesses, and consumer groups, comprised of—

(i) 5 individuals appointed by the Majority Leader of the Senate;

(ii) 3 individuals appointed by the Minority Leader of the Senate;

(iii) 5 individuals appointed by the Speaker of the House of Representatives; and

(iv) 3 individuals appointed by the Minority Leader of the House of Representatives.

AMENDMENT NO. 3772

On page 3, strike lines 7 through 23 and insert the following:

(i) the ability to access a site on a remote seller's computer server is considered a factor in determining a remote seller's tax collection obligation; or

(ii) a provider of Internet access service or online services is deemed to be the agent of a remote seller for determining tax collection obligations as a result of—

(I) the display of a remote seller's information or content on the computer server of a provider of Internet access service or online services; or

(II) the processing of orders through the computer server of a provider of Internet access service or on-line services.

McCAIN AMENDMENT NO. 3773

(Ordered to lie on the table.)

Mr. McCAIN submitted an amendment intended to be proposed by him to amendment No. 3719 submitted by him to the bill, S. 442, supra; as follows:

On page 3, after line 23, insert the following:

(2A) TAX THAT WAS GENERALLY IMPOSED AND ACTUALLY ENFORCED.—The term ''tax that was generally imposed and actually enforced'' means a tax—

(A) that was authorized by statute price to October 1, 1998; and

(B) with respect to which the appropriate state administrative agency provided clear notice that the tax was being interpreted to apply to Internet access services and which provided the taxable entity with a reasonable opportunity to be aware that such tax would apply to them, such as a rule or a public proclamation by such State administrative agency or a public disclosure by such

agency of the fact that the State in question had previously assessed such a tax or was applying its tax to charges for Internet access.

WYDEN AMENDMENT NO. 3774

(Ordered to lie on the table.)

Mr. WYDEN submitted an amendment intended to be proposed by him to amendment No. 3719 submitted by Mr. MCCAIN to the bill, S. 442, supra; as follows:

On page 2, after line 14, add the following:

(d) DEFINITIONS.—For the purposes of this section, a tax has been ''generally imposed and actually enforced'' if, prior to October 1, 1998—

(1) the tax was authorized by statute; and

(2) a provider of Internet access service had been given a reasonable opportunity to know by virtue of a rule or other public proclamation made by the appropriate administrative agency of the state that the tax—

(A) had been interpreted to apply to Internet access services;

(B) had been applied to Internet access services; and

(C) had been assessed to charges for Internet access.

SHELBY AMENDMENT NO. 3775

(Ordered to lie on the table.)

Mr. SHELBY submitted an amendment intended to be proposed by him to amendment No. 3686 submitted by Mr. SHELBY to the bill, S. 442, supra; as follows:

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 4 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.

SHELBY AMENDMENT NO. 3776

(Ordered to lie on the table.)

Mr. SHELBY submitted an amendment intended to be proposed by him to amendment No. 3685 submitted by Mr. SHELBY to the bill, S. 442, supra; as follows:

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.

ENZI AMENDMENTS NOS. 3777–3778

(Ordered to lie on the table.)

Mr. ENZI submitted two amendments intended to be proposed by him to the bill, S. 442, supra; as follows:

AMENDMENT NO. 3777

On page _____, line _____ of the amendment strike ''_____'' and insert the following: ''including at least one who represents a State that does not impose an income tax''.

On page _____, line _____, of the amendment, strike ''_____'' and insert the following:

''( ) PRESERVATION OF STATE AND LOCAL TAXING AUTHORITY.—Except as provided in this section, nothing in this Act shall be construed to modify, impair, or supersede, or authorize the modification, impairment, or superseding of, any State or local law pertaining to taxation that is otherwise permissible by or under the Constitution of the United States or other Federal law and in effect on the date of enactment of this Act.

( ) LIABILITIES AND PENDING CASES.—Nothing in this Act affects liability for taxes accrued and enforced before the date of enactment of this Act, nor does this Act affect ongoing litigation relating to such taxes.''

DORGAN AMENDMENT NO. 3779

(Ordered to lie on the table.)

Mr. DORGAN submitted an amendment intended to be proposed by him to amendment No. 3719 submitted by Mr. SHELBY to the bill, S. 442, supra; as follows:

On page 2, after line 14, add the following:

(d) DEFINITIONS.—For the purposes of this section, a tax has been ''generally imposed and actually enforced'' if—

(1) a tax was authorized by statute prior to October 1, 1998; and

(2) provider of Internet access services had a reasonable opportunity to know by virtue of a rule or other public proclamation made by the appropriate administration agency of the state or political subdivision thereof, that such agency had, prior to October 1, 1998—

(A) interpreted such tax to apply to Internet access services:

(B) applied such tax to Internet access services; or

(C) assessed such tax to charges for Internet access.

DODD AMENDMENT NO. 3780

Mr. DODD proposed an amendment to the bill, S. 442, supra; as follows:

At the end of the amendment, add:

(d) ADDITIONAL EXCEPTION TO MORATORIUM.—

(1) IN GENERAL.—Subsection (a) shall also not apply with respect to an Internet access provider, unless, at the time of entering into an agreement with a customer for the provision of Internet access services, such provider offers such customer (either for a fee or at no charge) screening software that is designed to permit the customer to limit access to material on the Internet that is harmful to minors.

(2) DEFINITIONS.—In this subsection:

(A) INTERNET ACCESS PROVIDER.—The term 'Internet access provider' means a person engaged in the business of providing a computer and communications facility through which a customer may obtain access to the Internet, but does not include a common carrier to the extent that it provides only telecommunications services.

(B) INTERNET ACCESS SERVICES.—The term 'Internet access services' means the provision of computer and communications services through which a customer using a computer and a modem or other communications device may obtain access to the Internet, but does not include telecommunications services provided by a common carrier.

(C) SCREENING SOFTWARE.—The term ''screening software'' means software that is designed to permit a person to limit access to material on the Internet that is harmful to minors.

(3) APPLICABILITY.—Paragraph (1) shall apply to agreements for the provision of Internet access services entered into on or

after the date that is 6 months after the date of enactment of this Act.

DODD AMENDMENT NO. 3781

(Ordered to lie on the table.)

Mr. DODD submitted an amendment intended to be proposed to the bill, S. 442, supra; as follows:

At the end of the amendment, add:

SEC. ___. EXCEPTION TO MORATORIUM.

(a) IN GENERAL.—Section 101(a) shall not apply with respect to an Internet access provider, unless, at the time of entering into an agreement with a customer for the provision of Internet access services, such provider offers such customer (either for a fee or at no charge) screening software that is designed to permit the customer to limit access to material on the Internet that is harmful to minors.

(b) DEFINITIONS.—In this section:

(1) INTERNET ACCESS PROVIDER.—The term ''Internet access provider'' means a person engaged in the business of providing a computer and communications facility through which a customer may obtain access to the Internet, but does not include a common carrier to the extent that it provides only telecommunications services.

(2) INTERNET ACCESS SERVICES.—The term ''Internet access services'' means the provision of computer and communications services through which a customer using a computer and a modem or other communications device may obtain access to the Internet, but does not include telecommunications services provided by a common carrier.

(3) SCREENING SOFTWARE.—The term ''screening software'' means software that is designed to permit a person to limit access to material on the Internet that is harmful to minors.

(c) APPLICABILITY.—Subsection (a) shall apply to agreements for the provision of Internet access services entered into on or after the date that is 6 months after the date of enactment of this Act.

COPYRIGHT TERM EXTENSION ACT OF 1998

HATCH AMENDMENT NO. 3782

Mr. LOTT (for Mr. HATCH) proposed an amendment to the bill (S. 505) to amend the provisions of title 17, United States Code, with respect to the duration of copyright, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

TITLE I—COPYRIGHT TERM EXTENSION

SEC. 101. SHORT TITLE.

This title may be referred to as the ''Sonny Bono Copyright Term Extension Act''.

SEC. 102. DURATION OF COPYRIGHT PROVISIONS.

(a) PREEMPTION WITH RESPECT TO OTHER LAWS.—Section 301(c) of title 17, United States Code, is amended by striking ''February 15, 2047'' each place it appears and inserting ''February 15, 2067''.

(b) DURATION OF COPYRIGHT: WORKS CREATED ON OR AFTER JANUARY 1, 1978.—Section 302 of title 17, United States Code, is amended—

(1) in subsection (a) by striking ''fifty'' and inserting ''70'';

(2) in subsection (b) by striking ''fifty'' and inserting ''70'';

(3) in subsection (c) in the first sentence—

(A) by striking ''seventy-five'' and inserting ''95''; and

(B) by striking ''one hundred'' and inserting ''120''; and

(4) in subsection (e) in the first sentence—

(A) by striking ''seventy-five'' and inserting ''95'';

(B) by striking ''one hundred'' and inserting ''120''; and

(C) by striking ''fifty'' each place it appears and inserting ''70''.

(c) DURATION OF COPYRIGHT: WORKS CREATED BUT NOT PUBLISHED OR COPYRIGHTED BEFORE JANUARY 1, 1978.—Section 303 of title 17, United States Code, is amended in the second sentence by striking ''December 31, 2027'' and inserting ''December 31, 2047''.

(d) DURATION OF COPYRIGHT: SUBSISTING COPYRIGHTS.—

(1) IN GENERAL.—Section 304 of title 17, United States Code, is amended—

(A) in subsection (a)—

(i) in paragraph (1)—

(I) in subparagraph (B) by striking ''47'' and inserting ''67''; and

(II) in subparagraph (C) by striking ''47'' and inserting ''67'';

(ii) in paragraph (2)—

(I) in subparagraph (A) by striking ''47'' and inserting ''67''; and

(II) in subparagraph (B) by striking ''47'' and inserting ''67''; and

(iii) in paragraph (3)—

(I) in subparagraph (A)(i) by striking ''47'' and inserting ''67''; and

(II) in subparagraph (B) by striking ''47'' and inserting ''67'';

(B) by amending subsection (b) to read as follows:

''(b) COPYRIGHTS IN THEIR RENEWAL TERM AT THE TIME OF THE EFFECTIVE DATE OF THE SONNY BONO COPYRIGHT TERM EXTENSION ACT.—Any copyright still in its renewal term at the time that the Sonny Bono Copyright Term Extension Act becomes effective shall have a copyright term of 95 years from the date copyright was originally secured.'';

(C) in subsection (c)(4)(A) in the first sentence by inserting ''or, in the case of a termination under subsection (d), within the five-year period specified by subsection (d)(2),'' after ''specified by clause (3) of this subsection,''; and

(D) by adding at the end the following new subsection:

''(d) TERMINATION RIGHTS PROVIDED IN SUBSECTION (c) WHICH HAVE EXPIRED ON OR BEFORE THE EFFECTIVE DATE OF THE SONNY BONO COPYRIGHT TERM EXTENSION ACT.—In the case of any copyright other than a work made for hire, subsisting in its renewal term on the effective date of the Sonny Bono Copyright Term Extension Act for which the termination right provided in subsection (c) has expired by such date, where the author or owner of the termination right has not previously exercised such termination right, the exclusive or nonexclusive grant of a transfer or license of the renewal copyright or any right under it, executed before January 1, 1978, by any of the persons designated in subsection (a)(1)(C) of this section, other than by will, is subject to termination under the following conditions:

''(1) The conditions specified in subsection (c)(1), (2), (4), (5), and (6) of this section apply to terminations of the last 20 years of copyright term as provided by the amendments made by the Sonny Bono Copyright Term Extension Act.

''(2) Termination of the grant may be effected at any time during a period of 5 years beginning at the end of 75 years from the date copyright was originally secured.''.

(2) COPYRIGHT AMENDMENTS ACT OF 1992.—Section 102 of the Copyright Amendments Act of 1992 (Public Law 102–307; 106 Stat. 266; 17 U.S.C. 304 note) is amended—

(A) in subsection (c)—

(i) by striking ''47'' and inserting ''67'';

(ii) by striking ''(as amended by subsection (a) of this section)''; and

(iii) by striking ''effective date of this section'' each place it appears and inserting ''effective date of the Sonny Bono Copyright Term Extension Act''; and

(B) in subsection (g)(2) in the second sentence by inserting before the period the following: '', except each reference to forty-seven years in such provisions shall be deemed to be 67 years''.

SEC. 103. TERMINATION OF TRANSFERS AND LICENSES COVERING EXTENDED RENEWAL TERM.

Sections 203(a)(2) and 304(c)(2) of title 17, United States Code, are each amended—

(1) by striking ''by his widow or her widower and his or her children or grandchildren''; and

(2) by inserting after subparagraph (C) the following:

''(D) In the event that the author's widow or widower, children, and grandchildren are not living, the author's executor, administrator, personal representative, or trustee shall own the author's entire termination interest.''.

SEC. 104. REPRODUCTION BY LIBRARIES AND ARCHIVES.

Section 108 of title 17, United States Code, is amended—

(1) by redesignating subsection (h) as subsection (i); and

(2) by inserting after subsection (g) the following:

''(h)(1) For purposes of this section, during the last 20 years of any term of copyright of a published work, a library or archives, including a nonprofit educational institution that functions as such, may reproduce, distribute, display, or perform in facsimile or digital form a copy or phonorecord of such work, or portions thereof, for purposes of preservation, scholarship, or research, if such library or archives has first determined, on the basis of a reasonable investigation, that none of the conditions set forth in subparagraphs (A), (B), and (C) of paragraph (2) apply.

''(2) No reproduction, distribution, display, or performance is authorized under this subsection if—

''(A) the work is subject to normal commercial exploitation;

''(B) a copy or phonorecord of the work can be obtained at a reasonable price; or

''(C) the copyright owner or its agent provides notice pursuant to regulations promulgated by the Register of Copyrights that either of the conditions set forth in subparagraphs (A) and (B) applies.

''(3) The exemption provided in this subsection does not apply to any subsequent uses by users other than such library or archives.''.

SEC. 105. VOLUNTARY NEGOTIATION REGARDING DIVISION OF ROYALTIES.

It is the sense of the Congress that copyright owners of audiovisual works for which the term of copyright protection is extended by the amendments made by this title, and the screenwriters, directors, and performers of those audiovisual works, should negotiate in good faith in an effort to reach a voluntary agreement or voluntary agreements with respect to the establishment of a fund or other mechanism for the amount of remuneration to be divided among the parties for the exploitation of those audiovisual works.

SEC. 106. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect on the date of the enactment of this Act.

TITLE II—MUSIC LICENSING EXEMPTION FOR FOOD SERVICE OR DRINKING ESTABLISHMENTS

SEC. 201. SHORT TITLE.

This title may be cited as the ''Fairness In Music Licensing Act of 1998.''

SEC. 202. EXEMPTIONS.

(a) EXEMPTIONS FOR CERTAIN ESTABLISHMENTS.—Section 110 of title 17, United States Code is amended—

(1) in paragraph (5)—

(A) by striking ''(5)'' and inserting ''(5)(A) except as provided in subparagraph (B),''; and

(B) by adding at the end the following:

''(B) communication by an establishment of a transmission or retransmission embodying a performance or display of a nondramatic musical work intended to be received by the general public, originated by a radio or television broadcast station licensed as such by the Federal Communications Commission, or, if an audiovisual transmission, by a cable system or satellite carrier, if—

''(i) in the case of an establishment other than a food service or drinking establishment, either the establishment in which the communication occurs has less than 2000 gross square feet of space (excluding space used for customer parking and for no other purpose), or the establishment in which the communication occurs has 2000 or more gross square feet of space (excluding space used for customer parking and for no other purpose) and—

''(I) if the performance is by audio means only, the performance is communicated by means of a total of not more than 6 loudspeakers, of which not more than 4 loudspeakers are located in any 1 room or adjoining outdoor space; or

''(II) if the performance or display is by audiovisual means, any visual portion of the performance or display is communicated by means of a total of not more than 4 audiovisual devices, of which not more than one audiovisual device is located in any 1 room, and no such audiovisual device has a diagonal screen size greater than 55 inches, and any audio portion of the performance or display is communicated by means of a total of not more than 6 loudspeakers, of which not more than 4 loudspeakers are located in any 1 room or adjoining outdoor space;

''(ii) in the case of a food service or drinking establishment, either the establishment in which the communication occurs has less than 3750 gross square feet of space (excluding space used for customer parking and for no other purpose), or the establishment in which the communication occurs has 3750 gross square feet of space or more (excluding space used for customer parking and for no other purpose) and—

''(I) if the performance is by audio means only, the performance is communicated by means of a total of not more than 6 loudspeakers, of which not more than 4 loudspeakers are located in any 1 room or adjoining outdoor space; or

''(II) if the performance or display is by audiovisual means, any visual portion of the performance or display is communicated by means of a total of not more than 4 audiovisual devices, of which not more than one audiovisual device is located in any 1 room, and no such audiovisual device has a diagonal screen size greater than 55 inches, and any audio portion of the performance or display is communicated by means of a total of not more than 6 loudspeakers, of which not more than 4 loudspeakers are located in any 1 room or adjoining outdoor space;

''(iii) no direct charge is made to see or hear the transmission or retransmission;

''(iv) the transmission or retransmission is not further transmitted beyond the establishment where it is received; and

''(v) the transmission or retransmission is licensed by the copyright owner of the work so publicly performed or displayed;''; and

(2) by adding after paragraph (10) the following:

''The exemptions provided under paragraph (5) shall not be taken into account in any administrative, judicial, or other governmental proceeding to set or adjust the royalties payable to copyright owners for the public performance or display of their works. Royalties payable to copyright owners for any public performance or display of their works other than such performances or displays as are exempted under paragraph (5) shall not be diminished in any respect as a result of such exemption''.

(b) EXEMPTION RELATING TO PROMOTION.—Section 110(7) of title 17, United States Code, is amended by inserting ''or of the audiovisual or other devices utilized in such performance,'' after ''phonorecords of the work,''.

SEC. 203. LICENSING BY PERFORMING RIGHTS SOCIETIES.

(a) IN GENERAL.—Chapter 5 of title 17, United States Code, is amended by adding at the end the following:

''§ 512. Determination of reasonable license fees for individual proprietors

''In the case of any performing rights society subject to a consent decree which provides for the determination of reasonable license rates or fees to be charged by the performing rights society, notwithstanding the provisions of that consent decree, an individual proprietor who owns or operates fewer than 7 non-publicly traded establishments in which nondramatic musical works are performed publicly and who claims that any license agreement offered by that performing rights society is unreasonable in its license rate or fee as to that individual proprietor, shall be entitled to determination of a reasonable license rate or fee as follows:

''(1) The individual proprietor may commence such proceeding for determination of a reasonable license rate or fee by filing an application in the applicable district court under paragraph (2) that a rate disagreement exists and by serving a copy of the application on the performing rights society. Such proceeding shall commence in the applicable district court within 90 days after the service of such copy, except that such 90-day requirement shall be subject to the administrative requirements of the court.

''(2) The proceeding under paragraph (1) shall be held, at the individual proprietor's election, in the judicial district of the district court with jurisdiction over the applicable consent decree or in that place of holding court of a district court that is the seat of the Federal circuit (other than the Court of Appeals for the Federal Circuit) in which the proprietor's establishment is located.

''(3) Such proceeding shall be held before the judge of the court with jurisdiction over the consent decree governing the performing rights society. At the discretion of the court, the proceeding shall be held before a special master or magistrate judge appointed by such judge. Should that consent decree provide for the appointment of an advisor or advisors to the court for any purpose, any such advisor shall be the special master so named by the court.

''(4) In any such proceeding, the industry rate shall be presumed to have been reasonable at the time it was agreed to or determined by the court. Such presumption shall in no way affect a determination of whether the rate is being correctly applied to the individual proprietor.

''(5) Pending the completion of such proceeding, the individual proprietor shall have the right to perform publicly the copyrighted musical compositions in the repertoire of the performing rights society by paying an interim license rate or fee into an interest bearing escrow account with the clerk of the court, subject to retroactive adjustment when a final rate or fee has been determined, in an amount equal to the industry rate, or, in the absence of an industry rate, the amount of the most recent license rate or fee agreed to by the parties.

''(6) Any decision rendered in such proceeding by a special master or magistrate judge named under paragraph (3) shall be reviewed by the judge of the court with jurisdiction over the consent decree governing the performing rights society. Such proceeding, including such review, shall be concluded within 6 months after its commencement.

''(7) Any such final determination shall be binding only as to the individual proprietor commencing the proceeding, and shall not be applicable to any other proprietor or any other performing rights society, and the performing rights society shall be relieved of any obligation of nondiscrimination among similarly situated music users that may be imposed by the consent decree governing its operations.

''(8) An individual proprietor may not bring more than one proceeding provided for in this section for the determination of a reasonable license rate or fee under any license agreement with respect to any one performing rights society.

''(9) For purposes of this section, the term 'industry rate' means the license fee a performing rights society has agreed to with, or which has been determined by the court for, a significant segment of the music user industry to which the individual proprietor belongs.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 5 of title 17, United States Code, is amended by adding after the item relating to section 511 the following:

''512. Determination of reasonable license fees for individual proprietors.''.

SEC. 204. PENALTIES.

Section 504 of title 17, United States Code, is amended by adding at the end the following:

''(d) ADDITIONAL DAMAGES IN CERTAIN CASES.—In any case in which the court finds that a defendant proprietor of an establishment who claims as a defense that its activities were exempt under section 110(5) did not have reasonable grounds to believe that its use of a copyrighted work was exempt under such section, the plaintiff shall be entitled to, in addition to any award of damages under this section, an additional award of two times the amount of the license fee that the proprietor of the establishment concerned should have paid the plaintiff for such use during the preceding period of up to 3 years.''.

SEC. 205. DEFINITIONS.

Section 101 of title 17, United States Code, is amended—

(1) by inserting after the definition of ''display'' the following:

''An 'establishment' is a store, shop, or any similar place of business open to the general public for the primary purpose of selling goods or services in which the majority of the gross square feet of space that is nonresidential is used for that purpose, and in which nondramatic musical works are performed publicly.

''A 'food service or drinking establishment' is a restaurant, inn, bar, tavern, or any other similar place of business in which the public or patrons assemble for the primary purpose of being served food or drink, in which the majority of the gross square feet of space

that is nonresidential is used for that purpose, and in which nondramatic musical works are performed publicly.'';

(2) by inserting after the definition of ''fixed'' the following:

''The 'gross square feet of space' of an establishment means the entire interior space of that establishment, and any adjoining outdoor space used to serve patrons, whether on a seasonal basis or otherwise.'';

(3) by inserting after the definition of ''perform'' the following:

''A 'performing rights society' is an association, corporation, or other entity that licenses the public performance of nondramatic musical works on behalf of copyright owners of such works, such as the American Society of Composers, Authors and Publishers (ASCAP), Broadcast Music, Inc. (BMI), and SESAC, Inc.''; and

(4) by inserting after the definition of ''pictorial, graphic and sculptural works'' the following:

''A 'proprietor' is an individual, corporation, partnership, or other entity, as the case may be, that owns an establishment, or a food service or drinking establishment, except that no owner or operator of a radio or television station licensed by the Federal Communications Commission, cable system or satellite carrier, cable or satellite carrier service or programmer, provider of online services or network access or the operator of facilities therefor, telecommunications company, or any other such audio or audiovisual service or programmer now known or as may be developed in the future, commercial subscription music service, or owner or operator of any other transmission service, shall under any circumstances be deemed to be a proprietor.''.

SEC. 206. CONSTRUCTION OF TITLE.

Except as otherwise provided in this title, nothing in this title shall be construed to relieve any performing rights society of any obligation under any State or local statute, ordinance, or law, or consent decree or other court order governing its operation, as such statute, ordinance, law, decree, or order is in effect on the date of the enactment of this Act, as it may be amended after such date, or as it may be issued or agreed to after such date.

SEC. 207. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect 90 days after the date of the enactment of this Act.

INTERNET TAX FREEDOM ACT

MCCAIN (AND WYDEN) AMENDMENT NO. 3783

Mr. MCCAIN (for himself and Mr. WYDEN) proposed an amendment to the bill, S. 442, supra; as follows:

On line 5, strike ''3'' and insert ''4''.

ALTERNATIVE DISPUTE RESOLUTION ACT OF 1998

GRASSLEY (AND DURBIN) AMENDMENT NO. 3784

Mr. MCCAIN (for Mr. GRASSLEY for himself and Mr. DURBIN) proposed an amendment to the bill (H.R. 3528) to amend title 28, United States Code, with respect to the use of alternative dispute resolution processes in United States district courts, and for other purposes; as follows:

Page 6, line 17, strike ''2071(b)'' and substitute ''2071(a)''.

Page 8, line 1, strike ''SEC. 5'' and substitute ''**SEC. 6**''.

Page 9, line 12, strike ''action'' and substitute ''program.''

Page 9, line 13, strike ''section 906'' and substitute ''Title IX.''

Page 9, lines 14 and 15, strike ''100–102'' and substitute ''100–702.''

Page 9, line 15, strike ''as in effect prior to the date of its repeal'' and substitute ''as amended by Section 1 of Public Law 105–53.''

Page 13, line 10, after ''arbitrators'' insert ''and other neutral.''

CHEYENNE RIVER SIOUX TRIBE EQUITABLE COMPENSATION ACT

CAMPBELL AMENDMENT NO. 3785

(Ordered to lie on the table.)

Mr. CAMPBELL submitted an amendment intended to be proposed to the bill (S. 1905) to provide for equitable compensation for the Cheyenne River Sioux Tribe, and for other purposes; as follows:

On page 23, strike all of subsection 5(b) on lines 1 through 3, and redesignate subsection (c) on line 4 as subsection (b).

FALL RIVER WATER USERS DISTRICT RURAL WATER SYSTEM ACT OF 1998

DASCHLE (AND JOHNSON) AMENDMENT NO. 3786

Mr. MCCAIN (for Mr. DASCHLE for himself and Mr. JOHNSON) proposed an amendment to 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, as follows:

On page 2, line 3, strike ''1997'' and insert ''1998.''

On page 6, line 3, strike ''has'' and insert ''and plan for a water conservation program here.''

On page 9, line 2, strike ''80'' and insert ''70.''

On page 9, line 11, strike ''20'' and insert ''30.''

PERKINS COUNTY RURAL WATER SYSTEM ACT OF 1998

DASCHLE (AND JOHNSON) AMENDMENT NO. 3787

Mr. MCCAIN (for Mr. DASCHLE for himself and Mr. JOHNSON) proposed an amendment to 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; as follows:

On page 2, line 3, strike ''1997'' and insert ''1998.''

On page 6, line 1, strike ''has'' and insert ''and a plan for a water conservation program have.''

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. MCCAIN. 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 Wednesday, October 7, 1998, to conduct a hearing of the following nominee: Ira G. Peppercorn, of Indiana, to be Director of the Office of Multifamily Housing Assistance Restructuring.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. MCCAIN. Mr. PRESIDENT. I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to conduct a hearing to receive testimony from Isadore Rosenthal, nominated by the President to be a Member of the Chemical Safety and Hazard Investigation Board; and William Clifford Smith, nominated by the President to be a Member of the Mississippi River Commission, Wednesday, October 7, 9:30 a.m., Hearing Room (SD–406).

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

COMMITTEE ON FOREIGN RELATIONS

Mr. MCCAIN. Mr. President, I ask unanimous consent tha the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, October 7, 1998 at 10:00 a. to hold a hearing.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. MCCAIN. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Wednesday, October 7, 1998, at 10:00 a.m. for a hearing on the nominations of Dana Covington to be Commissioner, Postal Rate Commission, and Ed Gleiman to be Commissioner, Postal Rate Commission.

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

COMMITTEE ON INDIAN AFFAIRS

Mr. MCCAIN. Mr. President, I ask unanimous consent that the Senate Committee on Indian Affairs be authorized to meet during the session of the Senate on Wednesday, October 7, 1998 at 9:30 a.m. to conduct a hearing on H.R. 1833, to amend the Indian Self-Determination and Education Assistance Act to provide for further Self-Governance for Indian tribes. The hearing will be held in room 485 of the Russell Senate Office Building.

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

COMMITTEE ON THE JUDICIARY

Mr. MCCAIN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to

meet during the session of the Senate on Wednesday, October 7, 1998 at 2:00 p.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 THE JUDICIARY

Mr. MCCAIN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, October 7, 1998 immediately following the 2:00 Hearing in room 226 of the Senate Hart Office Building to hold a hearing on: ''A Review of the Radiation Exposure Compensation Act.''

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

SPECIAL COMMITTEE ON THE YEAR 2000 TECHNOLOGY PROBLEM

Mr. MCCAIN. Mr. President, I ask unanimous consent that the Special Committee on the Year 2000 Technology Problem be permitted to meet on October 7, 1998, at 9:30 a.m. for the purpose of conducting a hearing.

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

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, RESTRUCTURING AND THE DISTRICT OF COLUMBIA

Mr. MCCAIN. 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 Wednesday, October 7, 1998, at 2:00 p.m. for a hearing on ''Are Military Adultery Standards Changing: What Are the Implications?''

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

ADDITIONAL STATEMENTS

TRIBUTE TO KIMBEL E. OELKE

• Mr. SARBANES. Mr. President, I rise today to honor the memory of Kimbel E. Oelke, publisher of the Dundalk Eagle—a homespun and pioneering publication committed to covering the local news stories that directly affect the daily lives of the citizens of the greater Dundalk area. Once sold for 10 cents to 500 subscribers and written entirely by Mr. Oelke at its founding in 1969, the Dundalk Eagle is now circulated to 24,000 people by a staff of twenty.

Oelke's commitment to the community extended beyond his distribution of the newspaper to include his participation in the creation of the Dundalk Library, the Dundalk Chamber of Commerce, the Dundalk Association of Businesses and the Greater Dundalk Sports Hall of Fame.

From the age of seven when he first moved to Baltimore, Oelke had journalistic ambitions. I think all would agree that the realization of his dream has not only enriched the lives of thousands of his readers, but conveyed a sense of community too often missing in our modern era. Kimbel Oelke's commitment to community journalism will leave a legacy of service for future generations both in and out of Dundalk.

I extend my most sincere sympathies to his wife Mary, their three sons and seven daughters, and to all the family and friends of Kimbel Oelke. Mr. President, I ask that two articles celebrating Kimbel Oelke's life be printed in the RECORD.

The articles follow:

[From the Sun, Aug. 4, 1998]

KIMBEL E. OELKE, 80, LONGTIME PUBLISHER OF DUNDALK EAGLE AND COMMUNITY BOOSTER

(By Fred Rasmussen)

Kimbel E. Oelke, publisher of the Dundalk Eagle, died Sunday of a heart attack while attending Mass at St. Rita Roman Catholic Church in Dundalk. He was 80.

Mr. Oelke, a well-known figure in eastern Baltimore County, was a seasoned newspaper reporter and editor when the unthinkable happened one day.

He woke up one morning and noticed his name missing from the mastheads of Dundalk's Community Press and the Eastern Beacon, where he had worked for 31 years.

He had complained when the newspapers began expanding and turning away from local news coverage, and the owner, Stromberg Publications, demoted him to advertising manager of the Essex Times, another of the chain's newspapers.

Disgruntled, he quit. He was in his early 50s and had a wife and 11 children to support.

He and his wife took a gamble. They took their savings and started their own newspaper.

The Dundalk Eagle, a tabloid, arrived on May 15, 1969. Its slogan was ''Of The People, By The People, For The People.''

In a front-page editorial, Mr. Oelke wrote, ''I am firmly convinced that there is a need for a paper in the greater Dundalk area continually cognizant of the needs and desires of the people and the local businesses.''

The paper sold for 10 cents a copy and subscriptions were $1 a year. It has grown from 500 subscribers to a paid circulation of 24,000 and a staff of 20.

For many years, Mr. Oelke wrote most of the newspaper copy and was a familiar figure in courtrooms, police stations and firehouses. Tipsters kept his phones ringing.

The paper was homespun and covered Dundalk and its environs in great detail. Mr. Oelke's appetite for Dundalk minutiae was insatiable.

One of the Mr. Oelke's space-saving tricks, which gave his newspaper a particularly distinguishing if not unusual look, was his use of ampersands—''&''—instead of the word ''and'' in copy.

''The Eagle is more family-like than at most places,'' said Wayne Laufert, who was hired as a reporter in 1986 and was named editor in 1996.

''That's due to the personalities of Mr. and Mrs. O. Most of us think of them as grandparents. They treated a group of 20 or more people to Christmas dinner every year and hosted summer parties where we ate crabs and played softball.''

Mr. Laufert described Mr. Oelke as ''a very warm person'' who had ''difficulty saying 'no' to people. He was very accommodating and it was one of his most endearing qualities.''

Deborah I. Cornely of Dundalk, a daughter and the paper's managing editor, said, ''He was the kind of man who was very humble. He never bragged about his accomplishments, but most of all tried to give everyone an even break.''

Deeply involved in the community, Mr. Oelke led the efforts to establish the Dundalk Library, the Dundalk Chamber of Commerce, the Dundalk Association of Businesses and the Greater Dundalk Sports Hall of Fame.

Mr. Oelke, a soft-spoken man who had a penchant for green eyeshades and big King Edward cigars, was born in Louisville, Ky. When he was seven, his family moved to Dundalk, when his father was transferred there by American Standard, the maker of plumbing fixtures.

The 1935 graduate of Sparrows Point High School once dreamed of becoming a major-league baseball player, but his hitting failed him. In 1938, he became sports editor of the Community Press.

''When I was in high school, I had two ambitions: To be a baseball player and to be a newsman,'' he told the Dundalk Eagle on the newspaper's 25th anniversary.

After serving with the Navy in the Pacific during World War II, he returned to the Press and was promoted to editor.

Studying at night, he earned a law degree from the University of Baltimore Law School.

Services will be held at 8:30 p.m. today at the Duda-Ruck Funeral Home of Dundalk, 7922 Wise Ave.

He is survived by his wife, the former Mary Georgina Jarboe, whom he married in 1946; three sons, Timothy Oelke of New Freedom, Pa., James A. Oelke of Corpus Christi and Andrew P. Oelke of Seattle; seven other daughters, Kim E. Boone of Dundalk, Barbara E. Oelke of Monkton, Elizabeth A. Oelke of Fawn Grove, Pa., Mary Jane Oelke of White Marsh, Suzanne C. Oelke of Seattle, Amy K. Christensen of Upperco and Kerry A. Raszewski of Monkton; a sister, Virginia Becker of Dundalk; 16 grandchildren; and four great-grandchildren.

[From the Dundalk Eagle, Aug. 13, 1998]

FAMILY, FRIENDS BID LAST GOODBYE TO KIMBEL OELKE

(By Terri Narrell Mause)

The St. Rita Catholic Church parish priest explained that God has a purpose for each person's life, and praised Kimbel Oelke for fulfilling what he was ''called to do.''

But it was three of Oelke's daughters who painted the most vivid picture of the newspaper publisher during the Mass of Christian burial for their father Aug. 5. The Mass was led by the Rev. William Remmel of St. Rita's, assisted by the Rev. Joseph Cornely, who works with Trinity Missions in California, and Deacon Albert Chesnavage.

Oelke, the founder and publisher of The Dundalk Eagle, died Aug. 2 while attending St. Rita's with his wife. He was 80 years old.

In emotional and eloquent testimonials, the three women recalled their father as a man devoted to his family and dedicated to bringing out the best in others.

Deborah Cornely, Oelke's second daughter and managing editor of The Eagle, told the story of how her father taught her to ride a bike.

Oelke transformed the bicycle into a simulated airplane, complete with painted wings and a tail, finishing it the evening before the then-4-year-old was to ride it in Dundalk's 4th of July parade.

''The only problem was that I'd never ridden a two-wheeler before,'' Cornely said in her eulogy.

So on that evening, her father removed the training wheels from the bike, steadied it as she climbed aboard and assured her she could do it.

After she had ridden some distance, confident her father was still holding on, she looked back to see him, ''standing all smiles & applause, way back at my point of departure.''

''He'd sent me off alone, and through his encouragement, his insistence that I was up to the task, I'd accomplished something on my own that I didn't think I could do,'' Cornely said. ''That was one of the first of many cherished memories I have of my father helping me overcome my fears & succeed in life.''

The next day, the newly trained bicyclist collected a blue ribbon for the bicycle division from then-Gov. Theodore McKeldin.

Elizabeth Oelke, her parents' fifth child, next recited the publisher's favorite poem, William Henley's Invictus, as she remembered her father as a journalistic poet, an ''adman'' who appreciated the power and beauty of language.

The poem was one Oelke knew by heart and recited with ''precision, gusto and conviction,'' applying it to his own life and encouraging his family to do the same, Elizabeth Oelke told the mourners at St. Rita's.

''I am the master of my fate, I am the captain of my soul,'' she said, reciting the final lines of the poem. ''And if that was the only think my father had given me, that would have been enough. But he gave us so much more.''

In a final family tribute, Amy Oelke, the ninth of her parents' 11 children, remembered how her father fostered independence and self-confidence in his children with encouragement and praise. She specifically recalled his use of the word ''best.''

''Every Thanksgiving, we had the best turkey we'd ever had,'' she said. ''Mom was the best woman in the world. And he always made us all feel like the best. But he never acted like he or his family was better than anyone else.

''I was blessed—and we all were—with the best father.''

FINAL FAREWELLS

After the service, family members and friends joined a procession down Merritt Boulevard to Sacred Heart of Jesus Cemetery of German Hill Road.

Under a sunny, clear sky with a soft breeze accompanying the priest's brief words of comfort, several of Oelke's friends took one last opportunity to remember the man.

Some remembered his love of golf.

''He'll be playing that big golf course in heaven,'' said former Baltimore County councilman Don Mason of Eastwood.

Oelke's son-in-law Donald Cornely (a nephew of the priest who assisted in the service) pulled from his pocket a handful of orange golf tees imprinted with ''The Dundalk Eagle, Published Weekly, Read Daily,'' and told about golfing with the publisher.

''The first time he took me golfing—he was a very patient man, because I'm not very good at the game—he handed me a couple of these,'' Cornely recalled. ''After teeing off the first time, I started to pick up the tee, but he wouldn't let me. He told me to leave it there, and he took some more from his pocket, leaving them across the course as we walked.

''He knew other golfers would pick up the tees to use themselves, and The Eagle would get publicity. He did that wherever we played—New York, Pennsylvania and other states—no matter how far away we were from Dundalk.''

Oelke was buried in his golf shoes with his favorite putter lying along-side him.

Others attending the graveside service recalled his contributions to the community and his passion for community news.

Kenneth C. Coldwell Sr., publisher of the Avenue newspapers, said Oelke encouraged and helped him when he first entered the newspaper business 25 years ago.

''He was a great guy and a great friend,'' Coldwell said at the graveside service Aug. 5. ''Community newspapers throughout the world should take a chapter from him, because he knew how to run a community newspaper.

''He would look you in the eye, shake your hand with a firm handshake and say, 'Good luck.' That's how I want to remember him.''

Mason first met Oelke when he organized a group that tried to pinpoint and expose excessive government spending. Oelke, Mason says, always supported the group by printing its findings in The Eagle.

''I recognize—and I'm sure a lot of people will recognize—that an institution has passed on,'' Mason said. ''I'm sure when St. Peter meets and interviews Mr. Oelke, he'll appoint him editor-in-chief of heaven's weekly.''

WORKING FOR OELKE MEANT COVERING POLICE BEAT, PAINTING OFFICE

The following was written by Gaitherburg resident Stuart Gorin, who got his start in newspapers as a 14-year-old hired by Kilmel Oelke, the Eagle founder who died Aug. 2.

As a writer with the U.S. Information Agency focusing on aspects of U.S. foreign policy, I am a long way from Dundalk, Md., where many years ago Kimbel Oelke gave me my start in journalism.

He was a customer in my late father's store, the old Stansbury Food Center, where I was a 14-year-old reluctantly helping out while dreaming of becoming a newspaper reporter. Scoop—he was always Scoop to me, never Mr. Oelke—nearly bowled me over when, after murmured conversations with my parents, he offered me a summer job as a cub reporter for The Community Press and Baltimore Countian in 1953 for the princely sum of $6 a week.

Scoop took me under his wing and taught me how to be a reporter: how to write in newspaper style, how to ask questions, how to be fair. When a citizen has a complaint against the city council, write it, he said, but be sure to get the council's side in the story, too.

It wasn't always easy, but it sure was exciting. When he gave me my first byline, on a story about the family of a little boy in a coma, I felt on top of the world.

Part of my job, Scoop said, was to cover the police beat. We went to the police station, where he introduced me to the desk sergeant. Every day I would gather material from the police blotter for stories, and I thought I was becoming a seasoned professional. But the next week, a new officer was on the desk, and when I explained my mission he brushed me aside and told me to go home to my mother. Crushed, I trudged back to the office and informed Scoop, who roared with laughter and then took me back to the station and smilingly declared that yes, I really was his reporter and needed to see the blotter.

But that embarrassment was nothing compared to what Scoop put me through for an interview with the winner of a local beauty pageant. Get all of the details, and don't forget her measurements, he admonished. Back in the 1950s, this was considered routine, but not for a red-faced 14-year-old who had to approach a ''grownup'' 18-year-old. What I finally decided to do was type out a list of questions for her, asking her the vital statistics in the middle of the list. I rang her doorbell, identified myself as a reporter for the Community Press, handed her the list, and asked her to please fill it out. When I admitted to Scoop how I obtained the information, he again roared with laughter.

One time he didn't laugh. He needed the newspaper office painted, and I said I could do it on a Saturday morning. Of course I knew how, I said. I had completed half of the ceiling in blotchy streaks with drops on the floor and the desks when he came in, shook his head, took the paintbrush out of my hand and sat me down in front of a typewriter instead, saying this was where I belonged. A professional painter finished the job right, and I haven't held a paintbrush in my hand since.

Early on, Scoop showed me one of the benefits of being a reporter. It was the first year that the Baltimore Orioles were in the major leagues, and we went to a couple of games using our press passes.

During my high school year between the two summers I worked for Scoop, I attended Saturday matinees at the old Hilltop Theater in Baltimore, where big-name stars came weekly for live productions. Each week I would interview the star and write a column on the theater's activities that Scoop ran in The Community Press.

Then, after I finished college and was drafted, the Army sent me back to Dundalk to Fort Holabird in 1962. When I stopped in to say hello, Scoop told me that his night court reporter had just left, and if I wanted the job for old time's sake it was mine. So while I was a soldier, every Monday night I would cover the court session and leave my stories in the office for him to pick up the next day.

There were occasional phone calls after that assignment, but years passed before I saw Scoop again. Helen Delich Bentley was still in Congress and running for re-election in 1986, and I came to Dundalk during one of her campaign stops to write an article. I got together with Scoop for lunch and we had a wonderful afternoon reminiscing. Regrettably, that was the last time I saw him.

Besides writing for USIA, I've worked for newspapers and wire services not only in the United States but also in Europe and Asia. It's been a satisfying career that all started with the Dundalk Community Press. Thanks, Scoop. I'm going to miss you.

LETTER WRITERS RECALL FOUNDER OF ''EAGLE''

Condolences sent to The Eagle upon the death of the paper's founder, Kimbel Oelke, included the following letters:

Kimbel Oelke contributed more to our community than most of us know. His tenacity and vision gave Dundalk a weekly reminder of who we are as individuals and as a community. His paper is our family album. His legacy is our deep sense of community. His life is our measure of what it means to be a good man.

Kimbel, I am certain you are reading this from heaven. You left an undeniable and meaningful mark on Dundalk and on so many of us who had the fortune of knowing you.—Michael Galiazzo, Rainflower Path, Sparks, Md.

We at Sparrows Point send our deepest sympathy to all of you upon the death of Mr. Oelke. He was a universal citizen, a true friend of businesses and the community.

We recall his unconditional support of Bethlehem Steel and his wholehearted, selfless help in a grassroots campaign against steel imports. His help was crucially needed at a critical time in our history, and he came through with flying colors.

There were many other times when his advice, counsel and friendship were sought, and he was there for us, as he was for everyone in the community. He will be missed by all whose lives he touched.—The letter was signed by Sparrows Point Division president Duane R. Dunham and 15 other company officials.

As always, Baltimore Sun reporter Fred Rasmussen had outdone himself in his magnificent obituary of a truly great man, the late Kimbel E. Oelke of Dundalk, founder and publisher of The Eagle.

That having been said, nevertheless, Mr. Rasmussen overlooked or did not know some

remarkable events about this man's epic saga of life which I was present to witness by virtue of my relation to both him and his community.

I first me him in 1974 while handling public relations for Patrick T. Welsh's House of Delegates campaign and later, in 1978, for the same man's state Senate campaign. Today, Mr. Welsh is President of The Eastern Baltimore Area Chamber of Commerce. None of his successes would have happened without the fair coverage of Mr. Oelke and The Eagle—and the same is true of every other candidate for public office from that time to this.

In 1984, when I worked at Dundalk Community College and the entire collegiate community harnessed its abilities and energies to re-employ area residents, Mr. Oelke was there as well, and when I had occasion to run for the office of Congress of the United States in 1982, 1984 and 1988, I got a fair hearing from him each and every time.

Thus, he was, is and remains my ideal of what a newspaper publisher should be: fair, faithful and true. I am not surprised that he died in church in the arms of the Lord and the family that loved him. I, too, shall miss him.—Blaine Taylor, Joppa Road, Towson.

Please accept our most sincere wishes regarding Mr. Oelke's death. Hopefully his family, friends, and the staff at The Eagle are doing well.

I am new to the Baltimore area, so I obviously have no previous knowledge of Mr. Oelke and the paper. However, your staff should know that his story and the related story of the newspaper is a great one. He sounds like he was a good person with his head and heart in the right place. It is great when the good guys win!

Anyway, just know that I was personally moved by learning about Mr. Oelke's life. I will look to learn more in upcoming issues of your paper. Keep up the (his) great work over there at The Eagle.—Paul Kin, The writer is a community relations director representing Bradley-Ashton-Dabrowski-Matthews Funeral Homes.

THANKING LIEUTENANT GENERAL MICHAEL D. MCGINTY FOR HIS LIFE LONG CAREER IN THE AIR FORCE

● Mr. KEMPTHORNE. Mr. President, over the last 33 years, Lt Gen Michael D. McGinty has served as an exemplary Air Force officer. His career-long efforts to provide quality support to all the members of the Air Force and their families serve as a benchmark for other military services and leave a lasting and positive legacy of Air Force personnel policy and practice.

Lt Gen Mike McGinty entered the Air Force as a distinguished graduate of the University of Minnesota Reserve Officer Training Corps program. In his early days as an Air Force pilot, Lt Gen McGinty flew the F–4 and logged over 115 combat missions in Southeast Asia, including 100 missions over North Vietnam.

As his Air Force career progressed, Lt Gen McGinty gained vast experience both as an pilot and as a personnel expert. He earned the rating of Command Pilot with more than 3,500 flight hours in a variety of aircraft, including the F–4, A–10, C–21 and T–39. He also invested 19 years of his career working a broad range of Air Force personnel issues.

In March 1988, Mike McGinty assumed command of the 10th Tactical Fighter Wing at the Royal Air Force Station in Alconbury, England. During a time of great change in world affairs, Lt Gen McGinty worked diligently to maintain and solidify local host nation relations while simultaneously enhancing quality of life support for service members assigned to his command. As a result of Lt Gen McGinty's vision and dedication to his troops he established Alconbury's first-ever Family Support Center.

As commander of the Air Force Military Personnel Center, and more recently as the Air Force's Deputy Chief of Staff for Personnel, Lt Gen McGinty led the Air Force through a period of great challenge and change. During his tenure, Mike moved Air Force personnel systems into the ''electronic era.'' He expertly managed significant drawdowns of both military and civilian personnel while simultaneously meeting the expanded personnel requirements resulting from increased deployments. A constant advocate for Air Force people, he led the way in working difficult issues in the rated force management, recruiting, retention, and transition assistance arenas. Lt Gen McGinty worked to meet changing Air Force needs by expanding the role of Department of the Air Force civilians in Air Force personnel management. He increased career broadening opportunities for Air Force civilians through developmental positions at the Air Staff, the Air Force Personnel Center, and major command headquarters. He established the first-ever Air Force Civilian Executive Matters Office, introducing policies and operations that ensure training and development of senior civilians that parallels their military counterparts. His efforts in this arena clearly enhance force stability.

Most importantly, Lt Gen McGinty's career has been based on his unfaltering support of Air Force people. His philosophy has been that ''the strength of the Air Force lies in it's members.'' He remains a strong advocate for ongoing quality of life initiatives, enhanced family support services, career mentoring, and leadership by example.

I have personally known Mike McGinty for several years as both a colleague and a friend. We have worked together to improve our nation's Air Force by addressing the critical people issues we face: retaining our key qualified and experienced Air Force professionals, improving the quality of life for our families, enhancing our recruiting efforts, and placing our pay and benefits programs where they should be to take care of those who guard and defend our nation. Mike has led the way in this effort, a performance characteristic of his entire career. The men and women of the Air Force, as well as our entire nation, owe him a debt of gratitude. I recall his candor and wisdom during testimony as a shining example of how well our military leaders represent the best interests of our men and women in uniform.

Also a dedicated family man, Mike and his wife, Karen, are the proud parents of a daughter, Shannon, and a son, Tim. In addition to flying, their interests include bird watching and photography.

During his distinguished career, the general has earned some of our nation's highest honors: the Distinguished Service Medal twice, the Legion of Merit twice, the Distinguished Flying Cross with device, the Meritorious Service Medal four times, and the Air Medal ten times, along with the Air Force Commendation Medal and numerous campaign and service medals.

Lt Gen Mike McGinty's vision, leadership and dedication will have a lasting positive impact on the Air Force and the nation. As he embarks upon his retirement, I wish him continued success in all that he and Karen pursue. Those of us in Congress, and the men and women of our Air Force, will greatly miss him.●

REMOVING HOLD ON H.R. 2610, A BILL TO REAUTHORIZE THE OFFICE OF NATIONAL DRUG CONTROL POLICY

● Mr. WYDEN. Mr. President, as you know, I believe that the Senate custom of placing holds on legislation should be practiced in public. In that spirit, I rise today to remove the hold I placed on H.R. 2610, a bill to reauthorize the Office of National Drug Control Policy. I do not object to Senate consideration of this legislation.●

RECOGNITION OF THE 50TH UNITED WAY TORCH DRIVE

● Mr. LEVIN. Mr. President, I rise today to call my colleagues' attention to a remarkable example of community commitment taking place in my home state of Michigan this fall, the United Way Torch Drive. This year will mark the 50th United Way Torch Drive in metropolitan Detroit.

The Torch Drive was officially kicked off in 1949 by General Mark Clark with a goal of raising $8,550,000. Many people doubted that this goal could be reached. During that period of time, similar fundraising campaigns in other cities were falling short of their goals. However, the people of the Detroit area proved the skeptics wrong, contributing almost $9.3 million to the Torch Drive in three weeks. The metropolitan Detroit Torch Drive was the first such drive in the country, and its success has been a model for cities throughout the country.

The Detroit Torch Drive has been helped by local and nationally recognized Americans from every walk of life. Business leaders like Max Fisher and Lee Iacocca have lent their time and talents to the Drive. Entertainers like Jackie Gleason, Audrey Hepburn and the Supremes have donated time as

well. National and local media stars, from Walter Cronkite to J.P. McCarthy have made themselves available to help. And sports stars, from Hockey Hall of Fame player Gordie Howe to current Detroit Pistons star Grant Hill, pitch in as needed. But as impressive as this list of famous people is, United Way representatives will tell you that it is the dedication and heart of the people of metropolitan Detroit which make the Torch Drive a success year after year. Thanks to them, the United Way is able to support more than 130 agencies in metropolitan Detroit, providing assistance to people in need and solutions to long term problems like homelessness, substance abuse, hunger and mental illness.

Mr. President, I have many reasons to be proud to be a Detroiter. One of the strongest reasons for my pride is the generosity and warm-heartedness of my neighbors. I hope my colleagues will join me in thanking the tens of thousands of people who have made the annual United Way Torch Drive such an overwhelming success over the past 50 years, and in looking forward to the next 50 years of giving help and hope to people in need in metropolitan Detroit.●

IN MEMORY OF MEG DONOVAN

● Mr. KERRY. Mr. President, last Thursday, Meg Donovan, Deputy Assistant Secretary of State for Legislative Affairs, passed away after a painful struggle with cancer. Her death, far too early at age 47, has dimmed the light for all those who loved and knew her: her husband, Stephen Duffy, her three children Colin, Liam and Emma, her father, Daniel Donovan, her sisters, Paula and Mary Ellen, her brother, Patrick, and her many friends and colleagues in Washington.

Meg was a Washington veteran, having worked in the nongovernmental affair community for the National Conference on Soviet Jewry, in the Congress for nearly twenty years, and most recently in the Department of State. Through all those years she has consistently been an advocate for the downtrodden, for those who live in countries where the basic human rights and freedoms which we take for granted are denied. They could have had no better champion than Meg Donovan.

Meg was invaluable to me and my staff during the years that I served as Chairman of the International Operations Subcommittee, which had jurisdiction over the authorization bill for the State Department, USIA and the international broadcasting agencies. When we needed information, she ensured that we got it. She was an articulate advocate for the Administration's positions and an effective deal maker when the time was right. And as Secretary of State Albright, former Secretary of State Christopher, and all those who have been confirmed as Ambassadors during the Clinton Administration's tenure will tell you, Meg Donovan knew better than anyone how to help a nominee navigate the shoals of the confirmation process in the Senate.

On Saturday, Secretary Albright delivered the eulogy at Meg's funeral. Her heartfelt words aptly captured the many sides of Meg Donovan—a devoted wife and mother, a dedicated and passionate government servant, and a woman whose zest for life was boundless.

Mr. President, I would like to take this opportunity to extend my sincere sympathies to Meg's family. I also ask that Secretary Albright's eulogy for Meg be printed in the RECORD.

EULOGY FOR MEG DONOVAN

By Secretary of State Madeleine Albright

Father D'Silva; Duffy, Colin, Emma, Liam, Mr. Daniel Donovan, Patrick, Paula, Mary Ellen, and other members of Meg Donovan's family; colleagues, friends and acquaintances of Meg:

There are times when it seems more fitting just to stammer with emotion than to speak with finely turned phrases.

It does not seem fair; it is not fair that Heaven, which already has so much, now has so much more. And that we here on Earth, who need so much, have lost someone who is irreplaceable in our hearts.

This we know. Meg could not pass from one world to the other without changing both.

We are crushed with grief. But the scriptures say that those who mourn are blessed for they shall be comforted; and we are comforted by the knowledge that, somewhere up above, God is getting an earful on human rights.

I did not become acquainted with Meg Donovan until I went to the State Department in 1993. Like her, I was a mother of three, including twins. I felt I understood better than some others might the choices and challenges she faced. But many of you knew her longer and more intimately than I. I cannot capture her personality or her career in full.

To me, if there is one word that sums up Meg, it is ''completeness.''

There are others in this town who are smart and good at their jobs; others with a commitment to causes that are right and just; others who bargain shrewdly and hard; others with a warm and wonderful sense of humor; others who understand the obligations of friendship; others who are devoted and loving to their families; others who have the discipline to live their faith.

There may even be others with Christmas sweaters that light up and play jingle bells. But rarely have the elements of true character been so artfully mixed as they were in Meg Donovan. Van Gogh is arriving in Washington; but a human masterpiece is gone.

When I was designated by President Clinton to serve as Secretary of State, I did what my predecessor, Warren Christopher, did. I turned to the person with the best instincts in Washington on how to deal with our friends on Capitol Hill. That was Meg. We began preparing in December.

Now, naturally, I thought the President had made a brilliant choice for the job, but I had to wonder, as we went along in practice, and Meg corrected and improved upon my every answer on every subject, whether there was anyone more qualified to be Secretary of State than she.

Of course, that being December, the birthday of the twins came along. And naturally, Liam and Emma didn't understand why their mother couldn't promise to attend the party. Their proposal, passed on and advocated by Meg, was that we adjourn our practice session and re-convene at Chuck E. Cheese. It is typical that, when the hour of the party drew near, Meg excused herself, and did not ask but told her new boss, that she was heading for Chuck E. Cheese.

When he was Secretary of State, George Marshall used to tell his staff ''don't fight the problem, decide it, then take action.'' I suspect he would have liked Meg a lot because, all her life, Meg was a doer.

Like quite a few others, she came to Washington committed to the fight for tolerance and respect for basic human rights for all people. What set her apart is that she could still make that claim after having worked here 25 years.

Whether at the Helsinki Commission, or the House Committee on International Relations, or the Department of State, Meg was one of the good guys. She could out-talk anyone, but talk isn't what she was after. She wanted change.

She wanted Soviet Jews to be able to exercise their right to emigrate. She wanted Tibetans to be able to preserve their heritage. She wanted prisoners of conscience to breathe the air of freedom. She wanted women to have the power to make choices that would determine the course of their lives.

Above all, she wanted to draw on and draw out the best in America: the America that would use its resources and power to help others achieve the blessings we all too often take for granted.

These were her ideals, but Meg was more than a dreamer. No one was more effective than she at creating the coalitions, marshaling the arguments and devising the strategies that would yield concrete results.

One of Meg's big problems was that she knew the system better and played it better than anyone else. So, whenever we found ourselves in a real legislative mess, which was not more than three or four times a week, we turned to Meg to help get us out.

Around the Department and earlier in her years on Capitol Hill, Meg's energy and wisdom added sparkle to every meeting. When she spoke, people listened. When she listened, people chose their words with care. She was thoughtful and patient with those who, by virtue of experience or ability, needed her help. She brought out the best in others; just as she demanded the best from herself.

In our collective mind's eye, we can still see her striding purposefully down a hall with her arms full of folders, trailed by some hapless Ambassadorial nominee whose future had been entrusted to Meg's capable hands.

We see her, hugely pregnant, maneuvering around swivel chairs and outthrust elbows on the cramped dais of the House International Relations Committee.

We see her serious and firm, forearms chopping the air for emphasis, persuading us with eloquence and passion that doing the right thing is also the smart thing.

We see her relaxing at an office party, gold bracelets flashing, surrounded by flowers from her garden, a cherub's face aglow with health and life, and her 100 megawatt smile turned on full.

We see her where she most belonged, with Duffy, her partner of 24 years, and with their children.

And as we see her, we also hear that inimitable laugh, which was not exactly musical, but which conveyed a love and enjoyment of living that somehow makes what happened even harder to believe and accept.

Meg knew the impermanence of life. She lost her mother to cancer and a sister to cystic fibrosis. So she made the most of every single day.

The poet, William Blake, wrote that:

He who binds himself to a joy
Does the winged life destroy
But he who kisses the joy as it flies
Lives in eternity's sunrise.

No force, not even life itself, could bind Meg Donovan or ground her flight. She was only 47. But, in that time, her gifts to those of us who are gathered here and to those from around the world who have benefited directly or indirectly from her commitment, were full and rich.

This morning, as she looks down upon us, I know that she would expect us to cry and that, if she could, she would herself hand us the tissues. But she would also want us to be thankful for our time together, and to dedicate ourselves to improving our own lives by helping others.

We are sad today, but our sorrow is accompanied by the abundance of joy in the memories we share, the life we celebrate and the love that surrounds us.

May that joy melt, over time, the clouds of our grief. May Meg's family, especially, draw comfort from our affection and from the deep respect we held for her.

And may Meg Donovan rest in peace, for we will never, never forget her.●

UNIVERSITY OF SOUTH CAROLINA INTERNS

● Mr. HOLLINGS. Mr. President, the South Carolina Semester in Washington Program, hosted by the Institute of Public Affairs at the University of South Carolina, provides outstanding Honors College students at the state's public universities an invaluable opportunity to work as fellows in Congress, the Administration and in the private sector while pursuing an academically rigorous program of study and examination in Washington, D.C.

This program joins a number of other prestigious offerings sponsored by many of the finest colleges and universities from across the Nation. Not only do these fellows assist in taking care of the business of the Nation, providing a tremendous service to Congress, the Agencies and the entities supporting them, by doing so these exemplary young people represent the best for the future of government at the local, city, county, state, regional, national and international levels.

As the South Carolina Semester in Washington completes its seventh year, the program continues to demonstrate that these students and the campuses they represent are some of the finest in the country. To date students have participated from USC Columbia, Clemson University, the College of Charleston, the Citadel, South Carolina State University, University South Carolina Aiken, Winthrop University, Lander University and the University of South Carolina Lancaster. For the Fall of 1998, the program will add its first student from Coastal Carolina University. Certainly few states can demonstrate a more comprehensive involvement from its higher education community.

The offices which participate are essential to the quality of the program. The time spent by professional staff in the office setting mentoring these students is a contribution to success; not only in this program but to these young people for a lifetime. Over the years the following offices have been gracious host learning sites for the South Carolina Semester in Washington fellows: Senator STROM THURMOND, Senator FRITZ HOLLINGS, Congressman FLOYD SPENCE, Congressman JOHN SPRATT, Congressman JIM CLYBURN, Congressman BOB INGLIS, Congressman LINDSEY GRAHAM, Congressman SANFORD, Congressman ED WHITFIELD, Congressman CLIFF STEARNS, former Congressman Butler Derrick, former Congressman Robin Tallon, former Congresswoman Liz Patterson, former Congressman Arthur Ravenel, the Senate Commerce Committee, the White House, the Department of Education, the Department of Veterans Affairs, the Corporation for National and Community Service, the Office of the United States Trade Representative, the South Carolina State Washington Office, Barron Birrell and the American Council of Life Insurance.

The participants during the 1997–1998 academic year further enhanced the reputation of the program for reliable, diligent and intelligent contributions to their workplace. These students, their university, hometown and placement include for the Fall 1997 semester: Mary Borowiec, USC Columbia, Columbia, S.C., Congressman LINDSEY GRAHAM; Cara Carter, USC Columbia, Spartanburg, S.C., Congressman MARK SANFORD; Katherine Graham, USC Columbia, Charleston, S.C., Office of the United States Trade Representative; Scott Harris, Lander University, Batesburg, S.C., Congressman JOHN SPRATT, Kim Hartwell, USC Columbia, Lexington, Kentucky, the White House; Charlene Miller, USC Columbia, Lancaster, Pennsylvania, Senator HOLLINGS; John Sallee, USC Columbia, Lexington, Kentucky, U.S. Department of Education; Beth Sims, Winthrop University, Darlington, S.C., Congressman BOB INGLIS; Amber Stamegna, USC Columbia, Mount Pleasant, S.C., Barron Birrell.

For the Spring 1998 semester, the participants include: Heather Brooks, USC Columbia, Charlotte, North Carolina, Congressman JOHN SPRATT; Derham Cole, USC Columbia, Spartanburg, S.C., Congressman BOB INGLIS; Ryan Lindsay, USC Columbia, Clemson, S.C., American Council of Life Insurance; Anne Knight, USC Columbia, Columbia, S.C., Congressman JIM CLYBURN; Amy Milligan, College of Charleston, Mount Pleasant, S.C., Congressman FLOYD SPENCE; Becky Sibilia, Clemson University, Bridgewater, New Jersey, Senator STROM THURMOND; Josh Staveley-O'Carroll, Clemson University, Charleston, S.C., Senate Commerce Committee.

Mr. President, I wish to commend the Institute of Public Affairs at the University of South Carolina for implementing and coordinating such a fine program. Dr. Doug Dobson and Dr. William Mould have been instrumental in the successful tenure of this offering. I also wish to salute the other campuses and offices which make the effort to give quality to this endeavor. Finally to say well done to these outstanding students in hopes we will enjoy their contributions to society from positions of leadership in the years to come.●

RECOGNITION OF EVELYN DUKES

● Mr. LEVIN. Mr. President, I rise today to recognize a true urban innovator, a woman who has devoted her ''retirement'' years to solving the many challenges that confront urban communities across the nation, Ms. Evelyn Dukes.

The urban community of northeastern Detroit has greatly benefitted from the work of Ms. Evelyn Dukes. Her involvement with urban and neighborhood renewal began with the ''Adopt-A-Park'' program. In her neighborhood, Ms. Dukes daily observed gangs, drug users, and loiterers frequenting a parcel of land that was formerly a small community park, but had become a symbol of fear and apathy. Fortunately, Ms. Dukes did not view Brookins Park in the same manner. As an organizer for numerous Block Clubs and Neighborhood Watch Groups, Ms. Dukes saw the area as an opportunity to bring the community together and reclaim a vital recreational park. By calling on organizations from the city's Park and Recreation Department to the Detroit Piston Basketball Organization, Ms. Dukes' vision for Brookins Park became a reality. Today the land is used by community residents for picnics, reunions, and birthday parties, and Ms. Dukes is on to her next project, Skinner Park.

Ms. Dukes is also involved in her neighborhood organization and is an active member in the Citizen Band Radio Patrol organization. While on patrol, she documents dangerous situations and possible criminal actions. Evelyn is President of the Ninth Precinct Community Relations Board and is very involved in the City Wide Roundtable, an organization of Detroit leaders who meet on a regular basis to discuss issues and solutions involving public service, safety, and awareness.

At 73, Evelyn Dukes' personal commitment to her neighborhood and city are an inspiration to everyone. She is truly a model for community involvement, and her efforts and achievements clearly set Ms. Dukes apart as an exemplary citizen. She has been honored by being selected as only one of seven people in the country to receive the National Crime Prevention Council's Ameritech Award of Excellence in Crime Prevention.

I know my colleagues join me in congratulating Ms. Evelyn Dukes on receiving this award and thanking her for the stalwart dedication she has shown to improving her community.●

ANTI-NEPOTISM BILL

● Mr. KYL. Mr. President, I rise in support of S. 1892, the judicial anti-nepotism bill.

Section 458 of 28 U.S.C. 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.'' There is some debate about the interpretation of section 458. Some hold the view that the statute means what it says—no person related to a judge of a court may be appointed to that same court. But some hold a contrary view. Indeed, in a 1995 memo by Richard Shiffrin of the Office of Legal Counsel, although the OLC conceded that the statutory language appears to restrict presidential appointments to offices or duties In federal courts, the OLC argued that the statute only applies to judges hiring or appointing persons to the courts. Many scholars disagree with this view and with the other memoranda issued by the Administration. Finally, there is also disagreement as to whether section 458 applies to appointments where a judge has taken senior status is a ''judge of such court.''

For future judicial nominees, the Administration and the Senate must understand the criteria required for Article III judicial appointments. S. 1892 maintains the current prohibition on relatives of judges being appointed to or employed in any job of the court, such as for example, positions as clerks and bailiffs.

S. 1892 amends 28 U.S.C. 458 to clarify that no person may be appointed to be a judge of a court if that person is related within the degree of first cousin to any judge, including a judge retired in senior status of that ''same court.'' Under the bill, ''same court'' means, in the case of a district court, any court of the same single judicial district; and, in the case of a court of appeals, the court of appeals of a single judicial district.

For example, a person may not be a member of the Federal District Court in Arizona if a related person is already a member of the Federal District Court in Arizona, but related persons may serve simultaneously on federal district courts in Arizona and New Mexico. Additionally, related persons may serve simultaneously on the Northern and Eastern Federal District Courts in California. A person may not be a member of the 2nd Circuit if a related person is a member of that circuit, but related persons may serve on the 2nd and the 7th Circuits simultaneously.

It is important to Note that this act does not apply to the Supreme Court.

The act takes effect on the date of enactment and applies only to an individual whose nomination is submitted to the Senate on or after such date. Thus, the bill would not affect the nomination of William Fletcher.

A thorough study of the constitutional provisions at issue, of the relevant case law, and of prominent legal treatises makes it clear that the bill is constitutional. Indeed, a March 31, 1998 report on the bill by the American Law Division of the Congressional Research Service has concluded that ''[a]fter consideration of the text of the Constitution, the precedents, and the historical practice, we believe it to be established that Congress has the authority to fix this and other qualifications for the office of judges of Article III courts. . . .'' The Constitution is, in fact, silent on what lower courts there were to be, their composition and jurisdiction, and their powers. Inasmuch as the Constitution ''delineated only the great outlines of the judicial power . . ., leaving the details to Congress, . . . ''[t]he distribution and appropriate exercise of the judicial power must . . . be made by laws passed by Congress. . . .'' Rhode Island v. Massachusetts, 12 Pet. (37 U.S.) 657, 721 (1838).

The public policy behind Section 458 and S. 1892 is clear: For the public to maintain a sufficient level of confidence in the integrity and impartiality of its public institutions, those institutions must strive not only to avoid circumstances in which actual impropriety could arise among public servants, but to avoid all circumstances that create even the remote appearance of impropriety. Having close family members serve on the same court would create an appearance of impropriety. Of all the relationships that one judge could have to another—for example, former law partners or members of the same bench for 20 years—a familial relationship is one that is certain to automatically cause a litigant to question the impartiality of a judge.

Litigants must have complete confidence that federal judges will be objective and impartial while on the bench. The institutional integrity of Federal courts requires scrupulous protection of public confidence in the judicial process. Preventing close family members from serving on the same court is a small price to pay to avoid a potential diminution of credibility and impartiality of the Judiciary, one of the Nation's most hallowed institutions.●

TRIBUTE TO MICHAEL J. WILLIAMS

● Mr. CLELAND. Mr. President, I rise today to pay tribute to an invaluable member of my staff, Mike Williams, who has served as my Military Legislative Assistant since I arrived in the Senate in January 1997. Mike joined my staff after serving a great American and one of Georgia's most honored and beloved Senators, Senator Sam Nunn, where he began as an intern while attending Georgia Tech and after graduation quickly became involved in legislative matters, including military issues. After more than five years of public service, Mike will be leaving my staff after the 105th Congress adjourns to pursue other career opportunities. He will be sorely missed and not easily replaced.

Mike's excellent assistance and invaluable experience made my transition from being Georgia's Secretary of State to a United States Senator and a member of the Senate's Armed Services Committee smooth and successful. He serves as a positive example to us all—a good person who is committed to his family and to continually improving himself. While working full-time for Senator Nunn and then myself, Mike has attended law school in the evening while still finding quality time to devote to his lovely wife Allyson and their beautiful daughter Catherine. Now in his final year of law school at Georgetown, Mike has decided to leave Capitol Hill to pursue a career in the law profession. I wish him well in all of his future endeavors and I know that he will have a lifetime of many more accomplishments and shining moments. Although Mike's invaluable contribution to my staff will be greatly missed, his daily presence in our lives will be missed even more. Mike, thank you for your years of service to me and the people of the great State of Georgia—I am very proud of all you do. You truly are a great American!●

NOTICE OF INTENTION TO MOVE TO SUSPEND THE RULES

● Mr. MCCAIN. Mr. President, I hereby give notice in writing of my intention to move to suspend the provisions of Rule 22 requiring that the following amendment be germane:

AMENDMENT NO. 3711

(Purpose: To define what is meant by the term ''discriminatory tax'' as used in the bill)

On page 26, beginning with line 3, strike through line 5 on page 27 and insert the following:

(2) DISCRIMINATORY TAX.—The term ''discriminatory tax'' means—

(A) any tax imposed by a State or political subdivision thereof on electronic commerce that—

(i) is not generally imposed and legally collectible by such State or such political subdivision on transactions involving similar property, goods, services, or information accomplished through other means;

(ii) is not generally imposed and legally collectible at the same rate by such State or such political subdivision on transactions involving 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;

(iii) imposes an obligation to collect or pay the tax on a different person or entity than in the case of transactions involving similar property, goods, services, or information accomplished through other means;

(v) establishes a classification of Internet access service providers or online service providers for purposes of establishing a higher tax rate to be imposed on such providers than the tax rate generally applied to providers of similar information services delivered through other means; or

(B) any tax imposed by a State or political subdivision thereof, if—

(i) the ability to access a site on a remote seller's out-of-State computer server is considered a factor in determining a remote seller's tax collection obligation; or

(ii) a provider of Internet access service or online services is deemed to be the agent of a remote seller for determining tax collection obligations as a result of—

(I) the display of a remote seller's information or content on the out-of-State computer server of a provider of Internet access service or online services; or

(II) the processing of orders through the out-of-State computer server of a provider of Internet access service or online services.●

RECOGNITION OF BRUNO NOWICKI

● Mr. LEVIN. Mr. President, I rise today to pay tribute to a good friend of mine and a great leader in my home state of Michigan, Bruno Nowicki. On October 11, 1998, Bruno's friends and family will help him celebrate his 90th birthday at a celebration at the Polish Century Club.

Bruno Nowicki is well known in Michigan and in his native Poland for his efforts to commemorate and celebrate the contributions of Polish people to the United States and to the world. He has designed monuments to Polish-American heroes of World War II and Vietnam and to Revolutionary War Generals Pulaski and Kosciuszko. Bruno Nowicki has also been a strong supporter of public libraries, and served on the Board of Governors of the Detroit Public Library from 1971 until 1994. He melded his interests in promoting Polish culture and supporting public libraries by arranging for statues, mosaics and busts of prominent figures in Poland's history to be displayed in the Detroit Main Library and the Hamtramck Public Library. Bruno worked with artist Zygmunt Dousa of the University of Krakow to design the Polish Room of the Ethnic Conference and Study Center at the Wayne State University in Detroit. He is a co-founder of the Polish Riverfront Festival, which provides assistance to children's hospitals in Poland.

I was proud to work with Bruno Nowicki in 1993–1994 on an issue especially close to his heart, promoting chess to students in schools. An avid chess player who participates in (and has won) tournaments in the U.S., Bermuda and Cuba, he believes that the skills children develop by learning to play chess can be applied to everyday life. A four-year study of school chess players confirmed Bruno Nowicki's belief. The study found that chess helps children build self-confidence and self-worth, dramatically improves children's ability to think rationally, and results in higher grades, especially in English and Math. Bruno provided me with important information which I used in drafting an amendment to the 1994 Goals 2000: Educate America Act, which allows State educational agencies to use certain Title III funds to promote instruction in chess as a tool for teachers to use to motivate students to develop critical thinking skills, self-discipline and creative resolution methods.

Mr. President, Bruno Nowicki has demonstrated time and again his commitment to his community. He is truly a person who has touched the lives of thousands of people. I know my colleagues join me in wishing Bruno a happy 90th birthday and in commending him for his remarkable dedication to community service.●

ONE GUN A MONTH FORUM

● Mr. LAUTENBERG. Mr. President, last month I convened a forum to investigate the problem of gun-trafficking. At the forum, we heard from a number of compelling witnesses and I have been submitting their testimony into the RECORD so that my colleagues and the public can benefit from their insights. Taken together, this testimony makes a compelling case for the Anti-Gun Trafficking Act, S. 466, which I introduced earlier this Congress.

Today, I would like to submit the final testimony from this forum, that of Captain Thomas Bowers, Director of the Office of Crime Gun Enforcement for the Maryland State Police. Two years ago, the Maryland Legislature passed the Gun Violence Act of 1996, which restricted the purchase of handguns to one in a thirty day period. The results have already been dramatic. In fact, Maryland saw a 78 percent decrease in the number of handguns sold as a result of multiple purchases in the first year after the enactment of this law. This means fewer lethal weapons supplied to criminals in cities nationwide.

I hope that my colleagues will work with me to pass this important piece of legislation. Keeping handguns out of the hands of criminals, and reducing the gun violence across our nation should be of paramount importance to all.

Mr. President, I ask that the testimony of Captain Thomas Bowers be printed in the RECORD.

The testimony follows:

TESTIMONY OF CAPT. THOMAS BOWERS

Senator LAUTENBERG, I am Captain Thomas Bowers, Director of the Office of Crime Gun Enforcement for the Maryland State Police.

On behalf of Colonel David B. Mitchell, our superintendent, thank you for the opportunity to address you today.

The troopers seated behind me represent the subject matter experts in the area of firearms enforcement.

The Maryland State Police is the point of contact for regulatory and criminal oversight of all regulated firearm purchases in Maryland. In 1966, Maryland initiated an application process to purchase handguns. This process included a 7-day waiting period and a background check.

In 1995, Governor Parris N. Glendening, Lieutenant Governor Kathleen Kennedy Townsend, and Colonel Mitchell initiated a comprehensive program entitled Operation Cease-Fire, one element of the cease-fire initiative was the Maryland State Police Firearms Investigation Unit. This unit provides the ''front line'' response to the problem of firearms related violence throughout the State of Maryland.

The Firearms Investigation Unit was initially tasked with the responsibility of enforcing Maryland's existing firearms laws and, more importantly, identifying the source or sources of firearms used in the commission of violent crimes.

Through the work of the Firearms Investigation Unit and information provided by the Bureau of Alcohol, Tobacco and Firearms the straw purchase was identified as the major source of crime guns in Maryland, even more significant, based upon crime gun trace data from the city of Baltimore. The straw purchase of firearms through multiple sales was determined to be the source of the majority of regulated firearms used in the commission of violent crime. Let me repeat that the straw purchase of firearms through multiple sales was determined to be the source of the majority of regulated firearms used in the commission of violent crime.

Each multiple straw purchase tells a dramatic story. I'd like to give you two examples.

1. The first is that of a 32-year old male who was recruited by a drug organization to purchase 9 9mm semi-automatic handguns from a Maryland regulated firearms dealer. Upon receipt of the handguns from the dealer, the young man immediately provided them to a member of the hierarchy of the drug organization who then distributed the handguns to drug traffickers whom he controlled. Within a few weeks, two of the 9mm handguns were used in two separate homicides.

2. A second example is that of a young man who purchased 11 9mm and 45 caliber semi-automatic handguns from a Maryland regulated firearms dealer. A short time later, the same resident returned to the same regulated firearms dealer and purchased 30 more semi-automatic handguns. An investigation was initiated which revealed that all 41 semi-automatic handguns were smuggled out of the United States and into the country of Nigeria in violation of both United States and Nigerian law.

In 1996, through the efforts of Governor Glendening, the Maryland legislature passed a comprehensive violence reduction initiative entitled, The Gun Violence Act of 1996. This act limited the purchase of a regulated firearm to one in a 30-day period and also required a background check and 7-day waiting period for secondary sales of regulated firearms between individuals. (Three charts; regulated firearm definition, secondary sale definition, and secondary sale regs.)

Maryland's one gun a month law limits the number of handguns an individual can purchase to only one during a 30-day period not per calendar month. There are codified provisions for specific exceptions to the law. They are enumerated on the chart displayed before you. (Two charts; exceptions to one/month and Maryland State Police From 77M (multiple purchase).

(1) Residents may apply to the Maryland State Police to be designated as private collectors.

(2) Residents may purchase two handguns during a single visit to a licensed gun dealer if the dealer has offered a second handgun at a discount when purchased with the first. Under this exception the resident cannot purchase another handgun for 60 days.

(3) Law enforcement agencies and licensed private security organizations are exempt from the multiple purchase law when purchasing handguns for use by their employees.

(4) Residents may purchase more than one handgun if they are part of a set or sequential serial numbers as in an accepted collector series.

(5) To facilitate the replacement of a firearm that was lost or stolen with documentation from a law enforcement agency.

(6) To facilitate the replacement of a defective firearm by the same regulated firearms dealer with 30 days of purchase.

(7) Lastly the one gun in 30 days provision does not apply to estate sales.

As a result of this legislation, the number of firearms acquired through multiple purchases have reduced significantly.

In addition, and perhaps most telling effect, is the drastic decrease in the number of guns initially purchased in Maryland that have been recovered as a result of crimes in other States.

By comparing the one year period prior to the enactment of Maryland's multiple purchase legislation, which became effective on October 1, 1996, with the year following its enactment, you can clearly see the dramatic results (two charts; multiple sales bar chart comparison, and multiple sales graph)

From October, 1, 1995, to September 30, 1996, 7,569 handguns were sold in Maryland, as a result of multiple purchases.

From October 1, 1996, to September 30, 1997, that number was reduced to 1,618 handguns which were sold as a result of multiple purchases, a seventy eight percent (78%) (59% difference) reduction in firearms acquired through multiple purchases.

In 1991 Maryland was nationally ranked second in terms of suppliers of crime guns to the city of New York. By 1997, one year after the passage of Maryland's one gun a month law, Maryland moved out of the top ten suppliers of crime guns to New York City.

Maryland is proud of it's proactive firearms legislation. Our efforts to limit the supply of guns to the illegal market without adversely impacting upon law abiding citizens are strong and sincere. The multiple purchase allows for the quick acquisition of large numbers of regulated firearms by proscribed individuals. The one gun a month law in Maryland has shown that it is an effective means of disrupting the illegal diversion of firearms which are acquired through multiple purchases and will ultimately reduce the supply of firearms readily available to criminals.

Thank you again for the opportunity to appear before you today.●

TRIBUTE TO MICHAEL S. DALEY

●Mr. JEFFORDS. Mr. President, I rise today to pay tribute to Michael S. Daley who is retiring from over 30 years as an orderly at Fletcher Allen Hospital in Burlington, Vermont. Michael joined the hospital in the late 1960's and began his career as a health care worker. After a few years, he thought he would try his luck in California. He soon realized that Vermont was where he wanted to be. He rejoined the workers at the hospital in October 1970 and continued to be a care giver in every sense of the word. Michael is my wife, Liz's, bother. I can not count the number of times Vermonters' have come up to me to tell me how kind Michael had been to them when they were ill or injured.

Being an orderly was more than a job to Michael. It was a vocation. He was ever mindful of the importance of medical care, however, he never neglected the soul. Every one of his co-workers would tell you that Michael brought a sense of humor to everything he did. He would often bring his lunch to a patient's room and visit during this lunch break. Doctors, new to the O.R. or leaving for other assignments, were regularly treated to lunches prepared by Michael in their honor. ''Michael knows everyone'', a co-worker stated. I think that Michael made it his business to get to know everyone. He would note when someone from our hometown of Shrewsbury, Vermont was hospitalized and he would pay them a visit. If a person wanted to talk, Michael would be there.

Michael is a religious man who lives his faith. His work in the Episcopal church in Milton, Vermont kept that small community alive for years. Along with his wife, Alice, and their three children, Michael is and has been very active in Saint Andrews Church in Colchester, Vermont. His faith has helped Michael go the extra mile in the care and comfort of his fellow Vermonters. His sense of humor has added sunshine to the lives of those he meets. Michael represents the millions of unsung heros who care for and comfort our neighbors, family and friends. I wish to honor him and his life's work.●

COMMENDING THE WORK OF THE NATIONAL COMMEMORATIVE COMMITTEE FOR THE CENTENNIAL OF THE SUBMARINE FORCE

● Mr. WARNER. Mr. President, I rise today to pay tribute to the U.S. Navy Submarine Force as it approaches its 100 year anniversary and to commend to the work of the National Commemorative Committee for the Centennial of the Submarine Force.

The submarine force traces its beginnings to the spring morning of April 11, 1900. Following demonstration trials off Mount Vernon on the Potomac River, the Navy agreed to purchase the submarine boat USS *Holland* (SS–1). The USS *Holland* was named for its inventor John Holland. Inventors such as John Holland and Simon Lake had been experimenting in submarine design during the last decades of the nineteenth century. However, Mr. Holland was the first to give the submarine true mobility by using a gasoline engine on the surface and a battery supplying electric motors when submerged. It was due to the success of the USS *Holland* that the Navy pursued the submarine program. For this reason, the Submarine Force traditionally recognized April 11th as the anniversary of its establishment.

Dramatic improvements to the submarine have been made since the USS *Holland*. The diesel engine replaced the gasoline engine in 1912. All welded hulls, allowing submarines to submerge to much greater depths, were introduced in the 1930s. Radar and sonar were incorporated during World War II. It is with the introduction of nuclear power, however, that the submarine became a true submersible—limited in endurance only by the needs of its human crew.

Earlier this year the Naval Nuclear Propulsion Program celebrated its 50th anniversary. It was in 1948 that the legendary Admiral Hyman Rickover, then a Captain, assigned himself the task of building a nuclear submarine. At that time, the technology that enabled the release of nuclear power was in its infancy. Just seven years later, the USS *Nautilus* put to sea under nuclear power. Today the Navy's nuclear submarine force is a crown jewel of our Nation's Defense arsenal.

In the year 2000, the Navy's Submarine Force will celebrate its 100th anniversary. The Secretary of the Navy has designated the period from January 2000 through December 2000 for the commemoration of the Centennial of the U.S. Submarine Force. The Director of Submarine Warfare, Rear Admiral Malcolm Fages, and the Submarine Warfare Division have the responsibility for overall coordination of commemorative activities with assistance of the National Commemorative Committee for the Centennial of the Submarine Force.

Mr. President, it is the work of the National Commemorative Committee and its chairman, Admiral Hank Chiles, that I wish to recognize today. Plans are already underway to observe the anniversary at appropriate occasions throughout the calendar year 2000. The National Commemorative Committee is planning events and ceremonies that will provide the opportunity for people to observe and experience the special world of the U.S. Navy Submarine Force and to become more acquainted with its rich and colorful history. Proposed events for 2000 include the opening of a Smithsonian exhibit, a birthday ball and the unveiling of a submarine stamp in Washington, DC, and participation in fleet week celebrations throughout the year.

I commend the dedicated effort of the National Commemorative Committee for the Centennial of the Submarine Force and urge my colleagues to support the Committee as they continue their work planning the centennial events.●

CELEBRATION OF THE REPUBLIC OF CHINA'S 87TH ANNIVERSARY NATIONAL DAY

● Mr. CLELAND. Mr. President, I rise today to celebrate the Republic of China's 87th Anniversary National Day on October 10, 1998. Taiwan has prospered beyond most people's wildest dreams despite its limited resources and vast population. The people of the United States have a special bond with the people of Taiwan, who have unfalteringly demonstrated to the world their commitment to democracy and democratic ideals. Taiwan is a vibrant, thriving country for the present and a model for the future—a model characterized by strong economic growth and respect for basic human rights and democratic freedoms.

Taiwan has been and will continue to be an important partner of the United States, economically, culturally, strategically, and politically. May God

bless our friends in Taiwan, including President Lee Teng-hui, Vice President Lien Chan and Taipei's Foreign Minister, Dr. Jason Hu, who have done an excellent job in leading Taiwan down the road of democracy and prosperity. Mr. President, I ask that you join me and our colleagues in congratulating the Republic of China's freedom on its 87th Anniversary National Day. I look forward to celebrating this historic event annually for many, many years to come.●

NATIONAL SALVAGE MOTOR VEHICLE PROTECTION ACT

● Mr. GORTON. Mr. President, I rise today in support of the substitute amendment to S. 852, the National Salvage Motor Vehicle Protection Act of 1998.

The substitute makes a number of changes to the Committee-passed bill. While not as far reaching as some would like, I believe that the changes improve a measure that has always had a very laudable intent, but which was criticized nevertheless by attorneys general and consumer groups for preempting, in some instances, more favorable state law and not providing consumers with enough information about a vehicles' history.

As a former Attorney General, I was particularly sensitive to these criticisms, and last Fall I placed a hold on the measure with the expectation of facilitating a consensus between the bill's supporters, the attorneys general, and various consumer advocate groups. Regrettably, a consensus of legislation was not to be had. While the changes in the amendment are generally intended to address concerns raised by the attorneys general and, to some extent, consumer advocates, neither of these groups has endorsed this measure. I removed my hold on the amendment despite this, however, because there is a consensus, of which I am a part, on the need for federal legislation regarding salvage and rebuilt vehicles. The bill, as amended, is not perfect. But as my months of trying to broker an agreement revealed, ''perfect,'' even if defined to mean the best interest of consumers, is a subjective term. S. 852, as amended, is, in my view, and in that of over 50 co-sponsors, better than the status quo.

I remain troubled that the attorneys general and some consumer advocate groups do not agree. I am also somewhat baffled by the seemingly studied misconstruction of the bill, and my amendment to it by some who continue to oppose it.

Let me explain the changes in the amendment to S. 852. In response to complaints that S. 852 set too high a damage threshold for designating a vehicle as ''salvage,'' the amendment lowers the threshold from 80% to the lower of 75% or the percentage threshold in a state as of the date of enactment. Seventy-five percent is the threshold recommended by the task force created by the Anti-Car Theft Act of 1992, on whose work this legislation is based. Industry defenders of the higher threshold argued that lowering it would hurt, not help, consumers because it would devalue vehicles even when there is no legitimate safety-related reason for mandating the disclosure of prior damage. I understand their point, but don't agree. Yes, there is some threshold at which mandatory labeling, and the bureaucratic burden that attends it, is more costly than beneficial for both buyers and sellers, but I do not believe we have come close to that turning point.

The attorneys general's concern that S. 852 did not provide for sufficient disclosure applied not only to the percent of damage threshold, but also to limited scope of the vehicles covered by the bill. S. 852 proposed to permit the ''salvage vehicle'' label to attach only to vehicles less than seven years old or with more than $7500. While states were free to use any other label they chose for all vehicles, including older vehicles, state attorneys general wanted to be able to use the term ''salvage'' to describe older vehicles because it is the term most commonly used today to advise of prior damage. The amendment to S. 852 permits states to do this, and explicitly provides that states can use the term ''older model salvage vehicle'' to label older vehicles.

Complaints about the mandatory nature of S. 852 ran the gamut. Some critics of S. 852, including the Department of Transportation, objected to the fact that states were not obligated to comply with the Act, arguing that states could opt out and become regional title washing capitals. Others complained that the bill was too prescriptive, and did not allow states (the majority of which, until now, do not appear to have adopted very consumer-friendly laws) to set the standards for labeling and disclosure. Rather than refight the battle that led the House to conclude that a mandate would be unconstitutional, and because I was unable to persuade anyone to agree that we should use a big stick as opposed to a carrot approach, the amendment to S. 852 does not make the labeling system mandatory, but incorporates a provision to address concerns that opt-out states will become title-washing capitals. The amendment to S. 852 makes it a violation of the Act to move vehicles, or vehicle titles, across state lines for the purpose of avoiding the requirements in the Act.

Another minor modification to S. 852 corrects what I believe was an oversight in S. 852, and makes it a violation of the Act not to comply with the labeling and disclosure requirements for ''flood vehicles.''

Another modification made to S. 852 clarifies that states that choose to abide by the provisions of the Act must carry over not only the ''salvage vehicle,'' ''nonrepairable vehicle,'' and ''flood vehicle'' labels on titles, but also any other disclosure that states prescribe. This concept was contained in S. 852, but the language was unclear. The legislation does not restrict states from labeling a car with any term, and prescribing treatment of a car so labeled with any term, other than the very limited list of terms used in the bill. In other words, a state that accepts federal funds for the national motor vehicle identification number database, and that does not specifically state on its titles that it is not complying with the federal titling standards, must use the definition of ''salvage vehicle'' and ''nonrepairable vehicle'' prescribed in the bill. However, S. 852 permits that state to label the same vehicle with any other term it chooses and imposes any restrictions attendant to the other label. The amendment clarifies that states that chose to use the national labels, including those for ''salvage vehicle'' and ''nonrepairable vehicle,'' must not only carry over these labels from other states, but must also carry over any other labels another state chooses to affix, and specify the state that so labeled the vehicle.

Other modifications specifically permit state attorneys general to bring actions on behalf of individuals for violations of the Act, and clarify that the Act in no way affects individuals' ability to bring private rights of action. In response to concerns that S. 852 preempted state causes of action and created a sole remedy for violations relating to title labeling and disclosure, the amendment specifically provides that the Act does not preclude any private right of action available under state law. This provision was intended to provide assurances that nothing in the Act restricts individuals, or attorneys general, from pursuing any claims under state law, such as claims based on violations of consumer protection laws, unfair trade practices, or failures to disclose the material terms of a contract. Curiously, the inclusion of this provision, designed to allay concerns about preemption, appears to have unreasonable stirred them. Some appear to have drawn the illogical and legally unsupported conclusion that any claim not specifically preserved is implicity barred. Let met again try to clarify. There is absolutely nothing in the bill that suggests that the remedies it provides (action by attorneys general) are exclusive. Simply because the legislation states that private actions are specifically preserved does not mean that all other actions are barred or restricted in any way.

The modification that has drawn criticism even from those consumer groups whose interests I was attempting to advance in my amendment, is the striking of the criminal penalty provisions. This modification was not requested by anyone seeking to avoid accountability. Rather, I sought to strike the criminal penalties because I believe that the criminal sanctions in S. 852 were inappropriate in most instances, and unnecessary in others. As

a general matter, I believe that Congress creates too many federal criminal offenses, when it should leave this task to state law. A violation of this bill, such as a failures to make disclosures about a vehicle's history, generally is not the type of violation for which people should be sent to jail. If the conduct is so egregious that criminal sanctions are warranted, then existing state laws against fraud, theft, and the like are available based on which to prosecute violators.

The change I have just described to S. 852 are not extensive. They are, nevertheless, important and, in my opinion, improve a bill that is needed at this time.●

NORTH AMERICAN WETLANDS CONSERVATION ACT, S. 1677

● Mr. DEWINE. Mr. President, I rise today to offer my strong support for this bill offered by our distinguished colleague from Rhode Island. I want to thank Senator CHAFEE for all the work he has done, and especially his effort to addressing some of the concerns I had about the bill.

The North American Wetlands Conservation Act, or NAWCA, is a blueprint for successful environmental protection—through voluntary cooperation among government agencies, private conservation organizations, and landowners. It is a matching fund which involves state, federal, and private partners in protecting and restoring wetlands across the country.

Mr. President, this is very important for the environment. Wetlands serve a multitude of purposes. Obviously, they provide critical habitat and breeding grounds for migratory birds, fish and aquatic plants. But their benefit goes far beyond wildlife habitat. Wetlands are nature's sponges—absorbing heavy rains and minimizing the damaging effects of floods and erosion. Wetlands are also natural filters, trapping and isolating potentially damaging pollution and improving the quality of our lakes and rivers.

Since 1990, there have been 9 NAWCA projects in Ohio which have protected almost 9,000 acres of critical wetlands. NAWCA has contributed $3.3 million towards these projects—and those funds were matched by $6.9 million from groups such as Ducks Unlimited and Ohio's Division of Wildlife.

Last summer, I was able to visit one of these projects, Metzger Marsh in northwest Ohio. I was impressed, not only with the beauty and diversity of the wildlife at this marsh, but also with the cooperation among government, private agencies, and landowners that protected this area.

While there are several partners working together on this effort, I would like to mention one organization in particular. Ducks Unlimited is a national nonprofit conservation organization with over 18,000 members in Ohio alone. It has contributed over $80 million in matching funds to support NAWCA projects across the country. This is over three times the amount contributed by any other conservation organization. In light of the longstanding commitment of Ducks Unlimited to this project, I believe they should continue to serve on the NAWCA Council—and I would like to thank Senators CHAFEE, KEMPTHORNE, INHOFE and HUTCHISON for insuring that the organization's membership on this council will continue.

Mr. President, this is a very important piece of environmental legislation, and I urge its adoption.●

CONSUMER REPORTING EMPLOYMENT CLARIFICATION ACT OF 1998

(The text of (S. 2561), the Consumer Reporting Employment Clarification Act of 1998, as passed by the Senate on October 6, 1998, is as follows:)

S. 2561

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 ''Consumer Reporting Employment Clarification Act of 1998''.

SEC. 2. USE OF CONSUMER REPORTS FOR EMPLOYMENT PURPOSES.

(a) DISCLOSURE TO CONSUMER.—Section 604(b)(2) of the Fair Credit Reporting Act (15 U.S.C. 1681b(b)(2)) is amended to read as follows:

''(2) DISCLOSURE TO CONSUMER.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), a person may not procure a consumer report, or cause a consumer report to be procured, for employment purposes with respect to any consumer, unless—

''(i) a clear and conspicuous disclosure has been made in writing to the consumer at any time before the report is procured or caused to be procured, in a document that consists solely of the disclosure, that a consumer report may be obtained for employment purposes; and

''(ii) the consumer has authorized in writing (which authorization may be made on the document referred to in clause (i)) the procurement of the report by that person.

''(B) APPLICATION BY MAIL, TELEPHONE, COMPUTER, OR OTHER SIMILAR MEANS.—If a consumer described in subparagraph (C) applies for employment by mail, telephone, computer, or other similar means, at any time before a consumer report is procured or caused to be procured in connection with that application—

''(i) the person who procures the consumer report on the consumer for employment purposes shall provide to the consumer, by oral, written, or electronic means, notice that a consumer report may be obtained for employment purposes, and a summary of the consumer's rights under section 615(a)(3); and

''(ii) the consumer shall have consented, orally, in writing, or electronically to the procurement of the report by that person.

''(C) SCOPE.—Subparagraph (B) shall apply to a person procuring a consumer report on a consumer in connection with the consumer's application for employment only if—

''(i) the consumer is applying for a position over which the Secretary of Transportation has the power to establish qualifications and maximum hours of service pursuant to the provisions of section 31502 of title 49, or a position subject to safety regulation by a State transportation agency; and

''(ii) as of the time at which the person procures the report or causes the report to be procured the only interaction between the consumer and the person in connection with that employment application has been by mail, telephone, computer, or other similar means.''.

(b) CONDITIONS ON USE FOR ADVERSE ACTIONS.—Section 604(b)(3) of the Fair Credit Reporting Act (15 U.S.C. 1681b(b)(3)) is amended to read as follows:

''(3) CONDITIONS ON USE FOR ADVERSE ACTIONS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), in using a consumer report for employment purposes, before taking any adverse action based in whole or in part on the report, the person intending to take such adverse action shall provide to the consumer to whom the report relates—

''(i) a copy of the report; and

''(ii) a description in writing of the rights of the consumer under this title, as prescribed by the Federal Trade Commission under section 609(c)(3).

''(B) APPLICATION BY MAIL, TELEPHONE, COMPUTER, OR OTHER SIMILAR MEANS.—

''(i) If a consumer described in subparagraph (C) applies for employment by mail, telephone, computer, or other similar means, and if a person who has procured a consumer report on the consumer for employment purposes takes adverse action on the employment application based in whole or in part on the report, then the person must provide to the consumer to whom the report relates, in lieu of the notices required under subparagraph (A) of this section and under section 615(a), within 3 business days of taking such action, an oral, written or electronic notification—

''(I) that adverse action has been taken based in whole or in part on a consumer report received from a consumer reporting agency;

''(II) of the name, address and telephone number of the consumer reporting agency that furnished the consumer report (including a toll-free telephone number established by the agency if the agency compiles and maintains files on consumers on a nationwide basis);

''(III) that the consumer reporting agency did not make the decision to take the adverse action and is unable to provide to the consumer the specific reasons why the adverse action was taken; and

''(IV) that the consumer may, upon providing proper identification, request a free copy of a report and may dispute with the consumer reporting agency the accuracy or completeness of any information in a report.

''(ii) If, under clause (B)(i)(IV), the consumer requests a copy of a consumer report from the person who procured the report, then, within 3 business days of receiving the consumer's request, together with proper identification, the person must send or provide to the consumer a copy of a report and a copy of the consumer's rights as prescribed by the Federal Trade Commission under section 609(c)(3).

''(C) SCOPE.—Subparagraph (B) shall apply to a person procuring a consumer report on a consumer in connection with the consumer's application for employment only if—

''(i) the consumer is applying for a position over which the Secretary of Transportation has the power to establish qualifications and maximum hours of service pursuant to the provisions of section 31502 of title 49, or a position subject to safety regulation by a State transportation agency; and

''(ii) as of the time at which the person procures the report or causes the report to be procured the only interaction between the consumer and the person in connection with that employment application has been by

mail, telephone, computer, or other similar means.''.

SEC. 3. PROVISION OF SUMMARY OF RIGHTS.

Section 604(b)(1)(B) of the Fair Credit Reporting Act (15 U.S.C. 1681b(b)(1)(B)) is amended by inserting '', or has previously provided,'' before ''a summary''.

SEC. 4. NATIONAL SECURITY INVESTIGATION CONFORMING AMENDMENTS.

(a) GOVERNMENT AS END USER.—Section 609(a)(3) of the Fair Credit Reporting Act (15 U.S.C. 1681g(a)(3)) is amended by adding at the end the following:

''(C) Subparagraph (A) does not apply if—

''(i) the end user is an agency or department of the United States Government that procures the report from the person for purposes of determining the eligibility of the consumer to whom the report relates to receive access or continued access to classified information (as defined in section 604(b)(4)(E)(i)); and

''(ii) the head of the agency or department makes a written finding as prescribed under section 604(b)(4)(A).''.

(b) NATIONAL SECURITY INVESTIGATIONS.—Section 613 of the Fair Credit Reporting Act (15 U.S.C. 1681k) is amended—

(1) by inserting ''(a) IN GENERAL.—'' before ''A consumer''; and

(2) by adding at the end the following:

''(b) EXEMPTION FOR NATIONAL SECURITY INVESTIGATIONS.—Subsection (a) does not apply in the case of an agency or department of the United States Government that seeks to obtain and use a consumer report for employment purposes, if the head of the agency or department makes a written finding as prescribed under section 604(b)(4)(A).''.

SEC. 5. CIVIL SUITS AND JUDGMENTS.

Section 605(a) of the Fair Credit Reporting Act (15 U.S.C. 1681c(a)) is amended—

(1) in paragraph (2), by striking ''Suits and Judgments which'' and inserting ''Civil suits, civil judgments, and records of arrest that'';

(2) by striking paragraph (5);

(3) in paragraph (6), by inserting '', other than records of convictions of crimes'' after ''of information''; and

(4) by redesignating paragraph (6) as paragraph (5).

SEC. 6. TECHNICAL AMENDMENTS.

The Fair Credit Reporting Act (15 U.S.C. 1601 et seq.) is amended—

(1) in section 603(d)(2)(A)(iii), by striking ''any communication'' and inserting ''communication'';

(2) in section 603(o)(1), by striking ''(d)(2)(E)'' and inserting ''(d)(2)(D)'';

(3) in section 603(o)(4), by striking ''or'' at the end and inserting ''and'';

(4) in section 604(g), by striking ''or a direct marketing transaction'';

(5) in section 611(a)(7), by striking ''(6)(B)(iv)'' and inserting ''(6)(B)(iii)''; and

(6) in section 621(b), by striking ''or (e)''.

SEC. 7. EFFECTIVE DATE.

The amendments made by this Act shall be deemed to have the same effective date as the amendments made by section 2403 of the Consumer Credit Reporting Reform Act of 1996 (Public Law 104–208; 110 Stat. 3009–1257).

UNANIMOUS CONSENT REQUEST—H.R. 2431

Mr. MCCAIN. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 456, H.R. 2431, the religious freedom bill.

Mr. WYDEN. Mr. President, I object on behalf of Senators on this side of the aisle.

The PRESIDING OFFICER. Objection is heard.

FREEDOM FROM RELIGIOUS PERSECUTION ACT OF 1998—MOTION TO PROCEED

CLOTURE MOTION

Mr. MCCAIN. I now move to proceed to H.R. 2431, and send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion, having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to Calendar No. 456, H.R. 2431, the religious freedom legislation:

Senators Trent Lott, Don Nickles, Conrad Burns, Robert Bennett, Charles Grassley, Michael Enzi, Bill Frist, John Ashcroft, Dan Coats Tim Hutchinson Ben Campbell Craig Thomas, James Inhofe, Thad Cochran Jeff Sessions, and Strom Thurmond

Mr. MCCAIN. Mr. President, I ask unanimous consent the mandatory quorum under rule XXII be waived.

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

Mr. MCCAIN. For the information of all Senators, this cloture vote will occur on Friday. All Senators will be notified as to the exact time when this becomes available.

I now withdraw the motion.

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

WILLIAM F. GOODLING CHILD NUTRITION REAUTHORIZATION ACT OF 1998—CONFERENCE REPORT

Mr. MCCAIN. Mr. President, I now ask unanimous consent the Senate proceed to the conference report to accompany H.R. 3874, the Child Nutrition Act reauthorization.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will report.

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3874) have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of October 6, 1998.)

Mr. MCCAIN. I ask unanimous consent the conference report be agreed to, the motion to reconsider be laid on the table, and any statements relating to the conference report be printed in the RECORD.

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

The conference report was agreed to.

MINTING OF COINS IN COMMEMORATION OF THOMAS ALVA EDISON

Mr. MCCAIN. I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 678, which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows.

A bill (H.R. 678) to require the Secretary of the Treasury to mint coins in commemoration of THOMAS Alva Edison and the 125th anniversary of Edison's invention of the light, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. LAUTENBERG. Mr. President, I rise in support of H.R. 678, the ''Thomas Edison Commemorative Coin Act'', a bill that directs the Secretary of the Treasury to mint and issue coins commemorating Thomas Edison and the 125th anniversary of the invention of the lightbulb. I am the author of the Senate version of this bill. In 1928, Congress saw fit to award to Mr. Edison a Congressional gold medal ''for the development and application of inventions that have revolutionized civilization in the last century.'' Mr. President, by passing this legislation today, we have the opportunity to once again honor the memory of one of the world's greatest inventors by issuing commemorative coins bearing Mr. Edison's likeness.

Thomas Edison produced more than 1,300 inventions during the course of his lifetime, 1,093 of which were patented. These included the incandescent lightbulb, the alkaline battery, the phonograph, the microphone, motion picture cameras, and stock tickers. He was one of America's greatest inventors, and truly a genius. Formerly known as ''The Wizard of Menlo Park'', he would spend countless hours in his labs in New Jersey coming up with ideas that ultimately made all our lives much easier.

In 1887, Thomas Edison built his lab in West Orange, New Jersey. It was known as the world's first ''invention factory'', where he and his partners invented, built and shipped out numerous products stemming from Edison's work. He saw every failure as a success. One story is that Thomas Edison failed 10,000 times in his storage battery experiments. Instead of being dejected, he said ''Why, I haven't failed. I've just found 10,000 ways that it won't work.'' Conversely, in response to remarks about his success, he would say, ''Genius is 1% inspiration and 99% perspiration.'' It is now proper to honor this man who left such a lasting legacy with these commemorative coins.

Mr. President, not only would these coins honor the memory of Thomas Edison, they would also raise revenue to support organizations that preserve his legacy. The two New Jersey sites,

the ''invention factory'' in West Orange, New Jersey and the Edison Memorial Tower in Edison, New Jersey, are in need of funding for maintenance and repair. Each year, nine thousand young students visit the West Orange site alone to learn about the great inventor. The proceeds from the sale of these coins will help to preserve irreplaceable records containing Edison's thoughts as well as priceless memorabilia. This bill, at no cost to the government, would provide the funds necessary to protect these and six other historical sites so that generations of school children can continue to visit them.

Mr. President, I introduced similar legislation in the 104th Congress as well as at the beginning of this Congress. I now urge the passage of H.R. 678 so that we may honor the memory of Thomas Alva Edison and celebrate the 125th anniversary of the lightbulb while, at no cost to the government, providing needed funds to important historical sites.

I urge my colleagues to support this legislation.

Mr. MCCAIN. I ask unanimous consent the bill be considered read a third time and passed, the motion to reconsider be laid on the table, and any statements relating to the bill be printed in the RECORD.

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

The bill (H.R. 678) was considered read a third time and passed.

UNANIMOUS CONSENT AGREEMENT—CONFERENCE REPORT ACCOMPANYING S. 2206

Mr. MCCAIN. Mr. President, I ask unanimous consent that when the Senate considers the conference report accompanying S. 2206, that the reading be waived and that there be 30 minutes for debate on the conference report with the time equally divided and controlled between Senators JEFFORDS and KENNEDY or their designees, that upon the use or yielding back of time the conference report be adopted, and the motion to reconsider be laid upon the table, without intervening action.

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

OMNIBUS CRIME CONTROL AND SAFE STREETS ACT AMENDMENTS

Mr. MCCAIN. Mr. President, I ask unanimous consent the Senate now proceed to the consideration of Calendar No. 606, S. 2235.

The PRESIDING OFFICER. Without objection, the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2235) a bill to amend part Q of the Omnibus Crime Control and Safe Streets Act of 1968 to encourage the use of school resource officers.

The Senate proceeded to consider the bill.

Mr. MCCAIN. Mr. President, I ask unanimous consent the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

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

The bill (S. 2235) was considered read the third time and passed, as follows:

S. 2235

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

SECTION 1. SCHOOL RESOURCE OFFICERS.

Part Q of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796dd et seq.) is amended—

(1) in section 1701(d)—

(A) by redesignating paragraphs (8) through (10) as paragraphs (9) through (11), respectively; and

(B) by inserting after paragraph (7) the following:

''(8) establish school-based partnerships between local law enforcement agencies and local school systems by using school resource officers who operate in and around elementary and secondary schools to combat school-related crime and disorder problems, gangs, and drug activities;''; and

(2) in section 1709—

(A) by redesignating the first 3 undesignated paragraphs as paragraphs (1) through (3), respectively; and

(B) by adding at the end the following:

''(4) 'school resource officer' means a career law enforcement officer, with sworn authority, deployed in community-oriented policing, and assigned by the employing police department or agency to work in collaboration with schools and community-based organizations—

''(A) to address crime and disorder problems, gangs, and drug activities affecting or occurring in or around an elementary or secondary school;

''(B) to develop or expand crime prevention efforts for students;

''(C) to educate likely school-age victims in crime prevention and safety;

''(D) to develop or expand community justice initiatives for students;

''(E) to train students in conflict resolution, restorative justice, and crime awareness;

''(F) to assist in the identification of physical changes in the environment that may reduce crime in or around the school; and

''(G) to assist in developing school policy that addresses crime and to recommend procedural changes.''.

ALTERNATE DISPUTE RESOLUTION ACT OF 1998

Mr. McCAIN. Mr. President, I ask unanimous consent the Senate now proceed to the consideration of Calendar No. 514, H.R. 3528.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3528) to amend title 28 of the United States Code, with respect to the use of alternative dispute resolution processes in the United States district courts, 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 the Judiciary, 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.

H.R. 3528

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 ''Alternative Dispute Resolution Act of 1998''.

SEC. 2. FINDINGS AND DECLARATION OF POLICY.

Congress finds that—

(1) alternative dispute resolution, when supported by the bench and bar, and utilizing properly trained neutrals in a program adequately administered by the court, has the potential to provide a variety of benefits, including greater satisfaction of the parties, innovative methods of resolving disputes, and greater efficiency in achieving settlements;

(2) certain forms of alternative dispute resolution, including mediation, early neutral evaluation, minitrials, and voluntary arbitration, may have potential to reduce the large backlog of cases now pending in some federal courts throughout the United States, thereby allowing the courts to process their remaining cases more efficiently; and

(3) the continued growth of Federal appellate court-annexed mediation programs suggests that this form of alternative dispute resolution can be equally effective in resolving disputes in the federal trial courts; therefore, the district courts should consider including mediation in their local alternative dispute resolution programs.

[SEC. 2.] SEC. 3. ALTERNATIVE DISPUTE RESOLUTION PROCESSES TO BE AUTHORIZED IN ALL DISTRICT COURTS.

Section 651 of title 28, United States Code, is amended to read as follows:

''§ 651. Authorization of alternative dispute resolution

''(a) DEFINITION.—For purposes of this chapter, an alternative dispute resolution process includes any process or procedure, other than an adjudication by a presiding judge, in which a neutral third party participates to assist in the resolution of issues in controversy, through processes such as early neutral evaluation, mediation, minitrial, and arbitration as provided in sections 654 through 658.

''(b) AUTHORITY.—Each United States district court shall authorize, by local rule adopted under section **[2071(b)]** *2071(a),* the use of alternative dispute resolution processes in all civil actions, including adversary proceedings in bankruptcy, in accordance with this chapter, except that the use of arbitration may be authorized only as provided in section 654. Each United States district court shall devise and implement its own alternative dispute resolution program, by local rule adopted under section **[2071(b)]** *2071(a),* to encourage and promote the use of alternative dispute resolution in its district.

''(c) EXISTING ALTERNATIVE DISPUTE RESOLUTION PROGRAMS.—In those courts where an alternative dispute resolution program is in place on the date of the enactment of the Alternative Dispute Resolution Act of 1998, the court shall examine the effectiveness of that program and adopt such improvements to the program as are consistent with the provisions and purposes of this chapter.

''(d) ADMINISTRATION OF ALTERNATIVE DISPUTE RESOLUTION PROGRAMS.—Each United States district court shall designate an employee, or a judicial officer, who is knowledgeable in alternative dispute resolution practices and processes to implement, administer, oversee, and evaluate the court's

alternative dispute resolution program. Such person may also be responsible for recruiting, screening, and training attorneys to serve as neutrals and arbitrators in the court's alternative dispute resolution program.

''(e) TITLE 9 NOT AFFECTED.—This chapter shall not affect title 9, United States Code.

''(f) PROGRAM SUPPORT.—The Federal Judicial Center and the Administrative Office of the United States Courts are authorized to assist the district courts in the establishment and improvement of alternative dispute resolution programs by identifying particular practices employed in successful programs and providing additional assistance as needed and appropriate.''.

[SEC. 3.] SEC. 4. JURISDICTION.

Section 652 of title 28, United States Code, is amended to read as follows:

''§ 652. Jurisdiction

''(a) CONSIDERATION OF ALTERNATIVE DISPUTE RESOLUTION IN APPROPRIATE CASES.—Notwithstanding any provision of law to the contrary and except as provided in subsections (b) and (c), each district court shall, by local rule adopted under section **[2071(b)]** *2071(a)*, require that litigants in all civil cases consider the use of an alternative dispute resolution process at an appropriate stage in the litigation. Each district court shall provide litigants in all civil cases with at least one alternative dispute resolution process, including, but not limited to, mediation, early neutral evaluation, minitrial, and arbitration as authorized in sections 654 through 658. Any district court that elects to require the use of alternative dispute resolution in certain cases may do so only with respect to mediation, early neutral evaluation, and, if the parties consent, arbitration.

''(b) ACTIONS EXEMPTED FROM CONSIDERATION OF ALTERNATIVE DISPUTE RESOLUTION.—Each district court may exempt from the requirements of this section specific cases or categories of cases in which use of alternative dispute resolution would not be appropriate. In defining these exemptions, each district court shall consult with members of the bar, including the United States Attorney for that district.

''(c) AUTHORITY OF THE ATTORNEY GENERAL.—Nothing in this section shall alter or conflict with the authority of the Attorney General to conduct litigation on behalf of the United States, with the authority of any Federal agency authorized to conduct litigation in the United States courts, or with any delegation of litigation authority by the Attorney General.

''(d) CONFIDENTIALITY PROVISIONS.—Until such time as rules are adopted under chapter 131 of this title providing for the confidentiality of alternative dispute resolution processes under this chapter, each district court shall, by local rule adopted under section 2071(b), provide for the confidentiality of the alternative dispute resolution processes and to prohibit disclosure of confidential dispute resolution communications.''.

[SEC. 4.] SEC. 5. MEDIATORS AND NEUTRAL EVALUATORS.

Section 653 of title 28, United States Code, is amended to read as follows:

''§ 653. Neutrals

''(a) PANEL OF NEUTRALS.—Each district court that authorizes the use of alternative dispute resolution processes shall adopt appropriate processes for making neutrals available for use by the parties for each category of process offered. Each district court shall promulgate its own procedures and criteria for the selection of neutrals on its panels.

''(b) QUALIFICATIONS AND TRAINING.—Each person serving as a neutral in an alternative dispute resolution process should be qualified and trained to serve as a neutral in the appropriate alternative dispute resolution process. For this purpose, the district court may use, among others, magistrate judges who have been trained to serve as neutrals in alternative dispute resolution processes, professional neutrals from the private sector, and persons who have been trained to serve as neutrals in alternative dispute resolution processes. Until such time as rules are adopted under chapter 131 of this title relating to the disqualification of neutrals, each district court shall issue rules under section **[2071(b)]** *2071(a)* relating to the disqualification of neutrals (including, where appropriate, disqualification under section 455 of this title, other applicable law, and professional responsibility standards).''.

SEC. 5. ACTIONS REFERRED TO ARBITRATION.

Section 654 of title 28, United States Code, is amended to read as follows:

''§ 654. Arbitration

''(a) REFERRAL OF ACTIONS TO ARBITRATION.—Notwithstanding any provision of law to the contrary and except as provided in **[subsections (b) and (c)]** *subsections (a), (b), and (c)* of section 652 and subsection (d) of this section, a district court may allow the referral to arbitration of any civil action (including any adversary proceeding in bankruptcy) pending before it *when the parties consent*, except that referral to arbitration may not be made where—

''(1) the action is based on an alleged violation of a right secured by the Constitution of the United States;

''(2) jurisdiction is based in whole or in part on section 1343 of this title; or

''(3) the relief sought consists of money damages in an amount greater than $150,000.

''(b) SAFEGUARDS IN CONSENT CASES.—Until such time as rules are adopted under chapter 131 of this title relating to procedures described in this subsection, the district court shall, by local rule adopted under section **[2071(b)]** *2071(a)*, establish procedures to ensure that any civil action in which arbitration by consent is allowed under subsection (a)—

''(1) consent to arbitration is freely and knowingly obtained; and

''(2) no party or attorney is prejudiced for refusing to participate in arbitration.

''(c) PRESUMPTIONS.—For purposes of subsection (a)(3), a district court may presume damages are not in excess of $150,000 unless counsel certifies that damages exceed such amount.

''(d) EXISTING PROGRAMS.—Nothing in this **[section]** *chapter* is deemed to affect any action in which arbitration is conducted pursuant to section 906 of the Judicial Improvements and Access to Justice Act (Public Law 100–102), as in effect prior to the date of its repeal.''.

[SEC. 6.] SEC. 7. ARBITRATORS.

Section 655 of title 28, United States Code, is amended to read as follows:

''§ 655. Arbitrators

''(a) POWERS OF ARBITRATORS.—An arbitrator to whom an action is referred under section 654 shall have the power, within the judicial district of the district court which referred the action to arbitration—

''(1) to conduct arbitration hearings;

''(2) to administer oaths and affirmations; and

''(3) to make awards.

''(b) STANDARDS FOR CERTIFICATION.—Each district court that authorizes arbitration shall establish standards for the certification of arbitrators and shall certify arbitrators to perform services in accordance with such standards and this chapter. The standards shall include provisions requiring that any arbitrator—

''(1) shall take the oath or affirmation described in section 453; and

''(2) shall be subject to the disqualification rules under section 455.

''(c) IMMUNITY.—All individuals serving as arbitrators in an alternative dispute resolution program under this chapter are performing quasi-judicial functions and are entitled to the immunities and protections that the law accords to persons serving in such capacity.''.

[SEC. 7.] SEC. 8. SUBPOENAS.

Section 656 of title 28, United States Code, is amended to read as follows:

''§ 656. Subpoenas

''Rule 45 of the Federal Rules of Civil Procedure (relating to subpoenas) applies to subpoenas for the attendance of witnesses and the production of documentary evidence at an arbitration hearing under this chapter.''.

[SEC. 8.] SEC. 9. ARBITRATION AWARD AND JUDGMENT.

Section 657 of title 28, United States Code, is amended to read as follows:

''§ 657. Arbitration award and judgment

''(a) FILING AND EFFECT OF ARBITRATION AWARD.—An arbitration award made by an arbitrator under this chapter, along with proof of service of such award on the other party by the prevailing party or by the plaintiff, shall be filed promptly after the arbitration hearing is concluded with the clerk of the district court that referred the case to arbitration. Such award shall be entered as the judgment of the court after the time has expired for requesting a trial de novo. The judgment so entered shall be subject to the same provisions of law and shall have the same force and effect as a judgment of the court in a civil action, except that the judgment shall not be subject to review in any other court by appeal or otherwise.

''(b) SEALING OF ARBITRATION AWARD.—The district court shall provide, by local rule adopted under section **[2071(b)]** *2071(a)*, that the contents of any arbitration award made under this chapter shall not be made known to any judge who might be assigned to the case until the district court has entered final judgment in the action or the action has otherwise terminated.

''(c) TRIAL DE NOVO OF ARBITRATION AWARDS.—

''(1) TIME FOR FILING DEMAND.—Within 30 days after the filing of an arbitration award with a district court under subsection (a), any party may file a written demand for a trial de novo in the district court.

''(2) ACTION RESTORED TO COURT DOCKET.—Upon a demand for a trial de novo, the action shall be restored to the docket of the court and treated for all purposes as if it had not been referred to arbitration.

''(3) EXCLUSION OF EVIDENCE OF ARBITRATION.—The court shall not admit at the trial de novo any evidence that there has been an arbitration proceeding, the nature or amount of any award, or any other matter concerning the conduct of the arbitration proceeding, unless—

''(A) the evidence would otherwise be admissible in the court under the Federal Rules of Evidence; or

''(B) the parties have otherwise stipulated.''.

[SEC. 9.] SEC. 10. COMPENSATION OF ARBITRATORS AND NEUTRALS.

Section 658 of title 28, United States Code, is amended to read as follows:

''§ 658. Compensation of arbitrators and neutrals

''(a) COMPENSATION.—The district court shall, subject to regulations approved by the Judicial Conference of the United States, establish the amount of compensation, if any, that each arbitrator or neutral shall receive

for services rendered in each case under this chapter.

''(b) TRANSPORTATION ALLOWANCES.—Under regulations prescribed by the Director of the Administrative Office of the United States Courts, a district court may reimburse arbitrators for actual transportation expenses necessarily incurred in the performance of duties under this chapter.''.

[SEC. 10.] SEC. 11. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out chapter 44 of title 28, United States Code, as amended by this Act.

[SEC. 11.] SEC. 12. CONFORMING AMENDMENTS.

(a) LIMITATION ON MONEY DAMAGES.—Section 901 of the Judicial Improvements and Access to Justice Act (28 U.S.C. 652 note), is amended by striking subsection (c).

(b) OTHER CONFORMING AMENDMENTS.—(1) The chapter heading for chapter 44 of title 28, United States Code, is amended to read as follows:

''CHAPTER 44—ALTERNATIVE DISPUTE RESOLUTION''.

(2) The table of contents for chapter 44 of title 28, United States Code, is amended to read as follows:

''Sec.
''651. Authorization of alternative dispute resolution.
''652. Jurisdiction.
''653. Neutrals.
''654. Arbitration.
''655. Arbitrators.
''656. Subpoenas.
''657. Arbitration award and judgment.
''658. Compensation of arbitrators and neutrals.''.

(3) The item relating to chapter 44 in the table of chapters for Part III of title 28, United States Code, is amended to read as follows:

''44. Alternative Dispute Resolution ... 651''.

AMENDMENT NO. 3784

(Purpose: To make technical modifications regarding the use of alternative dispute resolution processes in United States district courts, and for other purposes)

Mr. MCCAIN. Mr. President, Senators GRASSLEY and DURBIN have an amendment at the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for Mr. GRASSLEY, for himself, and Mr. DURBIN, proposes an amendment numbered 3784.

The amendment follows:

Page 6, line 17, strike ''2071(b)'' and substitute ''2071(a)''.

Page 8, line 1, strike ''SEC. 5'' and substitute ''SEC. 6''.

Page 9, line 12, strike ''action'' and substitute ''program''.

Page 9, line 13, strike ''section 906'' and substitute ''Title IX''.

Page 9, lines 14 and 15, strike ''100–102'' and substitute ''100–702''.

Page 9, line 15, strike ''as in effect prior to the date of its repeal'' and substitute ''as amended by Section 1 of Public Law 105–53''.

Page 13, line 10, after ''arbitrators'' insert ''and other neutrals''.

Mr. MCCAIN. I ask unanimous consent the amendment be agreed to, the committee amendments be agreed to, the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and any statements appear in the RECORD.

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

The amendment (No. 3784) was agreed to.

The committee amendments were agreed to.

The bill (H.R. 3528) was considered read the third time and passed.

AUTHORIZING THE PRINTING OF THE ''TESTIMONY FROM THE HEARINGS OF THE TASK FORCE ON ECONOMIC SANCTIONS''

Mr. MCCAIN. I ask unanimous consent the Senate proceed to the immediate consideration of S. Res. 289 submitted earlier by Senator MCCONNELL.

The PRESIDING OFFICER. Without objection, the clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 289) authorizing the printing of the ''testimony from the hearings of the task force on economic sanctions.''

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. MCCAIN. I ask unanimous consent the resolution be agreed to and the motion to reconsider be laid upon the table.

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

The resolution (S. Res. 289) was agreed to, as follows:

S. RES. 289

Resolved, that the ''Testimony from the Hearings of the Task Force on Economic Sanctions'', be printed as a Senate document, and that there be printed 300 additional copies of such document for the use of the Task Force on Economic Sanctions at a cost not to exceed $16,311.

AUTHORIZING REPRESENTATION BY SENATE LEGAL COUNSEL

Mr. MCCAIN. I ask unanimous consent the Senate proceed to the immediate consideration of S. Res. 290, submitted earlier by Senators LOTT and DASCHLE.

The PRESIDING OFFICER. Without objection, the clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 290) to authorize representation by Senate Legal Counsel.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. LOTT. Mr. President, this resolution concerns a pro se civil case brought against the CIA and other defendants by a state prisoner. Last month, the plaintiff served a subpoena for documents upon Senator JOHN F. KERRY, apparently because of the Senator's former role as Chairman of the Subcommittee on Terrorism, Narcotics and International Operations of the Foreign Relations Committee. After Senator KERRY objected to the subpoena and advised the plaintiff that the documents he sought were privileged by the Speech or Debate Clause, the plaintiff filed a motion asking the court to compel Senator KERRY to produce the documents. Accordingly, this resolution would authorize the Senate Legal Counsel to represent Senator KERRY in connection with this subpoena and to respond to the motion to compel.

Mr. MCCAIN. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to the resolution appear in the RECORD.

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

The resolution (S. Res. 290) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 290

Whereas, Senator John F. Kerry has received a subpoena for documents in the case of *Tyree* v. *Central Intelligence Agency, et al.*, Case No. 98–CV–11829, now pending in the United States District Court for the District of Massachusetts;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(1), the Senate may direct its counsel to represent Members of the Senate with respect to any subpoena, order, or request for documents relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate may, by the judicial process, be taken from such control or possession but by permission of the Senate: Now, therefore, be it

Resolved, That the Senate Legal Counsel is authorized to represent Senator Kerry in connection with the subpoena served upon him in the case of *Tyree* v. *Central Intelligence Agency, et al.*

AUTHORIZING REPRESENTATION BY SENATE LEGAL COUNSEL

Mr. MCCAIN. I ask unanimous consent the Senate proceed to the immediate consideration of S. Res. 291, submitted earlier by Senators LOTT and DASCHLE.

The PRESIDING OFFICER. Without objection, the clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 291) to authorize representation by Senate Legal Counsel.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. LOTT. Mr. President, this resolution concerns a civil action commenced in the United States District Court for the District of Columbia on September 14, 1998, by the District of Columbia and a group of approximately fifty residents of the District. The action seeks a declaratory judgment that residents of the District of Columbia have a constitutional right to vote in elections

for Members of the Senate and the House of Representatives, and also asks the court to ensure that Congress fashion a remedy for this alleged deprivation of voting rights. The lead defendants are the Secretary of Commerce and the United States, who are being represented by the Department of Justice.

The complaint also names as defendants the Secretary of the Senate, Gary Sisco, and the Sergeant at Arms and Doorkeeper of the Senate, Greg Casey, as well as the Clerk and the Sergeant at Arms of the House of Representatives, because of their roles in paying and certifying the election of Members and in controlling access to the two Chambers.

This resolution authorizes the Senate Legal Counsel to represent the Secretary of the Senate and the Senate Sergeant at Arms in this matter to seek dismissal of the case against them. The Legal Counsel will argue that the Senate officers are not proper defendants in this matter.

Mr. MCCAIN. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to the resolution appear in the RECORD.

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

The resolution (S. Res. 291) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 291

Whereas, the Secretary of the Senate, Gary Sisco, and the Sergeant at Arms and Doorkeeper of the Senate, Gregory S. Casey, have been named as defendants in the case of *Clifford Alexander, et al.* v. *William M. Daley, et al.*, Case No. 1:98CV02187, now pending in the United States District Court for the District of Columbia;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(1), the Senate may direct its counsel to represent officers of the Senate in civil actions with respect to their official responsibilities: Now, therefore, be it

Resolved, That the Senate Legal Counsel is authorized to represent the Secretary of the Senate and the Sergeant at Arms and Doorkeeper of the Senate in the case of *Alexander, et al.* v. *Daley, et al.*

ESTABLISHING A PROGRAM TO SUPPORT A TRANSITION TO DEMOCRACY IN IRAQ

Mr. McCAIN. I ask unanimous consent that the Senate now proceed to the consideration of H.R. 4655, which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 4655) to establish a program to support a transition to democracy in Iraq.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LOTT. Mr. President, I am pleased the Senate is about to act on H.R. 4655, the Iraq Liberation Act of 1998. I introduced companion legislation, S. 2525, last week with 7 co-sponsors. Last Friday, the House International Relations Committee marked up the legislation and made only minor, technical changes. On October 5, the House passed H.R. 4655 by an overwhelmingly bipartisan vote of 360 to 38. That vote, and our vote in several moments, is a strong demonstration of Congressional support for a new policy toward Iraq—a policy that overtly seeks the replacement of Saddam Hussein's regime through military and political support for the Iraq opposition.

The United States has many means at its disposal to support the liberation of Iraq. At the height of the Cold War, we support freedom fighters in Asia, Africa and Latin America willing to fight and die for a democratic future. We can and should do the same now in Iraq.

The Clinton Administration regularly calls for bipartisanship in foreign policy. I support them when I can. Today, we see a clear example of a policy that has the broadest possible bipartisan support. I know the Administration understands the depth of our feeling on this issue. I think they are beginning to understand the strategic argument in favor of moving beyond containment to a policy of ''rollback.'' Containment is not sustainable. Pressure to lift sanctions on Iraq is increasing—despite Iraq's seven years of refusal to comply with the terms of the Gulf War cease-fire. Our interests in the Middle East cannot be protected with Saddam Hussien in power. Our legislation provides a roadmap to achieve our objective.

This year, Congress has already provided $5 million to support the Iraqi political opposition. We provided $5 million to establish Radio Free Iraq. We will provide additional resources for political support in the FY 1999 Foreign Operations Appropriations Act, including $3 million for the Iraqi National Congress.

Enactment of this bill will go farther. It requires the President to designate at least one Iraqi opposition group to receive U.S. military assistance. It defines eligibility criteria such a group or groups must meet. Many of us have ideas on how the designation process should work. I have repeatedly stated that the Iraqi National Congress has been effective in the past and can be effective in the future. They represent the broadest possible base of the opposition. There are other groups that are currently active inside Iraq: the Patriotic Union of Kurdistan, the Kurdish Democratic Party and the Supreme Council for the Islamic Revolution in Iraq. The State Department seems to believe there are more than 70 opposition groups, many of which do not meet the criteria in H.R. 4655. Many barely even exist or have no political base. They should not be considered for support. We should also be very careful about considering designation of groups which do not share our values or which are simply creations of external forces or exile politics, such as the Iraqi Communist Party or the Iraqi National Accord.

I appreciate the work we have been able to do with the Administration on this legislation. But we should be very clear about the designation process. We intend to exercise our oversight responsibility and authority as provided in section 4(d) and section 5(d). I do not think the Members of Congress, notified pursuant to law, will agree to any designation that we believe does not meet the criteria in section 5 of the Iraq Liberation Act of 1998.

This is an important step. Observers should not misunderstand the Senate's action. Even though this legislation will pass without controversy on an unanimous voice vote, it is a major step forward in the final conclusion of the Persian Gulf war. In 1991, we and our allies shed blood to liberate Kuwait. Today, we are empowering Iraqis to liberate their own country.

Mr. HELMS. Mr. President, I am an original co-sponsor of H.R. 4655, the Iraq Liberation Act, for one simple reason: Saddam Hussein is a threat to the United States and a threat to our friends in the Middle East.

This lunatic is bent on building an arsenal of weapons of mass destruction with a demonstrable willingness to use them. For nearly eight years the United States has stood by and allowed the U.N. weapons inspections process to proceed in defanging Saddam. That process is now in the final stages of collapse, warning that the U.S. cannot stand idly by hoping against hope that everything will work itself out.

We have been told by Scott Ritter and others that Saddam can reconstitute his weapons of mass destruction within months. The Washington Post reported only last week that Iraq still has three nuclear ''implosion devices''—in other words, nuclear bombs minus the necessary plutonium or uranium to set them off. The time has come to recognize that Saddam Hussein the man is inextricable from Iraq's drive for weapons of mass destruction. For as long as he and his regime are in power, Iraq will remain a mortal threat.

This bill will begin the long-overdue process of ousting Saddam. It will not send in U.S. troops or commit American forces in any way. Rather, it harkens back to the successes of the Reagan doctrine, enlisting the very people who are suffering most under Saddam's yoke to fight the battle against him.

The bill requires the President to designate an Iraqi opposition group or groups to receive military drawdown assistance. The President need not look far; the Iraqi National Congress once flourished as an umbrella organization for Kurds, Shi'ites and Sunni

Muslims. It should flourish again, but it needs our help.

Mr. President, the people of Iraq, through representative organizations such as the INC, the Patriotic Union of Kurdistan, the Kurdish Democratic Party and the Shi'ite SCIRI, have begged for our help. The day may yet come when we are dragged back to Baghdad; I believe that day can be put off, perhaps even averted, by helping the people of Iraq help themselves.

Opponents of this initiative—I shouldn't call them friends of Saddam—have said that the Iraqi opposition exists in name only, that they are too parochial to come together. They are not entirely wrong—which is why Senator LOTT and Chairman GILMAN (the lead House sponsor) have carefully crafted the designation requirement in H.R. 4655 to insist that only broad-based, pro-democracy groups be selected by the President to receive drawdown assistance. I would go further, and suggest to the President that he designate just one group, the Iraqi National Congress, in which the Kurds, the Shi'ites and the Sunnis of Iraq hold membership. The opposition must be unified, but it may just take the leadership of the United States to bring them together.

Finally, this bill gives the Congress oversight over the designation and drawdown authorities. As Chairman of the Foreign Relations Committee, I intend to exercise vigorously that authority. The White House and the State Department have indicated that they support this bill. We have a unique opportunity, and I intend to do everything in my power to ensure that opportunity is not frittered away. The price of failure is far too high.

Mr. KERREY. Mr. President, I rise to urge the passage of H.R. 4655, the Iraq Liberation Act. Thanks to strong leadership in both Houses of Congress and thanks to the commitment of the Administration toward the goals we all share for Iraq and the region, this legislation is moving quickly. This is the point to state what this legislation is not, and what it is, from my understanding, and why I support it so strongly.

First, this bill is not, in my view, and instrument to direct U.S. funds and supplies to any particular Iraqi revolutionary movement. There are Iraqi movements now in existence which could qualify for designation in accordance with this bill. Other Iraqis not now associated with each other could also band together and qualify for designation. It is for Iraqis, not Americans to organize themselves to put Saddam Hussein out of power, just as it will be for Iraqis to choose their leaders in a democratic Iraq. This bill will help the Administration encourage and support Iraqis to make their revolution.

Second, this bill is not a device to involve the U.S. military in operations in or near Iraq. The Iraqi revolution is for Iraqis, not Americans, to make. The bill provides the Administration a potent new tool to help Iraqis toward this goal, and at the same time advance America's interest in a peaceful and secure Middle East.

This bill, when passed and signed into law, is a clear commitment to a U.S. policy replacing the Saddam Hussein regime and replacing it with a transition to democracy. This bill is a statement that America refuses to coexist with a regime which has used chemical weapons on its own citizens and on neighboring countries, which has invaded its neighbors twice without provocation, which has still not accounted for its atrocities committed in Kuwait, which has fired ballistic missiles into the cities of three of its neighbors, which is attempting to develop nuclear and biological weapons, and which has brutalized and terrorized its own citizens for thirty years. I don't see how any democratic country could accept the existence of such a regime, but this bill says America will not. I will be an even prouder American when the refusal, and commitment to materially help the Iraqi resistance, are U.S. policy.

Mr. MCCAIN. Mr. President, I ask unanimous consent the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill appear at this point in the RECORD.

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

The bill (H.R. 4655) was considered read the third time, and passed.

BOUNTY HUNTER ACCOUNTABILITY AND QUALITY ASSISTANCE ACT OF 1998

Mr. MCCAIN. I ask unanimous consent that the Senate now proceed to consideration of Calendar No. 582, S. 1637.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1637) to expedite State review of criminal records of applicants for bail enforcement officer employment, 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 the Judiciary, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Bounty Hunter Accountability and Quality Assistance Act of 1998''.

SEC. 2. FINDINGS.

Congress finds that—

(1) bounty hunters, also known as bail enforcement officers or recovery agents, provide law enforcement officers and the courts with valuable assistance in recovering fugitives from justice;

(2) regardless of the differences in their duties, skills, and responsibilities, the public has had difficulty in discerning the difference between law enforcement officers and bounty hunters;

(3) the availability of bail as an alternative to the pretrial detention or unsecured release of criminal defendants is important to the effective functioning of the criminal justice system;

(4) the safe and timely return to custody of fugitives who violate bail contracts is an important matter of public safety, as is the return of any other fugitive from justice;

(5) bail bond agents are widely regulated by the States, whereas bounty hunters are largely unregulated;

(6) the public safety requires the employment of qualified, well-trained bounty hunters; and

(7) in the course of their duties, bounty hunters often move in and affect interstate commerce.

SEC. 3. DEFINITIONS.

In this Act—

(1) the term ''bail bond agent'' means any retail seller of a bond to secure the release of a criminal defendant pending judicial proceedings, unless such person also is self-employed to obtain the recovery of any fugitive from justice who has been released on bail;

(2) the term ''bounty hunter''—

(A) means any person whose services are engaged, either as an independent contractor or as an employee of a bounty hunter employer, to obtain the recovery of any fugitive from justice who has been released on bail; and

(B) does not include any—

(i) law enforcement officer acting under color of law;

(ii) attorney, accountant, or other professional licensed under applicable State law;

(iii) employee whose duties are primarily internal audit or credit functions;

(iv) person while engaged in the performance of official duties as a member of the Armed Forces on active duty (as defined in section 101(d)(1) of title 10, United States Code); or

(v) bail bond agent;

(3) the term ''bounty hunter employer''—

(A) means any person that—

(i) employs 1 or more bounty hunters; or

(ii) provides, as an independent contractor, for consideration, the services of 1 or more bounty hunters (which may include the services of that person); and

(B) does not include any bail bond agent; and

(4) the term ''law enforcement officer'' means a public officer or employee authorized under applicable Federal or State law to conduct or engage in the prevention, investigation, prosecution, or adjudication of criminal offenses, including any public officer or employee engaged in corrections, parole, or probation functions, or the recovery of any fugitive from justice.

SEC. 4. MODEL GUIDELINES.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Attorney General shall develop model guidelines for the State control and regulation of persons employed or applying for employment as bounty hunters. In developing such guidelines, the Attorney General shall consult with organizations representing—

(1) State and local law enforcement officers;

(2) State and local prosecutors;

(3) the criminal defense bar;

(4) bail bond agents;

(5) bounty hunters; and

(6) corporate sureties.

(b) RECOMMENDATIONS.—The guidelines developed under subsection (a) shall include recommendations of the Attorney General regarding whether—

(1) a person seeking employment as a bounty hunter should—

(A) be required to submit to a fingerprint-based criminal background check prior to entering into the performance of duties pursuant to employment as a bounty hunter; or

(B) not be allowed to obtain such employment if that person has been convicted of a felony offense under Federal or State law;

(2) bounty hunters and bounty hunter employers should be required to obtain adequate liability insurance for actions taken in the course of performing duties pursuant to employment as a bounty hunter; and

(3) State laws should provide—

(A) for the prohibition on bounty hunters entering any private dwelling, unless the bounty hunter first knocks on the front door and announces the presence of 1 or more bounty hunters; and

(B) the official recognition of bounty hunters from other States.

(c) EFFECT ON BAIL.—The guidelines published under subsection (a) shall include an analysis of the estimated effect, if any, of the adoption of the guidelines by the States on—

(1) the cost and availability of bail; and

(2) the bail bond agent industry.

(d) BYRNE GRANT PREFERENCE FOR CERTAIN STATES.—

(1) IN GENERAL.—Section 505 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3755) is amended by adding at the end the following:

''(e) PREFERENCE FOR CERTAIN STATES.—Notwithstanding any other provision of this part, in making grants to States under this subpart, the Director shall give priority to States that have adopted the model guidelines developed under section 4(a) of the Bounty Hunter Accountability and Quality Assistance Act of 1998.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect 2 years after the date of enactment of this Act.

(e) NO REGULATORY AUTHORITY.—Nothing in this section may be construed to authorize the promulgation of any Federal regulation relating to bounty hunters, bounty hunter employers, or bail bond agents.

(f) PUBLICATION OF GUIDELINES.—The Attorney General shall publish model guidelines developed pursuant to subsection (a) in the Federal Register.

Mr. MCCAIN. I ask unanimous consent that the substitute amendment 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 Committee substitute amendment was agreed to.

The bill (S. 1637), as amended, was considered read the third time, and passed.

UNANIMOUS CONSENT AGREEMENT—H.R. 3694

Mr. MCCAIN. I ask unanimous consent that when the Senate proceeds to the consideration of the conference report to accompany H.R. 3694, the Intelligence authorization bill, that there be 30 minutes for debate divided as follows: 15 minutes for Senator MOYNIHAN, 15 minutes equally divided between the managers. I further ask unanimous consent that following that debate time, the conference report be agreed to, the motion to reconsider be laid upon the table, and any statements relating to the conference report be printed in the RECORD.

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

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. MCCAIN. I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations on the Executive Calendar: No. 816 and No. 817.

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

Mr. MCCAIN. I further ask unanimous consent the nominations 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.

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

The nominations considered and confirmed en bloc are as follows:

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Joy Harjo, of New Mexico, to be a Member of the National Council on the Arts for a term expiring September 3, 2002.

Joan Specter, of Pennsylvania, to be a Member of the National Council on the Arts for a term expiring September 3, 2002.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

THE CALENDAR

Mr. MCCAIN. Mr. President, I ask unanimous consent the Senate now proceed to the consideration of the following bills, en bloc: Calendar No. 578, H.R. 2795; Calendar No. 600, H.R. 1659; Calendar No. 601, H.R. 2000; Calendar No. 612, S. 736; Calendar No. 614, S. 777; Calendar No. 616, S. 1175; Calendar No. 617, S. 1641; Calendar No. 619, S. 2041; Calendar No. 620, S. 2086; Calendar No. 624, S. 2140; Calendar No. 625, S. 2142; Calendar No. 626, S. 2239; Calendar No. 627, S. 2240; Calendar No. 628, S. 2241; Calendar No. 629, S. 2246; Calendar No. 630, S. 2247; Calendar No. 631, S. 2248; Calendar No. 632, S. 2257; Calendar No. 633, S. 2284; Calendar No. 634, S. 2285; Calendar No. 636, S. 2309; Calendar No. 638, S. 2468; Calendar No. 641, H.R. 2411; Calendar No. 643, H.R. 4079; Calendar No. 644, H.R. 4166.

I ask unanimous consent that any committee amendments be agreed to; that the bills be read a third time and passed, as amended, if amended; that the motions to reconsider be laid upon the table; that any amendments to titles be agreed to, as may be necessary; and that any statements relating to the bills appear at the appropriate place in the RECORD, with the above occurring en bloc.

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

IRRIGATION PROJECT CONTRACT EXTENSION ACT OF 1998

The bill (H.R. 2795) to extend contracts between the Bureau of Reclamation and irrigation water contractors in Wyoming and Nebraska that receive water from Glendo Reservoir, was considered, ordered to a third reading, read the third time, and passed.

MOUNT ST. HELENS NATIONAL VOLCANIC MONUMENT COMPLETION ACT

The bill (H.R. 1659) to provide for the expeditious completion of the acquisition of private mineral interests within the Mount St. Helens National Volcanic Monument mandated by the 1982 Act that established the Monument and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

ANCSA LAND BANK PROTECTION ACT OF 1998

The bill (H.R. 2000) to amend the Alaska Native Claims Settlement Act to make certain clarifications to the land bank protection provisions, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

CARLSBAD IRRIGATION PROJECT ACQUIRED LAND TRANSFER ACT

The Senate proceeded to consider the bill (S. 736) to convey certain real property within the Carlsbad Project in New Mexico to the Carlsbad Irrigation District, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

S. 736

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 ''Carlsbad Irrigation Project Acquired Land Transfer Act''.

SEC. 2. CONVEYANCE.

(a) LANDS AND FACILITIES.—

(1) IN GENERAL.—Except as provided in paragraph (2), and subject to subsection (c), the Secretary of the Interior (in this Act referred to as the ''Secretary'') may convey to the Carlsbad Irrigation District (a quasi-municipal corporation formed under the laws of the State of New Mexico and in this Act referred to as the ''District''), all right, title, and interest of the United States in and to the lands described in subsection (b) (in this Act referred to as the ''acquired lands'') and all interests the United States holds in the irrigation and drainage system of the Carlsbad Project and all related lands including ditch rider houses, maintenance shop and buildings, and Pecos River Flume.

(2) LIMITATION.—

(A) RETAINED SURFACE RIGHTS.—The Secretary shall retain title to the surface estate (but not the mineral estate) of such acquired lands which are located under the footprint of Brantley and Avalon dams or any other project dam or reservoir division structure.

(B) STORAGE AND FLOW EASEMENT.—The Secretary shall retain storage and flow easements for any tracts located under the maximum spillway elevations of Avalon and Brantley Reservoirs.

(b) ACQUIRED LANDS DESCRIBED.—The lands referred to in subsection (a) are those lands (including the surface and mineral estate) in Eddy

County, New Mexico, described as the acquired lands and in section (7) of the ''Status of Lands and Title Report: Carlsbad Project'' as reported by the Bureau of Reclamation in 1978.

(c) TERMS AND CONDITIONS OF CONVEYANCE.—Any conveyance of the acquired lands under this Act shall be subject to the following terms and conditions:

(1) MANAGEMENT AND USE, GENERALLY.—The conveyed lands shall continue to be managed and used by the District for the purposes for which the Carlsbad Project was authorized, based on historic operations and consistent with the management of other adjacent project lands.

(2) ASSUMED RIGHTS AND OBLIGATIONS.—Except as provided in paragraph (3), the District shall assume all rights and obligations of the United States under—

(A) the agreement dated July 28, 1994, between the United States and the Director, New Mexico Department of Game and Fish (Document No. 2–LM–40–00640), relating to management of certain lands near Brantley Reservoir for fish and wildlife purposes; and

(B) the agreement dated March 9, 1977, between the United States and the New Mexico Department of Energy, Minerals, and Natural Resources (Contract No. 7–07–57–X0888) for the management and operation of Brantley Lake State Park.

(3) EXCEPTIONS.—In relation to agreements referred to in paragraph (2)—

(A) the District shall not be obligated for any financial support agreed to by the Secretary, or the Secretary's designee, in either agreement; and

(B) the District shall not be entitled to any receipts for revenues generated as a result of either agreement.

(d) COMPLETION OF CONVEYANCE.—If the Secretary does not complete the conveyance within 180 days from the date of enactment of this Act, the Secretary shall submit a report to the Congress within 30 days after that period that includes a detailed explanation of problems that have been encountered in completing the conveyance, and specific steps that the Secretary has taken or will take to complete the conveyance.

SEC. 3. LEASE MANAGEMENT AND PAST REVENUES COLLECTED FROM THE ACQUIRED LANDS.

(a) IDENTIFICATION AND NOTIFICATION OF LEASEHOLDERS.—Within 120 days after the date of enactment of this Act, the Secretary of the Interior shall—

(1) provide to the District a written identification of all mineral and grazing leases in effect on the acquired lands on the date of enactment of this Act; and

(2) notify all leaseholders of the conveyance authorized by this Act.

(b) MANAGEMENT OF MINERAL AND GRAZING LEASES, LICENSES, AND PERMITS.—The District shall assume all rights and obligations of the United States for all mineral and grazing leases, licenses, and permits existing on the acquired lands conveyed under section 2, and shall be entitled to any receipts from such leases, licenses, and permits accruing after the date of conveyance. All such receipts shall be used for purposes for which the Project was authorized and for financing the portion of operations, maintenance, and replacement of the Summer Dam which, prior to conveyance, was the responsibility of the Bureau of Reclamation, with the exception of major maintenance programs in progress prior to conveyance which shall be funded through the cost share formulas in place at the time of conveyance. The District shall continue to adhere to the current Bureau of Reclamation mineral leasing stipulations for the Carlsbad Project.

(c) AVAILABILITY OF AMOUNTS PAID INTO RECLAMATION FUND.—

(1) EXISTING RECEIPTS.—Receipts in the reclamation fund on the date of enactment of this Act which exist as construction credits to the Carlsbad Project under the terms of the Mineral Leasing Act for Acquired Lands (30 U.S.C. 351–359) shall be deposited in the General Treasury and credited to deficit reduction or retirement of the Federal debt.

(2) RECEIPTS AFTER ENACTMENT.—Of the receipts from mineral and grazing leases, licenses, and permits on acquired lands to be conveyed under section 2, that are received by the United States after the date of enactment and before the date of conveyance—

(A) not to exceed $200,000 shall be available to the Secretary for the actual costs of implementing this Act with any additional costs shared equally between the Secretary and the District; and

(B) the remainder shall be deposited into the General Treasury of the United States and credited to deficit reduction or retirement of the Federal debt.

SEC. 4. VOLUNTARY WATER CONSERVATION PRACTICES.

Nothing in this Act shall be construed to limit the ability of the District to voluntarily implement water conservation practices.

SEC. 5. LIABILITY.

Effective on the date of conveyance of any lands and facilities authorized by this Act, the United States shall not be held liable by any court for damages of any kind arising out of any act, omission, or occurrence relating to the conveyed property, except for damages caused by acts of negligence committed by the United States or by its employees, agents, or contractors, prior to conveyance. Nothing in this section shall be considered to increase the liability of the United States beyond that provided under chapter 171 of title 28, United States Code, popularly known as the Federal Tort Claims Act.

SEC. 6. FUTURE BENEFITS.

Effective upon transfer, the lands and facilities transferred pursuant to this Act shall not be entitled to receive any further Reclamation benefits pursuant to the Reclamation Act of June 17, 1902, and Acts supplementary thereof or amendatory thereto attributable to their status as part of a Reclamation Project.

The committee amendment was agreed to.

The bill (S. 736), as amended, was considered read the third time and passed.

Mr. DOMENICI. Mr. President, I am very pleased that the Senate has passed S. 736—the Carlsbad Irrigation Project Acquired Land Transfer Act. I, along with Congressman SKEEN, have been working to convey tracts of land—paid for by Carlsbad Irrigation District and referred to as ''acquired lands''—back to the district, during the past several congresses.

I introduced this bill in May of 1997 in order to transfer lands back to the rightful owners. This legislation will not affect operations at the New Mexico State park at Brantley Dam, or the operations and ownership of the dam itself. Furthermore, the bill will not affect recreation activities in the area.

This legislation is specific to the Carlsbad project in New Mexico, and directs the Carlsbad Irrigation District to continue to manage the lands as they have been in the past, for the purposes for which the project was constructed. I believe this is a fair and equitable bill that has been developed over years of negotiations. The Carlsbad Irrigation District has had operations and maintenance responsibilities for the past 66 years. It met all the repayment obligations to the Government in 1991, and it's about time we let CID have what is rightfully theirs.

This legislation accomplishes three things: Conveys title of acquired lands and facilities to Carlsbad Irrigation District; allows the District to assume management of leases and the benefits of the receipts from these acquired lands; and sets a 180-day deadline for the transfer, establishing a 50–50 cost-sharing standard for carrying out the transfer.

The Carlsbad Irrigation Project is a single-purpose project created in 1905 by the Bureau of Reclamation, acquiring all facilities, lands and water rights of the privately-owned Pecos Irrigation Company. The CID has had operations and maintenance responsibilities for the irrigation and drainage system since 1932.

During the 104th Congress, the Carlsbad Irrigation District presented testimony before the Committee on Energy and Natural Resources on one occasion, and before the House Committee on Resources on two occasions. Additionally, the administration expressed on several occasions before these two committees that they want to move forward with acquired land transfers where they make sense. The Commissioner of the Bureau of Reclamation, Eluid Martinez, has informed the district and me that he believes that the Carlsbad project is one of several projects where the Bureau would like to pursue transfer opportunities. It is about time that we pass this legislation to provide the Bureau with the ability to accomplish their stated goal in a fair and equitable manner.

This transfer shifts responsibility from the Federal Government back to a local entity, and creates opportunity for the district to improve and enhance the management of these lands. After a long wait, we have gotten administration support for this transfer in language substituted by the Senate Energy Committee, and have gained support from the Democratic side of the aisle. I hope that the House of Representatives will act quickly on this legislation so that the Carlsbad Irrigation District will promptly begin getting the benefits for that which they have paid.

LEWIS AND CLARK RURAL WATER SYSTEM ACT OF 1998

The Senate proceeded to consider the bill (S. 777) to authorize the construction of the Lewis and Clark Water System and to authorize assistance to Lewis and Clark Rural Water System, Inc., a nonprofit corporation, for the planning and construction of the water supply system, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, 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. 777

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 ''Lewis and Clark Rural Water System Act of 1997''.

SEC. 2. DEFINITIONS.

In this Act:

(1) ENVIRONMENTAL ENHANCEMENT.—The term ''environmental enhancement'' means the wetland and wildlife enhancement activities that are carried out substantially in accordance with the environmental enhancement component of the feasibility study.

(2) ENVIRONMENTAL ENHANCEMENT COMPONENT.—The term ''environmental enhancement component'' means the component described in the report entitled ''Wetlands and Wildlife Enhancement for the Lewis and Clark Rural Water System'', dated April 1991, that is included in the feasibility study.

(3) FEASIBILITY STUDY.—The term ''feasibility study'' means the study entitled ''Feasibility Level Evaluation of a Missouri River Regional Water Supply for South Dakota, Iowa and Minnesota'', dated September 1993, that includes a water conservation plan, environmental report, and environmental enhancement component.

(4) MEMBER ENTITY.—The term ''member entity'' means a rural water system or municipality that signed a Letter of Commitment to participate in the water supply system.

(5) PROJECT CONSTRUCTION BUDGET.—The term ''project construction budget'' means the description of the total amount of funds needed for the construction of the water supply system, as contained in the feasibility study.

(6) PUMPING AND INCIDENTAL OPERATIONAL REQUIREMENTS.—The term ''pumping and incidental operational requirements'' means all power requirements that are incidental to the operation of intake facilities, pumping stations, water treatment facilities, reservoirs, and pipelines up to the point of delivery of water by the water supply system to each member entity that distributes water at retail to individual users.

[(7) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.]

(7) SYSTEM FUNDING AGENCIES.—The term ''System Funding Agencies'' means the Environmental Protection Agency and the Department of Agriculture.

(8) WATER SUPPLY SYSTEM.—The term ''water supply system'' means the Lewis and Clark Rural Water System, Inc., a nonprofit corporation established and operated substantially in accordance with the feasibility study.

SEC. 3. FEDERAL ASSISTANCE FOR THE WATER SUPPLY SYSTEM.

(a) IN GENERAL.—The [Secretary] *System Funding Agencies* shall make grants to the water supply system for the planning and construction of the water supply system.

(b) SERVICE AREA.—The water supply system shall provide for safe and adequate municipal, rural, and industrial water supplies, environmental enhancement, mitigation of wetland areas, and water conservation in—

(1) Lake County, McCook County, Minnehaha County, Turner County, Lincoln County, Clay County, and Union County, in southeastern South Dakota;

(2) Rock County and Nobles County, in southwestern Minnesota; and

(3) Lyon County, Sioux County, Osceola County, O'Brien County, Dickinson County, and Clay County, in northwestern Iowa.

(c) AMOUNT OF GRANTS.—Grants made available under subsection (a) to the water supply system shall not exceed the amount of funds authorized under section 10.

(d) LIMITATION ON AVAILABILITY OF CONSTRUCTION FUNDS.—The [Secretary] *System Funding Agencies* shall not obligate funds for the construction of the water supply system until—

(1) the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) are met;

(2) a final engineering report is prepared and submitted to Congress not less than 90 days before the commencement of construction of the water supply system; and

(3) a water conservation program is developed and implemented.

SEC. 4. FEDERAL ASSISTANCE FOR THE ENVIRONMENTAL ENHANCEMENT COMPONENT.

(a) INITIAL DEVELOPMENT.—The [Secretary] *System Funding Agencies* shall make grants and other funds available to the water supply system and other private, State, and Federal entities, for the initial development of the environmental enhancement component.

(b) NONREIMBURSEMENT.—Funds provided under subsection (a) shall be nonreimbursable and nonreturnable.

SEC. 5. WATER CONSERVATION PROGRAM.

(a) IN GENERAL.—The water supply system shall establish a water conservation program that ensures that users of water from the water supply system use the best practicable technology and management techniques to conserve water use.

(b) REQUIREMENTS.—The water conservation programs shall include—

(1) low consumption performance standards for all newly installed plumbing fixtures;

(2) leak detection and repair programs;

(3) rate schedules that do not include declining block rate schedules for municipal households and special water users (as defined in the feasibility study);

(4) public education programs and technical assistance to member entities; and

(5) coordinated operation among each rural water system, and each water supply facility in existence on the date of enactment of this Act, in the service area of the system.

(c) REVIEW AND REVISION.—The programs described in subsection (b) shall contain provisions for periodic review and revision, in cooperation with the [Secretary.] *Secretary of the Interior.*

SEC. 6. MITIGATION OF FISH AND WILDLIFE LOSSES.

Mitigation for fish and wildlife losses incurred as a result of the construction and operation of the water supply system shall be on an acre-for-acre basis, based on ecological equivalency, concurrent with project construction, as provided in the feasibility study.

SEC. 7. USE OF PICK–SLOAN POWER.

(a) IN GENERAL.—From power designated for future irrigation and drainage pumping for the Pick-Sloan Missouri Basin program, the Western Area Power Administration shall make available the capacity and energy required to meet the pumping and incidental operational requirements of the water supply system during the period beginning on May 1 and ending on October 31 of each year.

(b) CONDITIONS.—The capacity and energy described in subsection (a) shall be made available on the following conditions:

(1) The water supply system shall be operated on a not-for-profit basis.

(2) The water supply system shall contract to purchase the entire electric service requirements of the system, including the capacity and energy made available under subsection (a), from a qualified preference power supplier that itself purchases power from the Western Area Power Administration.

(3) The rate schedule applicable to the capacity and energy made available under subsection (a) shall be the firm power rate schedule of the Pick-Sloan Eastern Division of the Western Area Power Administration in effect when the power is delivered by the Administration.

(4) It is agreed by contract among—

(A) the Western Area Power Administration;

(B) the power supplier with which the water supply system contracts under paragraph (2);

(C) the power supplier of the entity described in subparagraph (B); and

(D) the water supply system;

that in the case of the capacity and energy made available under subsection (a), the benefit of the rate schedule described in paragraph (3) shall be passed through to the water supply system, except that the power supplier of the water supply system shall not be precluded from including, in the charges of the supplier to the water system for the electric service, the other usual and customary charges of the supplier.

SEC. 8. NO LIMITATION ON WATER PROJECTS IN STATES.

This Act does not limit the authorization for water projects in the States of South Dakota, Iowa, and Minnesota under law in effect on or after the date of enactment of this Act.

SEC. 9. WATER RIGHTS.

Nothing in this Act—

(1) invalidates or preempts State water law or an interstate compact governing water;

(2) alters the rights of any State to any appropriated share of the waters of any body of surface or ground water, whether determined by past or future interstate compacts or by past or future legislative or final judicial allocations;

(3) preempts or modifies any Federal or State law, or interstate compact, governing water quality or disposal; or

(4) confers on any non-Federal entity the ability to exercise any Federal right to the waters of any stream or to any ground water resource.

SEC. 10. COST SHARING.

(a) FEDERAL COST SHARE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the [Secretary] *System Funding Agencies* shall provide funds equal to 80 percent of—

(A) the amount allocated in the total project construction budget for planning and construction of the water supply system under section 3;

(B) such amounts as are necessary to defray increases in the budget for planning and construction of the water supply system under section 3; and

(C) such amounts as are necessary to defray increases in development costs reflected in appropriate engineering cost indices after September 1, 1993.

(2) SIOUX FALLS.—The [Secretary] *System Funding Agencies* shall provide funds for the city of Sioux Falls, South Dakota, in an amount equal to 50 percent of the incremental cost to the city of participation in the project.

(b) NON-FEDERAL COST SHARE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the non-Federal share of the costs allocated to the water supply system shall be 20 percent of the amounts described in subsection (a)(1).

(2) SIOUX FALLS.—The non-Federal cost-share for the city of Sioux Falls, South Dakota, shall be 50 percent of the incremental cost to the city of participation in the project.

SEC. 11. BUREAU OF RECLAMATION.

(a) AUTHORIZATION.—The Secretary *of the Interior* may allow the Director of the Bureau of Reclamation to provide project construction oversight to the water supply system

and environmental enhancement component for the service area of the water supply system described in section 3(b).

(b) PROJECT OVERSIGHT ADMINISTRATION.—The amount of funds used by the Director of the Bureau of Reclamation for [planning and construction] *oversight and other technical assistance* of the water supply system shall not exceed the amount that is equal to 1 percent of the amount provided in the total project construction budget for the entire project construction period.

SEC. 12. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this Act $226,320,000, of which not less than $8,487,000 shall be used for the initial development of the environmental enhancement component under section 4, to remain available until expended.

The committee amendments were agreed to.

The bill (S. 777), as amended, was considered read the third time and passed, as follows:

[The bill was not available for printing. It will appear in a future issue of the RECORD.]

DELAWARE WATER GAP NATIONAL RECREATION AREA CITIZEN ADVISORY COMMISSION

The bill (S. 1175) to reauthorize the Delaware Water Gap National Recreation Area Citizen Advisory Commission for 10 additional years, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1175

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

SECTION 1. REAUTHORIZATION OF THE DELAWARE WATER GAP NATIONAL RECREATION AREA CITIZEN ADVISORY COMMISSION.

Section 5 of Public Law 101–573 (16 U.S.C. 460o note) is amended by striking ''10'' and inserting ''20''.

WOMEN'S RIGHTS NATIONAL HISTORIC TRAIL ACT OF 1998

The Senate proceeded to consider the bill (S. 1641) to direct the Secretary of the Interior to study alternatives for establishing a national historic trail to commemorate and interpret the history of women's rights in the United States, which had been reported from the Committee on Energy and Natural Resources with an amendment, as follows:

(The part of the bill intended to be stricken is shown in boldface brackets.)

S. 1641

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 ''Women's Rights National Historic Trail Act of 1998''.

SEC. 2. STUDY OF ALTERNATIVES FOR NATIONAL HISTORIC TRAIL TO COMMEMORATE AND INTERPRET HISTORY OF WOMEN'S RIGHTS IN THE UNITED STATES.

(a) IN GENERAL.—The Secretary of the Interior, acting through the Director of the National Park Service (referred to in this section as the ''Secretary''), shall conduct a study of alternatives for [establishing a national historic trail] commemorating and interpreting the history of women's rights in the United States.

(b) MATTERS TO BE CONSIDERED.—The study under subsection (a) shall include—

(1) consideration of the establishment of a new unit of the National Park System;

(2) consideration of the establishment of various appropriate designations for routes and sites relating to the history of women's rights in the United States, and alternative means to link those sites, including a corridor between Buffalo, New York, and Boston, Massachusetts;

(3) recommendations for cooperative arrangements with State and local governments, local historical organizations, and other entities; and

(4) cost estimates for the alternatives.

(c) STUDY PROCESS.—The Secretary shall—

(1) conduct the study with public involvement and in consultation with State and local officials, scholarly and other interested organizations, and individuals;

(2) complete the study as expeditiously as practicable after the date on which funds are made available for the study; and

(3) on completion of the study, submit to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report on the findings and recommendations of the study.

The committee amendment was agreed to.

The bill (S. 1641), as amended, was considered read the third time and passed, as follows:

S. 1641

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 ''Women's Rights National Historic Trail Act of 1998''.

SEC. 2. STUDY OF ALTERNATIVES FOR NATIONAL HISTORIC TRAIL TO COMMEMORATE AND INTERPRET HISTORY OF WOMEN'S RIGHTS IN THE UNITED STATES.

(a) IN GENERAL.—The Secretary of the Interior, acting through the Director of the National Park Service (referred to in this section as the ''Secretary''), shall conduct a study of alternatives for commemorating and interpreting the history of women's rights in the United States.

(b) MATTERS TO BE CONSIDERED.—The study under subsection (a) shall include—

(1) consideration of the establishment of a new unit of the National Park System;

(2) consideration of the establishment of various appropriate designations for routes and sites relating to the history of women's rights in the United States, and alternative means to link those sites, including a corridor between Buffalo, New York, and Boston, Massachusetts;

(3) recommendations for cooperative arrangements with State and local governments, local historical organizations, and other entities; and

(4) cost estimates for the alternatives.

(c) STUDY PROCESS.—The Secretary shall—

(1) conduct the study with public involvement and in consultation with State and local officials, scholarly and other interested organizations, and individuals;

(2) complete the study as expeditiously as practicable after the date on which funds are made available for the study; and

(3) on completion of the study, submit to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report on the findings and recommendations of the study.

WILLOW LAKE NATURAL TREATMENT SYSTEM PROJECT

The bill (S. 2041) to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Willow Lake Natural Treatment System Project for the reclamation and reuse of water, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2041

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

SECTION 1. WILLOW LAKE NATURAL TREATMENT SYSTEM PROJECT.

(a) IN GENERAL.—The Reclamation Wastewater and Groundwater Study and Facilities Act (43 U.S.C. 390h et seq.) is amended—

(1) by redesignating sections 1631, 1632, and 1633 as sections 1632, 1633, and 1634, respectively; and

(2) by inserting after section 1630 the following new section 1631:

''SEC. 1631. WILLOW LAKE NATURAL TREATMENT SYSTEM PROJECT.

''(a) AUTHORIZATION.—The Secretary, in cooperation with the City of Salem, Oregon, is authorized to participate in the design, planning, and construction of the Willow Lake Natural Treatment System Project to reclaim and reuse wastewater within and without the service area of the City of Salem.

''(b) COST SHARE.—The Federal share of the cost of a project described in subsection (a) shall not exceed 25 percent of the total cost.

''(c) LIMITATION.—The Secretary shall not provide funds for the operation and maintenance of a project described in subsection (a).''.

(b) CONFORMING AMENDMENTS.—That Act is further amended—

(1) in section 1632 (43 U.S.C. 390h–13) (as redesignated by subsection (a)(1)), by striking ''section 1630'' and inserting ''section 1631'';

(2) in section 1633(c) (43 U.S.C. 390h–14) (as so redesignated), by striking ''section 1633'' and inserting ''section 1634''; and

(3) in section 1634 (43 U.S.C. 390h–15) (as so redesignated), by striking ''section 1632'' and inserting ''section 1633''.

(c) CLERICAL AMENDMENT.—The table of contents in section 2 of the Reclamation Projects Authorization and Adjustment Act of 1992 is amended by striking the items relating to sections 1631 through 1633 and inserting the following:

''Sec. 1631. Willow Lake Natural Treatment System Project.
''Sec. 1632. Authorization of appropriations.
''Sec. 1633. Groundwater study.
''Sec. 1634. Authorization of appropriations.''.

GEORGE WASHINGTON BIRTHPLACE NATIONAL MONUMENT

The Senate proceeded to consider the bill (S. 2086) to revise the boundaries of the George Washington Birthplace National Monument, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting

clause and inserting in lieu thereof the following:

SECTION 1. ADDITION TO NATIONAL MONUMENT.

(a) ADDITION.—The boundaries of the George Washington Birthplace National Monument are modified to include the property generally know as George Washington's Boyhood Home, Ferry Farm, located in Stafford County, Virginia, across the Rappahannock River from Fredericksburg, Virginia, comprising approximately 8 acres. The boundary modification is generally depicted on the map entitled ''George Washington Birthplace National Monument Boundary Map'', numbered 322/80, 020 and dated April 1998. The Secretary of the Interior shall keep the map on file and available for public inspection in appropriate offices of the National Park Service.

(b) ACQUISITION OF EASEMENT.—After the enactment of this Act, the Secretary of the Interior may acquire a conservation easement for the property described in subsection (a) to ensure the preservation of this important cultural and natural resources associated with Ferry Farm.

SEC. 2. RESOURCE STUDY.

(a) IN GENERAL.—Not later than 18 months after the date on which funds are made available to carry out this section, the Secretary of the Interior shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives a resource study of the property described in section 1(a).

(b) CONTENTS.—The study under subsection (a) shall—

(1) identify the full range of resources and historic themes associated with Ferry Farm, including those associated with George Washington's tenure at the property described in section 1(a) and those associated with the Civil War period;

(2) identify alternatives for further National Park Service involvement at the property described in section 1(a) beyond those that may be provided for in the acquisition authorized under section 1(b); and

(3) include cost estimates for any necessary acquisition, development, interpretation, operation, and maintenance associated with the alternatives identified.

SEC. 3. AGREEMENTS.

Upon completion of the resource study under section 2, the Secretary of the Interior may enter into agreements with the owner of the property described in section 1(a) or other entities for the purpose of providing programs, services, facilities, or technical assistance that further the preservation and public use of the property.

The committee amendment was agreed to.

The bill (S. 2086), as amended, was considered read the third time and passed.

DENVER WATER REUSE PROJECT

The bill (S. 2140) to amend the Reclamation Projects Authorization and Adjustment Act of 1992 to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Denver Water Reuse project, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2140

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

SECTION 1. DENVER WATER REUSE PROJECT.

(a) IN GENERAL.—The Reclamation Projects Authorization and Adjustment Act of 1992 (43 U.S.C. 390h et seq.) is amended—

(1) by redesignating sections 1631, 1632, and 1633 (42 U.S.C. 390h–13, 390h–14, 390h–15) as sections 1632, 1633, and 1634, respectively; and

(2) by inserting after section 1630 (43 U.S.C. 390h–12p) the following:

''SEC. 1631. DENVER WATER REUSE PROJECT.

''(a) AUTHORIZATION.—The Secretary, in cooperation with the appropriate State and local authorities, may participate in the design, planning, and construction of the Denver Water Reuse project to reclaim and reuse water in the service area of the Denver Water Department of the city and county of Denver, Colorado.

''(b) COST SHARE.—The Federal share of the cost of the project described in subsection (a) shall not exceed 25 percent of the total cost.

''(c) LIMITATION.—The Secretary shall not provide funds for the operation or maintenance of the project described in subsection (a).''.

(b) CONFORMING AMENDMENTS.—

(1) The table of contents in section 2 of the Reclamation Projects Authorization and Adjustment Act of 1992 (43 U.S.C. prec. 371) is amended—

(A) by redesignating the items relating to sections 1631, 1632, and 1633 as items relating to sections 1632, 1633, and 1634, respectively, and

(B) by inserting after the item relating to section 1630 the following:

''Sec. 1631. Denver Water Reuse Project.''.

(2) Section 1632(a) of the Reclamation Projects Authorization and Adjustment Act of 1992 (as redesignated by subsection (a)(1)) is amended by striking ''1630'' and inserting ''1631''.

(3) Section 1633(c) of the Reclamation Projects Authorization and Adjustment Act of 1992 (as redesignated by subsection (a)(1)) is amended by striking ''section 1633'' and inserting ''section 1634''.

(4) Section 1634 of the Reclamation Projects Authorization and Adjustment Act of 1992 (as redesignated by subsection (a)(1)) is amended by striking ''section 1632'' and inserting ''section 1633''.

PINE RIVER PROJECT CONVEYANCE ACT

The Senate proceeded to consider the bill (S. 2142) to authorize the Secretary of the Interior to convey the facilities of the Pine River Project, to allow jurisdictional transfer of lands between the Department of Agriculture, Forest Service, and the Department of the Interior, Bureau of Reclamation, and the Bureau of Indian Affairs, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Pine River Project Conveyance Act''.

SEC. 2. DEFINITIONS.

For purposes of this Act:

(1) The term ''Jurisdictional Map'' means the map entitled ''Transfer of Jurisdiction—Vallecito Reservoir, United States Department of Agriculture, Forest Service and United States Department of the Interior, Bureau of Reclamation and the Bureau of Indian Affairs'' dated March, 1998.

(2) The term ''Pine River Project'' or the ''Project'' means Vallecito Dam and Reservoir owned by the United States and authorized in 1937 under the provisions of the Department of the Interior Appropriation Act of June 25, 1910, 36 Stat. 835; facilities appurtenant to the Dam and Reservoir, including equipment, buildings, and other improvements; lands adjacent to the Dam and Reservoir; easements and rights-of-way necessary for access and all required connections with the Dam and Reservoir, including those for necessary roads; and associated personal property, including contract rights and any and all ownership or property interest in water or water rights.

(3) The term ''Repayment Contract'' means Repayment Contract #I1r–1204, between Reclamation and the Pine River Irrigation District, dated April 15, 1940, and amended November 30, 1953, and all amendments and additions thereto, including the Act of July 27, 1954 (68 Stat. 534), covering the Pine River Project and certain lands acquired in support of the Vallecito Dam and Reservoir pursuant to which the Pine River Irrigation District has assumed operation and maintenance responsibilities for the dam, reservoir, and water-based recreation in accordance with existing law.

(4) The term ''Reclamation'' means the Department of the Interior, Bureau of Reclamation.

(5) The term ''Secretary'' means the Secretary of the Interior.

(6) The term ''Southern Ute Indian Tribe'' or ''Tribe'' means a federally recognized Indian tribe, located on the Southern Ute Indian Reservation, La Plata County, Colorado.

(7) The term ''Pine River Irrigation District'' or ''District'' means a political division of the State of Colorado duly organized, existing, and acting pursuant to the laws thereof with its principal place of business in the City of Bayfield, La Plata County, Colorado and having an undivided 5/6 right and interest in the use of the water made available by Vallecito Reservoir for the purpose of supplying the lands of the District, pursuant to the Repayment Contract, and the decree in Case No. 1848–B, District Court, Water Division 7, State of Colorado, as well as an undivided 5/6 right and interest in the Pine River Project.

SEC. 3. TRANSFER OF THE PINE RIVER PROJECT.

(a) CONVEYANCE.—The Secretary is authorized to convey, without consideration or compensation to the District, by quitclaim deed or patent, pursuant to section 6, the United States undivided 5/6 right and interest in the Pine River Project under the jurisdiction of Reclamation for the benefit of the Pine River Irrigation District. No partition of the undivided 5/6 right and interest in the Pine River Project shall be permitted from the undivided 1/6 right and interest in the Pine River Project described in subsection 3(b) and any quit claim deed or patent evidencing a transfer shall expressly prohibit partitioning. Effective on the date of the conveyance, all obligations between the District and the Bureau of Indian Affairs on the one hand and Reclamation on the other hand, under the Repayment Contract or with respect to the Pine River Project are extinguished. Upon completion of the title transfer, said Repayment Contract shall become null and void. The District shall be responsible for paying 50 percent of all costs associated with the title transfer.

(b) BUREAU OF INDIAN AFFAIRS INTEREST.—At the option of the Tribe, the Secretary is authorized to convey to the Tribe the Bureau of Indian Affairs' undivided 1/6 right and interest in the Pine River Project and the water supply made available by Vallecito Reservoir pursuant to the Memorandum of Understanding between the Bureau of Reclamation and the Office of Indian Affairs dated January 3, 1940, together with its Amendment dated July 9, 1964 ('MOU'), the Repayment Contract and decrees in Case Nos. 1848–B and W–1603–76D, District Court, Water Division 7, State of Colorado. In the event of such conveyance, no consideration or compensation shall be required to be paid to the United States.

(c) FEDERAL DAM USE CHARGE.—Nothing in this Act shall relieve the holder of the license

issued by the Federal Energy Regulatory Commission under the Federal Power Act for Vallecito Dam in effect on the date of enactment of this Act from the obligation to make payments under section 10(e)(2) of the Federal Power Act during the remaining term of the present license. At the expiration of the present license term, the Federal Energy Regulatory Commission shall adjust the charge to reflect either (1) the 1/6 interest of the United States remaining in the Vallecito Dam after conveyance to the District; or (2) if the remaining 1/6 interest of the United States has been conveyed to the Tribe pursuant to section 3(b), then no federal dam charge shall be levied from the date of expiration of the present license.

SEC. 4. JURISDICTIONAL TRANSFER OF LANDS.

(a) INUNDATED LANDS.—To provide for the consolidation of lands associated with the Pine River Project to be retained by the Forest Service and the consolidation of lands to be transferred to the District, the administrative jurisdiction of lands inundated by and along the shoreline of Vallecito Reservoir, as shown on the Jurisdictional Map, shall be transferred, as set forth below (the ''Jurisdictional Transfer''), concurrently with the conveyance described in section 3(a). Except as otherwise shown on the Jurisdictional Map—

(1) for withdrawn lands (approximately 260 acres) lying below the 7,765-foot reservoir water surface elevation level, the Forest Service shall transfer an undivided 5/6 interest to Reclamation and an undivided 1/6 interest to the Bureau of Indian Affairs in trust for the Tribe; and

(2) for Project acquired lands (approximately 230 acres) above the 7,765-foot reservoir water surface elevation level, Reclamation and the Bureau of Indian Affairs shall transfer their interests to the Forest Service.

(b) MAP.—The Jurisdictional Map and legal descriptions of the lands transferred pursuant to subsection (a) above shall be on file and available for public inspection in the offices of the Chief of the Forest Service, Department of Agriculture, the Commissioner of Reclamation, Department of the Interior, appropriate field offices of those agencies, and the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

(c) ADMINISTRATION.—Following the Jurisdictional Transfer:

(1) All lands that, by reason of the Jurisdictional Transfer, become National Forest System lands within the boundaries of the San Juan National Forest, shall be administered in accordance with the laws, rules, and regulations applicable to the National Forest System.

(2) Reclamation withdrawals of land from the San Juan National Forest established by Secretarial Orders on November 9, 1936, October 14, 1937, and June 20, 1945, together designated as Serial No. C–28259, shall be revoked.

(3) The Forest Service shall issue perpetual easements to the District and the Bureau of Indian Affairs, at no cost to the District or the Bureau of Indian Affairs, providing adequate access across all lands subject to Forest Service jurisdiction to insure the District and the Bureau of Indian Affairs the ability to continue to operate and maintain the Pine River Project.

(4) The undivided 5/6 interest in National Forest System lands that, by reason of the Jurisdictional Transfer is to be administered by Reclamation, shall be conveyed to the District pursuant to section 3(a).

(5) The District and the Bureau of Indian Affairs shall issue perpetual easements to the Forest Service, at no cost to the Forest Service, from National Forest System lands to Vallecito Reservoir to assure continued public access to Vallecito Reservoir when the Reservoir level drops below the 7,665-foot water surface elevation.

(6) The District and the Bureau of Indian Affairs shall issue a perpetual easement to the Forest Service, at no cost to the Forest Service, for the reconstruction, maintenance, and operation of a road from La Plata County Road No. 501 to National Forest System lands east of the Reservoir.

(d) VALID EXISTING RIGHTS.—Nothing in this section shall affect any valid existing rights or interests in any existing land use authorization, except that any such land use authorization shall be administered by the agency having jurisdiction over the land after the Jurisdictional Transfer in accordance with subsection (c) and other applicable law. Renewal or reissuance of any such authorization shall be in accordance with applicable law and the regulations of the agency having jurisdiction, except that the change of administrative jurisdiction shall not in itself constitute a ground to deny the renewal or reissuance of any such authorization.

SEC. 5. LIABILITY.

Effective on the date of the conveyance of the remaining undivided 1/6 right and interest in the Pine River Project to the Tribe pursuant to subsection 3(b), the United States shall not be held liable by any court for damages of any kind arising out of any act, omission, or occurrence relating to such Project, except for damages caused by acts of negligence committed by the United States or by its employees, agents, or contractors prior to the date of conveyance. Nothing in this section shall be deemed to increase the liability of the United States beyond that currently provided in the Federal Tort Claims Act (28 U.S.C. 2671 et seq.)

SEC. 6. COMPLETION OF CONVEYANCE.

(a) IN GENERAL.—The Secretary's completion of the conveyance under section 3 shall not occur until the following events have been completed:

(1) Compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), and other applicable Federal and State laws.

(2) The submission of a written statement from the Southern Ute Indian Tribe to the Secretary indicating the Tribe's satisfaction that the Tribe's Indian Trust Assets are protected in the conveyance described in section 3.

(3) Execution of an agreement acceptable to the Secretary which limits the future liability of the United States relative to the operation of the Project.

(4) The submission of a statement by the Secretary to the District, the Bureau of Indian Affairs, and the State of Colorado on the existing condition of Vallecito Dam based on Bureau of Reclamation's current knowledge and understanding.

(5) The development of an agreement between the Bureau of Indian Affairs and the District to prescribe the District's obligation to so operate the Project that the 1/6 rights and interests to the Project and water supply made available by Vallecito Reservoir held by the Bureau of Indian Affairs are protected. Such agreement shall supercede the Memorandum of Agreement referred to in section 3(b) of this Act.

(6) The submission of a plan by the District to manage the Project in a manner substantially similar to the manner in which it was managed prior to the transfer and in accordance with applicable Federal and State laws, including management for the preservation of public access and recreational values and for the prevention of growth on certain lands to be conveyed hereunder, as set forth in an Agreement dated March 20, 1998, between the District and residents of Vallecito Reservoir. Any future change in the use of the water supplied by Vallecito Reservoir shall comply with applicable law.

(7) The development of a flood control plan by the Secretary of the Army acting through the Corps of Engineers which shall direct the District in the operation of Vallecito Dam for such purposes.

(b) REPORT.—If the transfer authorized in section 3 is not substantially completed within 18 months from the date of enactment of this Act, the Secretary, in coordination with the District, shall promptly provide a report to the Committee on Resources of the House of Representatives and to the Committee on Energy and Natural Resources of the Senate on the status of the transfer described in section 3(a), any obstacles to completion of such transfer, and the anticipated date for such transfer.

(c) FUTURE BENEFITS.—Effective upon transfer, the District shall not be entitled to receive any further Reclamation benefits attributable to its status as a Reclamation project pursuant to the Reclamation Act of June 17, 1902, and Acts supplementary thereto or amendatory thereof.

The committee amendment was agreed to.

The bill (S. 2142), as amended, was considered the third time and passed.

FORT MATANZAS NATIONAL MONUMENT

The bill (S. 2239) to revise the boundary of Fort Matanzas National Monument, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2239

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

SECTION 1. REVISION OF BOUNDARIES.

The boundary of Fort Matanzas National Monument is revised to include the area generally depicted on the map entitled ''Fort Matanzas National Monument'', numbered 347/80,004 and dated February 1991, which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior.

SEC. 2. ACQUISITION.

The Secretary is authorized to acquire by donation, purchase with donated or appropriated funds, transfer from any other Federal Agency, or exchange, my lands, waters or interests which are located within the revised boundaries of the monument.

SEC. 3. ADMINISTRATION.

Lands and interests in land held by the United States which are included within the boundary referred to in section 1 shall be administered by the Secretary as part of the Fort Matanzas National Monument, subject to the laws applicable to the monument.

ADAMS NATIONAL HISTORICAL PARK ACT OF 1998

The Senate proceeded to consider the bill (S. 2240) to establish the Adams National Historic Park in the Commonwealth of Massachusetts, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, 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. 2240

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 ''Adams National Historical Park Act of 1998''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) in 1946, Secretary of the Interior J.A. Krug, by means of the authority granted the Secretary of the Interior under section 2 of the Historic Sites Act of August 21, 1935, established the Adams Mansion National Historic Site, located in Quincy, Massachusetts;

(2) in 1952, Acting Secretary of the Interior Vernon D. Northrup enlarged the site and renamed it the Adams National Historic Site, using the Secretary's authority as provided in the Historic Sites Act;

(3) in 1972, Congress, through Public Law 92–272, authorized the Secretary of the Interior to add approximately 3.68 acres at Adams National Historic Site;

(4) in 1978, Congress, through Public Law 95–625, authorized the Secretary of the Interior to accept by conveyance the birthplaces of John Adams and John Quincy Adams, both in Quincy, Massachusetts, to be managed as part of the Adams National Historic Site;

(5) in 1980, Congress, through Public Law 96–435, authorized the Secretary of the Interior to accept the conveyance of the United First Parish Church in Quincy, Massachusetts, the burial place of John Adams, Abigail Adams, and John Quincy Adams and his wife, to be administered as part of the Adams National Historic Site;

(6) the actions taken by past Secretaries of the Interior and past Congresses to preserve for the benefit, education and inspiration of present and future generations of Americans the home, property, birthplaces and burial site of John Adams, John Quincy Adams, and Abigail Adams, have resulted in a multi-site unit of the National Park System with no overarching enabling or authorizing legislation; and

(7) that the sites and resources associated with John Adams, 2nd President of the United States, his wife Abigail Adams, and John Quincy Adams, 6th President of the United States, require recognition as a national historical park in the National Park System.

(b) PURPOSE.—The purpose of this Act is to establish the Adams National Historical Park in the City of Quincy, in the Commonwealth of Massachusetts, to preserve, maintain and interpret the home, property, birthplaces, and burial site of John Adams and his wife Abigail, John Quincy Adams, and subsequent generations of the Adams family associated with the Adams property in Quincy, Massachusetts, for the benefit, education and inspiration of present and future generations of Americans.

SEC. 3. DEFINITIONS.

As used in this Act:

[(1) ADAMS PROPERTY.—The term ''Adams property'' means the property currently owned by the National Park Service and commonly referred to as the Old House and Stone Library situated at the northwest corner of the intersection of Adams Street and Newport Avenue in Quincy, Massachusetts.]

(1) HISTORICAL PARK.—The term ''historical park'' means the Adams National Historical Park established in section 4.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

[SEC. 4. ADAMS NATIONAL HISTORICAL PARK.

[(a) ESTABLISHMENT.—In order to preserve for the benefit and inspiration of the people of the United States as a national historical park certain properties in Quincy, Massachusetts, there is established as a unit of the National Park System the Adams National Historical Park.

[(b) BOUNDARIES.—(1) The historical park shall be comprised of all property currently owned by the National Park Service as generally depicted on the map entitled ''Adams National Historical Park'', numbered _____ and dated _____, 1997. Such map shall be on file and available for public inspection in the appropriate offices of the National Park Service.

[(2) To preserve the historical setting of the Adams property, the Secretary is authorized to acquire up to 10 additional acres for the development of visitor, administrative, museum, curatorial, and maintenance facilities adjacent to or in the general proximity of the property depicted on the map identified in subsection (b)(1) of this section. Any lands acquired shall be administered by the Secretary as part of the park and the park's boundary shall be modified to include the additional land parcels upon their conveyance.]

SEC. 4. ADAMS NATIONAL HISTORICAL PARK.

(a) ESTABLISHMENT.—In order to preserve for the benefit and inspiration of the people of the United States as a national historical park certain properties in Quincy, Massachusetts, associated with John Adams, second President of the United States, his wife, Abigail Adams, John Quincy Adams, sixth President of the United States, and his wife, Louisa Adams, there is established the Adams National Historical Park as a unit of the National Park System.

(b) BOUNDARIES.—

(1) The historical park shall be comprised of the following:

(A) All property administered by the National Park Service in the Adams National Historic Site as of the date of enactment of this Act, as well as all property previously authorized to be acquired by the Secretary for inclusion in the Adams National Historic Site, as generally depicted on the map entitled ''Adams National Historical Park'', numbered NERO 386/80,000, and dated April 1998;

(B) all property authorized to be acquired for inclusion in the historical park by this Act or other law enacted after the date of the enactment of this Act.

(c) VISITOR AND ADMINISTRATIVE SITES.—To preserve the historical character and landscape of the main features of the historical park, the Secretary may acquire up to 10 acres for the development of visitor, administrative, museum, curatorial, and maintenance facilities adjacent to or in the general proximity of the property depicted on the map identified in subsection (b)(1)(A).

(d) MAP.—The map of the historical park shall be on file and available for public inspection in the appropriate offices of the National Park Service.

SEC. 5. ADMINISTRATION.

(a) IN GENERAL.—The park shall be administered by the Secretary in accordance with this section and the provisions of law generally applicable to units of the National Park System, including the Act entitled ''An Act to establish a National Park Service, and for other purposes'', approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1, 2, 3, and 4) and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461–467), as amended.

(b) COOPERATIVE AGREEMENTS.—(1) The Secretary may consult and enter into cooperative agreements with interested entities and individuals to provide for the preservation, development, interpretation, and use of the park.

(2) Any payment made by the Secretary pursuant to a cooperative agreement under this paragraph shall be subject to an agreement that conversion, use, or disposal of the project so assisted for purposes contrary to the purposes of this Act, as determined by the Secretary, shall result in a right of the United States to reimbursement of all funds made available to such a project or the proportion of the increased value of the project attributable to such funds as determined at the time of such conversion, use, or disposal, whichever is greater.

(c) ACQUISITION OF REAL PROPERTY.—For the purposes of the park, the Secretary is authorized to acquire real property with appropriated or donated funds, by donation, or by exchange, within the boundaries of the park.

(d) REPEAL OF SUPERCEDED ADMINISTRATIVE AUTHORITIES.—

(1) Section 312 of the National Parks and Recreation Act of 1978 (Public Law 95–625; 92 Stat. 3479) is amended by striking ''(a)'' after ''SEC. 312''; and strike subsection (b) in its entirety.

(2) The first section of Public Law 96–435 (94 Stat. 1861) is amended by striking ''(a)'' after ''That''; and strike subsection (b) in its entirety.

(e) REFERENCES TO THE HISTORIC SITE.—Any reference in any law (other than this Act), regulation, document, record, map, or other paper of the United States to the Adams National Historic Site shall be considered to be a reference to the historical park.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized such sums as may be necessary to carry out the purposes of this Act for annual operations and maintenance of the park and for acquisition of property and development of facilities necessary to operate and maintain the park as may be outlined in an approved general management plan for the park.]

There is authorized to be appropriated such sums as may be necessary to carry out this Act.

The committee amendments were agreed to.

The bill (S. 2240), as amended, was considered read the third time and passed, as follows:

S. 2240

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 ''Adams National Historical Park Act of 1998''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) in 1946, Secretary of the Interior J.A. Krug, by means of the authority granted the Secretary of the Interior under section 2 of the Historic Sites Act of August 21, 1935, established the Adams Mansion National Historic Site, located in Quincy, Massachusetts;

(2) in 1952, Acting Secretary of the Interior Vernon D. Northrup enlarged the site and renamed it the Adams National Historic Site, using the Secretary's authority as provided in the Historic Sites Act;

(3) in 1972, Congress, through Public Law 92–272, authorized the Secretary of the Interior to add approximately 3.68 acres at Adams National Historic Site;

(4) in 1978, Congress, through Public Law 95–625, authorized the Secretary of the Interior to accept by conveyance the birthplaces of John Adams and John Quincy Adams, both in Quincy, Massachusetts, to be managed as part of the Adams National Historic Site;

(5) in 1980, Congress, through Public Law 96–435, authorized the Secretary of the Interior to accept the conveyance of the United First Parish Church in Quincy, Massachusetts, the burial place of John Adams, Abigail Adams, and John Quincy Adams and his wife, to be administered as part of the Adams National Historic Site;

(6) the actions taken by past Secretaries of the Interior and past Congresses to preserve for the benefit, education and inspiration of present and future generations of Americans the home, property, birthplaces and burial site of John Adams, John Quincy Adams, and Abigail Adams, have resulted in a multi-site unit of the National Park System with no overarching enabling or authorizing legislation; and

(7) that the sites and resources associated with John Adams, second President of the

United States, his wife Abigail Adams, and John Quincy Adams, sixth President of the United States, require recognition as a national historical park in the National Park System.

(b) PURPOSE.—The purpose of this Act is to establish the Adams National Historical Park in the City of Quincy, in the Commonwealth of Massachusetts, to preserve, maintain and interpret the home, property, birthplaces, and burial site of John Adams and his wife Abigail, John Quincy Adams, and subsequent generations of the Adams family associated with the Adams property in Quincy, Massachusetts, for the benefit, education and inspiration of present and future generations of Americans.

SEC. 3. DEFINITIONS.

As used in this Act:

(1) HISTORICAL PARK.—The term ''historical park'' means the Adams National Historical Park established in section 4.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

SEC. 4. ADAMS NATIONAL HISTORICAL PARK.

(a) ESTABLISHMENT.—In order to preserve for the benefit and inspiration of the people of the United States as a national historical park certain properties in Quincy, Massachusetts, associated with John Adams, second President of the United States, his wife, Abigail Adams, John Quincy Adams, sixth President of the United States, and his wife, Louisa Adams, there is established the Adams National Historical Park as a unit of the National Park System.

(b) BOUNDARIES.—The historical park shall be comprised of the following:

(1) All property administered by the National Park Service in the Adams National Historic Site as of the date of enactment of this Act, as well as all property previously authorized to be acquired by the Secretary for inclusion in the Adams National Historic Site, as generally depicted on the map entitled ''Adams National Historical Park'', numbered NERO 386/80,000, and dated April 1998.

(2) All property authorized to be acquired for inclusion in the historical park by this Act or other law enacted after the date of the enactment of this Act.

(c) VISITOR AND ADMINISTRATIVE SITES.—To preserve the historical character and landscape of the main features of the historical park, the Secretary may acquire up to 10 acres for the development of visitor, administrative, museum, curatorial, and maintenance facilities adjacent to or in the general proximity of the property depicted on the map identified in subsection (b)(1)(A).

(d) MAP.—The map of the historical park shall be on file and available for public inspection in the appropriate offices of the National Park Service.

SEC. 5. ADMINISTRATION.

(a) IN GENERAL.—The park shall be administered by the Secretary in accordance with this section and the provisions of law generally applicable to units of the National Park System, including the Act entitled ''An Act to establish a National Park Service, and for other purposes'', approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1, 2, 3, and 4) and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461–467), as amended.

(b) COOPERATIVE AGREEMENTS.—(1) The Secretary may consult and enter into cooperative agreements with interested entities and individuals to provide for the preservation, development, interpretation, and use of the park.

(2) Any payment made by the Secretary pursuant to a cooperative agreement under this paragraph shall be subject to an agreement that conversion, use, or disposal of the project so assisted for purposes contrary to the purposes of this Act, as determined by the Secretary, shall result in a right of the United States to reimbursement of all funds made available to such a project or the proportion of the increased value of the project attributable to such funds as determined at the time of such conversion, use, or disposal, whichever is greater.

(c) ACQUISITION OF REAL PROPERTY.—For the purposes of the park, the Secretary is authorized to acquire real property with appropriated or donated funds, by donation, or by exchange, within the boundaries of the park.

(d) REPEAL OF SUPERCEDED ADMINISTRATIVE AUTHORITIES.—

(1) Section 312 of the National Parks and Recreation Act of 1978 (Public Law 95–625; 92 Stat. 3479) is amended by striking ''(a)'' after ''SEC. 312''; and strike subsection (b) in its entirety.

(2) The first section of Public Law 96–435 (94 Stat. 1861) is amended by striking ''(a)'' after ''That''; and strike subsection (b) in its entirety.

(e) REFERENCES TO THE HISTORIC SITE.—Any reference in any law (other than this Act), regulation, document, record, map, or other paper of the United States to the Adams National Historic Site shall be considered to be a reference to the historical park.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated such sums as may be necessary to carry out this Act.

ROOSEVELT NATIONAL HISTORIC SITE

The bill (S. 2241) to provide for the acquisition of lands formerly occupied by the Franklin D. Roosevelt family at Hyde Park, New York, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2241

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

SECTION 1. GENERAL AUTHORITY.

The Secretary of the Interior (hereinafter referred to as the ''Secretary'') is authorized to acquire, by purchase with donated or appropriated funds, by donation, or otherwise, lands and interests in lands located in Hyde Park, New York, that were owned by Franklin D. Roosevelt or his family at the time of his death as depicted on the map entitled ''F.D. Roosevelt Property Entire Park'' dated July 26, 1962, and numbered FDR–NHS 3008. Such map shall be on file for inspection in the appropriate offices of the National Park Service.

SEC. 2. ADMINISTRATION.

Lands and interests therein acquired by the Secretary shall be added to, and administered by the Secretary as part of the Home of Franklin D. Roosevelt National Historic Site or the Eleanor Roosevelt National Historic Site, as appropriate.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

FREDERICK LAW OLMSTED NATIONAL HISTORIC SITE

The bill (S. 2246) to amend the Act which established the Frederick Law Olmsted National Historic Site, in the Commonwealth of Massachusetts, by modifying the boundary, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2246

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 201 of the Act of October 12, 1979 (93 Stat. 664), is amended by adding at the end thereof a new subsection to read as follows:

''(d) In order to preserve and maintain the historic setting of the Site, the Secretary is authorized to acquire, through donation only, lands with associated easements situated adjacent to the Site owned by the Brookline Conservation Land Trust. These lands are to be used for educational and interpretive purposes and shall be maintained and managed as part of the Frederick Law Olmsted National Historic Site.''.

NATIONAL PARK SERVICE LEGISLATION

The bill (S. 2247) to permit the payment of medical expenses incurred by the United States Park Police in the performance of duty to be made directed by the National Park Service, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2247

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 12(e) of the Act of September 1, 1916 (ch. 433, 39 Stat. 718), is amended—

(1) following ''District of Columbia'', by inserting ''in the case of Metropolitan Police members, or by the National Park Service in the case of United States Park Police members''; and

(2) following the second reference to ''the Mayor'', by inserting, '', in the case of Metropolitan Police members, or upon a certificate of the Chief, United States Park Police, in the case of United States Park Police members''.

NATIONAL PARK SERVICE LEGISLATION

The bill (S. 2248) to allow for waiver and indemnification in mutual law enforcement agreements between the National Park Service and a State or political subdivision, when required by State law, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2248

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 10 of the Act of August 18, 1970, Public Law 91–383 (16 U.S.C. 1a–6), is amended—

(1) in paragraph (c)(2) by striking ''and'';

(2) by redesignating paragraphs (c)(3) and (c)(4) as (c)(4) and (c)(5), respectively; and

(3) by inserting the following new paragraph:

''(c)(3) waive, in any agreement pursuant to paragraph (1) and (2) of this subsection with any state or political subdivision thereof where state law requires such waiver and indemnification, any and all claims against all the other parties thereto and, subject to available appropriations, indemnify and save

harmless the other parties to such agreement from all claims by third parties for property damage or personal injury, which may arise out of the state or political subdivision's activities outside their respective jurisdictions under such agreement; and''.

SEC. 2. TECHNICAL AMENDMENT.

Section 10(c)(5) is further amended by striking the paragraph (5) designation, by striking ''the'' at the beginning of the paragraph and inserting ''The'', and by removing the indentation of the first line of the paragraph.

ADVISORY COUNCIL ON HISTORIC PRESERVATION

The Senate proceeded to consider the bill (S. 2257) to reauthorize the National historic Preservation Act, which had been reported from the Committee on Energy and Natural Resources, with amendments, as follows:

(The part of the bill intended to be stricken is shown in boldface brackets and the part of the bill intended to be inserted is shown in italic.)

S. 2257

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

SECTION 1. [NATIONAL HISTORIC PRESERVATION ACT.] *REAUTHORIZATION OF HISTORIC PRESERVATION FUND.*

The second sentence of section 108 of the National Historic Preservation Act (16 U.S.C. 470h) is amended by striking ''1997'' and inserting ''2004''.

SEC. 2. REAUTHORIZATION OF ADVISORY COUNCIL ON HISTORIC PRESERVATION.

The last sentence of section 212(a) (16 U.S.C. 470t(a)) is amended by striking ''2000'' and inserting in lieu thereof, ''2004''.

The committee amendments were agreed to.

The bill (S. 2257), as amended, was considered read the third time and passed.

MINUTEMAN MISSILE NATIONAL HISTORIC SITE ESTABLISHMENT ACT OF 1998

The Senate proceeded to consider the bill (S. 2284) to establish the Minuteman Missile National Historic Site in the State of South Dakota, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Minuteman Missile National Historic Site Establishment Act of 1998''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the Minuteman II intercontinental ballistic missile (hereinafter referred to as ''ICBM'') launch control facility and launch facility known as ''Delta 1'' and ''Delta 9'', respectively, have national significance as the best preserved examples of the operational character of American history during the Cold War;

(2) the facilities are symbolic of the dedication and preparedness exhibited by the missileers of the Air Force stationed throughout the upper Great Plains in remote and forbidding locations during the Cold War;

(3) the facilities provide a unique opportunity to illustrate the history and significance of the Cold War, the arms race, and ICBM development; and

(4) the National Park System does not contain a unit that specifically commemorates or interprets the Cold War.

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

(1) to preserve, protect, and interpret for the benefit and enjoyment of present and future generations the structures associated with the Minuteman II missile defense system;

(2) to interpret the historical role of the Minuteman II missile defense system in the broader context of the Cold War and the role of the system as a key component of America's strategic commitment to preserve world peace; and

(3) to complement the interpretive programs relating to the Minuteman II missile defense system offered by the South Dakota Air and Space Museum at Ellsworth Air Force Base.

SEC. 3. MINUTEMAN MISSILE NATIONAL HISTORIC SITE.

(a) ESTABLISHMENT.—(1) The Minuteman Missile National Historic Site in the State of South Dakota (hereinafter referred to as the ''historic site'') is hereby established as a unit of the National Park System. The historic site shall consist of lands and interests therein comprising the following Minuteman II ICBM launch control facilities, as generally depicted on the map referred to as ''Minuteman Missile National Historic Site'', numbered 406/80,008 and dated September, 1998:

(A) An area surrounding the Minuteman II ICBM launch control facility depicted as ''Delta 1 Launch Control Facility''.

(B) An area surrounding the Minuteman II ICBM launch control facility depicted as ''Delta 9 Launch Facility''.

(2) The map described in paragraph (1) shall be on file and available for public inspection in the appropriate offices of the National Park Service.

(3) The Secretary of the Interior (hereinafter referred to as the ''Secretary'') is authorized to make minor adjustments to the boundary of the historic site.

(b) ADMINISTRATION OF HISTORIC SITE.—The Secretary shall administer the historic site in accordance with this Act and laws generally applicable to units of the National Park System, including the Act of August 25, 1916 (16 U.S.C. 1, 2–4) and the Act of August 21, 1935 (16 U.S.C. 461–467).

(c) COORDINATION WITH SECRETARY OF DEFENSE.—The Secretary shall consult with the Secretary of Defense and the Secretary of State, as appropriate, to ensure that administration of the historic site is in compliance with applicable treaties.

(d) COOPERATIVE AGREEMENTS.—The Secretary may enter into cooperative agreements with appropriate public and private entities and individuals in furtherance of the purposes of this Act.

(e) LAND ACQUISITION.—(1) Except as provided in paragraph (2), the Secretary is authorized to acquire lands and interests therein within the boundaries of the historic site by donation, purchase with donated or appropriated funds, exchange or transfer from another Federal agency: Provided, That lands or interests therein owned by the State of South Dakota may only be acquired by donation or exchange.

(2) The Secretary shall not acquire any lands pursuant to this Act if the Secretary determines that such lands, or any portion thereof, are contaminated with hazardous substances (as defined in the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. 9601)), unless all remedial action necessary to protect human health and the environment has been taken pursuant to such Act.

(f) GENERAL MANAGEMENT PLAN.—(1) Within three years after the date funds are made available, the Secretary shall prepare a general management plan for the historic site.

(2) The plan shall include an evaluation of an appropriate location for a visitor facility and administrative site within the areas depicted as ''Support Facility Study Area—Alternative A'' or ''Support Facility Study Area—Alternative B'' on the map referred to in subsection (a). Upon a determination by the Secretary of the appropriate location for such facilities, the boundaries of the historic site shall be modified to include the selected site.

(3) In developing the plan, the Secretary shall consider coordinating or consolidating appropriate administrative, management, and personnel functions with Badlands National Park.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated such sums as may be necessary to carry out this Act.

(b) AIR FORCE FUNDS.—The Secretary of the Air Force shall transfer to the Secretary any funds specifically appropriated to the Air Force for the maintenance, protection, or preservation of the facilities described in section 3. Such funds shall be used by the Secretary for establishing, operating, and maintaining the historic site.

(c) LEGACY RESOURCE MANAGEMENT PROGRAM.—Nothing in this Act affects the use of any funds available for the Legacy Resource Management Program being carried out by the Air Force that, before the date of enactment of this Act, were directed to be used for resource preservation and treaty compliance.

The committee amendment was agreed to.

The bill (S. 2284), as amended, was considered read the third time and passed.

WOMEN'S PROGRESS COMMEMORATION ACT

The bill (S. 2285) to establish a commission in honor of the 150th Anniversary of the Seneca Falls Convention, to further protect sites of importance in the historic efforts to secure equal rights for women, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2285

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 ''Women's Progress Commemoration Act''.

SEC. 2. DECLARATION.

Congress declares that—

(1) the original Seneca Falls Convention, held in upstate New York in July 1848, convened to consider the social conditions and civil rights of women at that time;

(2) the convention marked the beginning of an admirable and courageous struggle for equal rights for women;

(3) the 150th Anniversary of the convention provides an excellent opportunity to examine the history of the women's movement; and

(4) a Federal Commission should be established for the important task of ensuring the historic preservation of sites that have been instrumental in American women's history, creating a living legacy for generations to come.

SEC. 3. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the ''Women's Progress Commemoration Commission'' (referred to in this Act as the ''Commission'').

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Commission shall be composed of 15 members, of whom—

(A) 3 shall be appointed by the President;

(B) 3 shall be appointed by the Speaker of the House of Representatives;

(C) 3 shall be appointed by the minority leader of the House of Representatives;

(D) 3 shall be appointed by the majority leader of the Senate; and

(E) 3 shall be appointed by the minority leader of the Senate.

(2) PERSONS ELIGIBLE.—

(A) IN GENERAL.—The members of the Commission shall be individuals who have knowledge or expertise, whether by experience or training, in matters to be studied by the Commission. The members may be from the public or private sector, and may include Federal, State, local, or employees, members of academia, nonprofit organizations, or industry, or other interested individuals.

(B) DIVERSITY.—It is the intent of Congress that persons appointed to the Commission under paragraph (1) be persons who represent diverse economic, professional, and cultural backgrounds.

(3) CONSULTATION AND APPOINTMENT.—

(A) IN GENERAL.—The President, Speaker of the House of Representatives, minority leader of the House of Representatives, majority leader of the Senate, and minority leader of the Senate shall consult among themselves before appointing the members of the Commission in order to achieve, to the maximum extent practicable, fair and equitable representation of various points of view with respect to the matters to be studied by the Commission.

(B) COMPLETION OF APPOINTMENTS; VACANCIES.—The President, Speaker of the House of Representatives, minority leader of the House of Representatives, majority leader of the Senate, and minority leader of the Senate shall conduct the consultation under subparagraph (3) and make their respective appointments not later than 60 days after the date of enactment of this Act.

(4) VACANCIES.—A vacancy in the membership of the Commission shall not affect the powers of the Commission and shall be filled in the same manner as the original appointment not later than 30 days after the vacancy occurs.

(c) MEETINGS.—

(1) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.

(2) SUBSEQUENT MEETINGS.—After the initial meeting, the Commission shall meet at the call of the Chairperson.

(d) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business, but a lesser number of members may hold hearings.

(e) CHAIRPERSON AND VICE CHAIRPERSON.—The Commission shall select a Chairperson and Vice Chairperson from among its members.

SEC. 4. DUTIES OF THE COMMISSION.

Not later than 1 year after the initial meeting of the Commission, the Commission, in cooperation with the Secretary of the Interior and other appropriate Federal, State, and local public and private entities, shall prepare and submit to the Secretary of the Interior a report that—

(1) identifies sites of historical significance to the women's movement; and

(2) recommends actions, under the National Historic Preservation Act (16 U.S.C. 470 et seq.) and other law, to rehabilitate and preserve the sites and provide to the public interpretive and educational materials and activities at the sites.

SEC. 5. POWERS OF THE COMMISSION.

(a) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out its duties of this Act.

(b) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this Act. At the request of the Chairperson of the Commission, the head of such department or agency shall furnish such information to the Commission.

SEC. 6. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—A member of the Commission who is not otherwise an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Commission. A member of the Commission who is otherwise an officer or employee of the United States shall serve without compensation in addition to that received for services as an officer or employee of the United States.

(b) TRAVEL EXPENSES.—A member of the Commission 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 the home or regular place of business of the member in the performance of service for the Commission.

(c) STAFF.—

(1) IN GENERAL.—The Chairperson of the Commission may, without regard to the civil service laws (including regulations), appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment and termination of an executive director shall be subject to confirmation by a majority of the members of the Commission.

(2) COMPENSATION.—The executive director shall be compensated at a rate not to exceed the rate payable for a position at level V of the Executive Schedule under section 5316 of title 5, United States Code. The Chairperson may fix the compensation of other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for such personnel may not exceed the rate payable for a position at level V of the Executive Schedule under section 5316 of that title.

(3) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee, with the approval of the head of the appropriate Federal agency, may be detailed to the Commission without reimbursement, and the detail shall be without interruption or loss of civil service status, benefits, or privilege.

(d) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay prescribed for a position at level V of the Executive Schedule under section 5316 of that title.

SEC. 7. FUNDING.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Commission such sums as are necessary to carry out this Act.

(b) DONATIONS.—The Commission may accept donations from non-Federal sources to defray the costs of the operations of the Commission.

SEC. 8. TERMINATION.

The Commission shall terminate on the date that is 30 days after the date on which the Commission submits to the Secretary of the Interior the report under section 4(b).

SEC. 9. REPORTS TO CONGRESS.

Not later than 2 years and not later than 5 years after the date on which the Commission submits to the Secretary of the Interior the report under section 4, the Secretary of the Interior shall submit to Congress a report describing the actions that have been taken to preserve the sites identified in the Commission report as being of historical significance.

GATEWAY VISITOR CENTER AUTHORIZATION ACT OF 1998

The bill (S. 2309) to authorize the Secretary of the Interior to enter into an agreement for the construction and operation of the Gateway Visitor Center at Independence National Historical Park, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2309

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 ''Gateway Visitor Center Authorization Act of 1998''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) in 1997, the National Park Service completed a general management plan for Independence National Historical Park that establishes goals and priorities for the future of the park;

(2) the plan calls for the revitalization of Independence Mall and recommends as a critical component of the revitalization the development of a new visitor center;

(3) such a visitor center would replace the existing park visitor center and serve as an orientation center for visitors to the park and to city and regional attractions;

(4) after completing of the general management plan, the National Park Service completed a design project and master plan for Independence Mall that includes the Gateway Visitor Center;

(5) plans for the Gateway Visitor Center call for the center to be developed and managed, in cooperation with the Secretary of the Interior, by a nonprofit organization that represents the various public and civic interests of the Philadelphia metropolitan area; and

(6) the Gateway Visitor Center Corporation, a nonprofit organization, has been established to raise funds for and cooperate in a program to design, develop, construct, and operate the proposed Gateway Visitor Center.

(b) PURPOSE.—The purpose of this Act is to authorize the Secretary of the Interior to enter into an agreement with the Gateway Visitor Center Corporation to construct and operate a regional visitor center on Independence Mall in cooperation with the Secretary.

SEC. 3. GATEWAY VISITOR CENTER.

The Act of June 28, 1948 (16 U.S.C. 407m et seq.) is amended by adding at the end the following:

"SEC. 8. REGIONAL GATEWAY VISITOR CENTER.

''(a) DEFINITIONS.—In this section:

''(1) CENTER.—The term 'Center' means the Gateway Visitor Center authorized by subsection (b).

''(2) CORPORATION.—The term 'Corporation' means Gateway Visitor Center Corporation, a nonprofit organization.

''(b) AGREEMENT.—The Secretary of the Interior may enter into an agreement under appropriate terms and conditions with the Corporation to facilitate the construction and operation of the Gateway Visitor Center on Independence Mall.

''(c) AUTHORIZED ACTIVITIES.—The agreement under subsection (b) shall—

''(1) authorize the Corporation—

''(A) to operate the Center in cooperation with the Secretary and provide at the Center information, interpretation, facilities, and services to visitors of Independence National Historical Park, its surrounding historic sites, the city of Philadelphia, and the region, in order to assist in the enjoyment of the historic, cultural, educational, and recreational resources of the Philadelphia metropolitan area; and

''(B) to engage in activities appropriate for operation of a regional visitor center, which may include selling food, charging fees, conducting events, and selling merchandise and tickets to visitors to the Center; and

''(2) authorize the Secretary to undertake at the Center activities relating to the management of Independence National Historical Park, including provision of appropriate visitor information and interpretive facilities and programs related to the park.

''(d) REVENUES.—Revenues from the operation of the Center's facilities and services shall be used to pay for expenses of operation.

''(e) PRESERVATION AND PROTECTION.—Nothing in this section authorizes the Secretary or the Corporation to take any action in derogation of the preservation and protection of the values and resources of Independence National Historical Park.''.

DANTE FASCELL BISCAYNE NATIONAL PARK VISITOR CENTER DESIGNATION ACT

The Senate proceeded to consider the bill (S. 2468) to designate the Biscayne National Park visitor center as the Dante Fascell Visitor Center at Biscayne National Park, which had been reported from the Committee on Energy and Natural Resources, with an amendment, 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. 2468

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 ''Dante Fascell Biscayne National Park Visitor Center Designation Act''.

SEC. 2. DESIGNATION OF THE DANTE FASCELL VISITOR CENTER AT BISCAYNE NATIONAL PARK.

(a) DESIGNATION.—The Biscayne National Park visitor center, located on the shore of Biscayne Bay on Convoy Point, Florida, is designated as the ''Dante Fascell Visitor **[**Center at Biscayne National Park''.**]** *Center.''*

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other document of the United States to the Biscayne National Park visitor center shall be deemed to be a reference to the ''Dante Fascell Visitor **[**Center at Biscayne National Park''.**]** *Center.''*

Mr. GRAHAM. Mr. President, I am pleased today to support, along with my colleague, Senator MACK, legislation to honor former Congressman Dante Fascell by naming the Biscayne National Park Visitors Center after the ex-Congressman of Florida. I had the pleasure to begin my political career as an intern in Congressman Fascell's office and am proud to have had the opportunity to serve with one of Florida's greatest representatives.

Congressman Fascell's long history of public service began in the Florida House of Representatives after his service in World War II. He was elected to the Eighty-fourth Congress and spent the following thirty-six years in office. During this time Congressman Fascell was influential in both foreign and domestic policy.

While in Congress, Dante Fascell influenced U.S. foreign policy by co-authoring the War Powers act and chairing the Committees on Foreign Affairs and Arms Control, International Security and Science. In 1969, Congressman Fascell led House action to establish the Department of Housing and Urban Development. This legislation was the first step in efforts to develop economically healthy communities and affordable opportunities for numerous families throughout the nation. He was also a devout supporter of both law enforcement and education on narcotics abuse.

During his years in Congress, Dante Fascell was an outstanding environmental activist and improved the quality of Florida's natural habitats and wildlife. He battled to protect South Florida's national parks and led the successful effort to establish the national marine sanctuary in the Florida Keys during the 101st Congress.

The Biscayne National Park visitor center introduces local, national and international visitors to the resources of the Biscayne National Park at Convoy Point, Florida. Its museum features exhibits simulating the park's four main ecosystems: the mangrove forest, Biscayne Bay, the Florida Keys, and the coral reef. The naming of this visitor center will serve as a lasting tribute to Congressman Fascell's persistent efforts to protect the environment for future generations.

I ask for your support today for our bill which will pay tribute to the service of the former Florida Congressman, Dante Fascell.

The committee amendment was agreed to.

The bill (S. 2468), as amended, was considered read the third time and passed.

The title was amended so as to read: ''A bill to designate the Biscayne National Park Visitor Center as the Dante Fascell Visitor Center.''.

CAPE COD NATIONAL SEASHORE ADVISORY COMMISSION

The bill (H.R. 2411) to provide for a land exchange involving the Cape Cod National Seashore and to extend the authority for the Cape Cod National Seashore Advisory Commission, was considered, ordered to a third reading, read the third time, and passed.

FOLSOM DAM, CALIFORNIA

The bill (H.R. 4079) to authorize the construction of temperature control devices at Folsom Dam in California, was considered, ordered to a third reading, read the third time, and passed.

IDAHO ADMISSION ACT AMENDMENTS

The bill (H.R. 4166) to amend the Idaho Admission Act regarding the sale or lease of school land, was considered, ordered to a third reading, read the third time, and passed.

UNANIMOUS CONSENT AGREEMENT—S. 744 AND S. 2117

Mr. MCCAIN. Mr. President, I ask unanimous consent that the Senate proceed to the consideration en bloc of the following bills: Calendar No. 613, S. 744 and Calendar No. 621, S. 2117.

I further ask unanimous consent that amendment No. 3786 to S. 744 and amendment No. 3787 to S. 2117 be agreed to, en bloc.

I finally ask unanimous consent that any committee amendments be agreed to; that the bills then be read a third time and passed, as amended; that the motions to reconsider be laid upon the table; and that any statements relating to these measures appear at the appropriate place in the RECORD.

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

FALL RIVER WATER USERS DISTRICT WATER SYSTEM ACT OF 1998

The Senate proceeded to consider 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 nonprofit corporation, in the planning and construction of the water supply system, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, 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. 744

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 ''Fall River Water Users District Rural Water System Act of 1997''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) there are insufficient water supplies of reasonable quality available to the members of the Fall River Water Users District Rural Water System located in Fall River County, South Dakota, and the water supplies that

are available are of poor quality and do not meet minimum health and safety standards, thereby posing a threat to public health and safety;

(2) past cycles of severe drought in the southeastern area of Fall River County have left residents without a satisfactory water supply, and, during 1990, many home owners and ranchers were forced to haul water to sustain their water needs;

(3) because of the poor quality of water supplies, most members of the Fall River Water Users District are forced to either haul bottled water for human consumption or use distillers;

(4) the Fall River Water Users District Rural Water System has been recognized by the State of South Dakota; and

(5) the best available, reliable, and safe rural and municipal water supply to serve the needs of the Fall River Water Users District Rural Water System members consists of a Madison Aquifer well, 3 separate water storage reservoirs, 3 pumping stations, and approximately 200 miles of pipeline.

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

(1) to ensure a safe and adequate municipal, rural, and industrial water supply for the members of the Fall River Water Users District Rural Water System in Fall River County, South Dakota;

(2) to assist the members of the Fall River Water Users District in developing safe and adequate municipal, rural, and industrial water supplies; and

(3) to promote the implementation of water conservation programs by the Fall River Water Users District Rural Water System.

SEC. 3. DEFINITIONS.

In this Act:

(1) ENGINEERING REPORT.—The term ''engineering report'' means the study entitled ''Supplemental Preliminary Engineering Report for Fall River Water Users District'' published in August 1995.

(2) PROJECT CONSTRUCTION BUDGET.—The term ''project construction budget'' means the description of the total amount of funds that are needed for the construction of the water supply system, as described in the engineering report.

(3) PUMPING AND INCIDENTAL OPERATIONAL REQUIREMENTS.—The term ''pumping and incidental operational requirements'' means all power requirements that are incidental to the operation of intake facilities, pumping stations, water treatment facilities, cooling facilities, reservoirs, and pipelines to the point of delivery of water by the Fall River Water Users District Rural Water System to each entity that distributes water at retail to individual users.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of [the Interior, acting through the Director of the Bureau of Reclamation.] *Agriculture.*

(5) WATER SUPPLY SYSTEM.—The term ''water supply system'' means the Fall River Water Users District Rural Water System, a nonprofit corporation, established and operated substantially in accordance with the engineering report.

SEC. 4. FEDERAL ASSISTANCE FOR WATER SUPPLY SYSTEM.

(a) IN GENERAL.—The Secretary shall make grants to the water supply system for the Federal share of the costs of the planning and construction of the water supply system.

(b) SERVICE AREA.—The water supply system shall provide for safe and adequate municipal, rural, and industrial water supplies, mitigation of wetlands areas, and water conservation within the boundaries of the Fall River Water Users District, described as follows: bounded on the north by the Angostura Reservoir, the Cheyenne River, and the line between Fall River and Custer Counties, bounded on the east by the line between Fall River and Shannon Counties, bounded on the south by the line between South Dakota and Nebraska, and bounded on the west by the Igloo-Provo Water Project District.

(c) AMOUNT OF GRANTS.—Grants made available under subsection (a) to the water supply system shall not exceed the Federal share under section 9.

(d) LIMITATION ON AVAILABILITY OF CONSTRUCTION FUNDS.—The Secretary shall not obligate funds for the construction of the water supply system until—

(1) the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) are met with respect to the water supply system; and

(2) a final engineering report has been prepared and submitted to Congress for a period of not less than 90 days before the commencement of construction of the system.

SEC. 5. MITIGATION OF FISH AND WILDLIFE LOSSES.

Mitigation of fish and wildlife losses incurred as a result of the construction and operation of the water supply system shall be on an acre-for-acre basis, based on ecological equivalency, concurrent with project construction, as provided in the engineering report.

SEC. 6. USE OF PICK-SLOAN POWER.

(a) IN GENERAL.—From power designated for future irrigation and drainage pumping for the Pick-Sloan Missouri River Basin Program, the Western Area Power Administration shall make available the capacity and energy required to meet the pumping and incidental operational requirements of the water supply system during the period beginning May 1 and ending October 31 of each year.

(b) CONDITIONS.—The capacity and energy described in subsection (a) shall be made available on the following conditions:

(1) The water supply system shall be operated on a not-for-profit basis.

(2) The water supply system shall contract to purchase its entire electric service requirements, including the capacity and energy made available under subsection (a), from a qualified preference power supplier that itself purchases power from the Western Area Power Administration.

(3) The rate schedule applicable to the capacity and energy made available under subsection (a) shall be the firm power rate schedule of the Pick-Sloan Eastern Division of the Western Area Power Administration in effect when the power is delivered by the Administration.

(4) It shall be agreed by contract among—

(A) the Western Area Power Administration;

(B) the power supplier with which the water supply system contracts under paragraph (2);

(C) the power supplier of the entity described in subparagraph (B); and

(D) the Fall River Water Users District;

that in the case of the capacity and energy made available under subsection (a), the benefit of the rate schedule described in paragraph (3) shall be passed through to the water supply system, except that the power supplier of the water supply system shall not be precluded from including, in the charges of the supplier to the water system for the electric service, the other usual and customary charges of the supplier.

SEC. 7. NO LIMITATION ON WATER PROJECTS IN STATE.

This Act does not limit the authorization for water projects in South Dakota under law in effect on or after the date of enactment of this Act.

SEC. 8. WATER RIGHTS.

Nothing in this Act—

(1) invalidates or preempts State water law or an interstate compact governing water;

(2) alters the rights of any State to any appropriated share of the waters of any body of surface or ground water, whether determined by past or future interstate compacts or by past or future legislative or final judicial allocations;

(3) preempts or modifies any Federal or State law, or interstate compact, dealing with water quality or disposal; or

(4) confers on any non-Federal entity the ability to exercise any Federal right to the waters of any stream or to any ground water resource.

SEC. 9. FEDERAL SHARE.

The Federal share under section 4 shall be 80 percent of—

(1) the amount allocated in the total project construction budget for the planning and construction of the water supply system under section 4; and

(2) such sums as are necessary to defray increases in development costs reflected in appropriate engineering cost indices after August 1, 1995.

SEC. 10. NON-FEDERAL SHARE.

The non-Federal share under section 4 shall be 20 percent of—

(1) the amount allocated in the total project construction budget for the planning and construction of the water supply system under section 4; and

(2) such sums as are necessary to defray increases in development costs reflected in appropriate engineering cost indices after August 1, 1995.

SEC. 11. CONSTRUCTION OVERSIGHT.

(a) AUTHORIZATION.—The Secretary *of the Interior, acting through the Director of the Bureau of Reclamation* may provide construction oversight to the water supply system for areas of the water supply system.

(b) PROJECT OVERSIGHT ADMINISTRATION.—The amount of funds used by the Secretary for planning and construction of the water supply system may not exceed an amount equal to 3 percent of the amount provided in the total project construction budget for the portion of the project to be constructed in Fall River County, South Dakota.

SEC. 12. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated—

(1) $3,600,000 for the planning and construction of the water system under section 4; and

(2) such sums as are necessary to defray increases in development costs reflected in appropriate engineering cost indices after August 1, 1995.

The amendment (No. 3786) was agreed to, as follows:

On page 2, line 3, strike ''1997'' and insert ''1998''.

On page 6, line 3, strike ''has'' and insert ''and plan'' for a water conservation program have''.

On page 9, line 2, strike ''80'' and insert ''70''.

On page 9, line 11, strike ''20'' and insert ''30''.

The committee amendments were agreed to.

The bill (S. 744), as amended, was considered read the third time and passed, as follows:

S. 744

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 ''Fall River Water Users District Rural Water System Act of 1998''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) there are insufficient water supplies of reasonable quality available to the members of the Fall River Water Users District Rural Water System located in Fall River County, South Dakota, and the water supplies that are available are of poor quality and do not meet minimum health and safety standards, thereby posing a threat to public health and safety;

(2) past cycles of severe drought in the southeastern area of Fall River County have left residents without a satisfactory water supply, and, during 1990, many home owners and ranchers were forced to haul water to sustain their water needs;

(3) because of the poor quality of water supplies, most members of the Fall River Water Users District are forced to either haul bottled water for human consumption or use distillers;

(4) the Fall River Water Users District Rural Water System has been recognized by the State of South Dakota; and

(5) the best available, reliable, and safe rural and municipal water supply to serve the needs of the Fall River Water Users District Rural Water System members consists of a Madison Aquifer well, 3 separate water storage reservoirs, 3 pumping stations, and approximately 200 miles of pipeline.

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

(1) to ensure a safe and adequate municipal, rural, and industrial water supply for the members of the Fall River Water Users District Rural Water System in Fall River County, South Dakota;

(2) to assist the members of the Fall River Water Users District in developing safe and adequate municipal, rural, and industrial water supplies; and

(3) to promote the implementation of water conservation programs by the Fall River Water Users District Rural Water System.

SEC. 3. DEFINITIONS.

In this Act:

(1) ENGINEERING REPORT.—The term ''engineering report'' means the study entitled ''Supplemental Preliminary Engineering Report for Fall River Water Users District'' published in August 1995.

(2) PROJECT CONSTRUCTION BUDGET.—The term ''project construction budget'' means the description of the total amount of funds that are needed for the construction of the water supply system, as described in the engineering report.

(3) PUMPING AND INCIDENTAL OPERATIONAL REQUIREMENTS.—The term ''pumping and incidental operational requirements'' means all power requirements that are incidental to the operation of intake facilities, pumping stations, water treatment facilities, cooling facilities, reservoirs, and pipelines to the point of delivery of water by the Fall River Water Users District Rural Water System to each entity that distributes water at retail to individual users.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of Agriculture.

(5) WATER SUPPLY SYSTEM.—The term ''water supply system'' means the Fall River Water Users District Rural Water System, a nonprofit corporation, established and operated substantially in accordance with the engineering report.

SEC. 4. FEDERAL ASSISTANCE FOR WATER SUPPLY SYSTEM.

(a) IN GENERAL.—The Secretary shall make grants to the water supply system for the Federal share of the costs of the planning and construction of the water supply system.

(b) SERVICE AREA.—The water supply system shall provide for safe and adequate municipal, rural, and industrial water supplies, mitigation of wetlands areas, and water conservation within the boundaries of the Fall River Water Users District, described as follows: bounded on the north by the Angostura Reservoir, the Cheyenne River, and the line between Fall River and Custer Counties, bounded on the east by the line between Fall River and Shannon Counties, bounded on the south by the line between South Dakota and Nebraska, and bounded on the west by the Igloo-Provo Water Project District.

(c) AMOUNT OF GRANTS.—Grants made available under subsection (a) to the water supply system shall not exceed the Federal share under section 9.

(d) LIMITATION ON AVAILABILITY OF CONSTRUCTION FUNDS.—The Secretary shall not obligate funds for the construction of the water supply system until—

(1) the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) are met with respect to the water supply system; and

(2) a final engineering report and plan for a water conservation program have been prepared and submitted to Congress for a period of not less than 90 days before the commencement of construction of the system.

SEC. 5. MITIGATION OF FISH AND WILDLIFE LOSSES.

Mitigation of fish and wildlife losses incurred as a result of the construction and operation of the water supply system shall be on an acre-for-acre basis, based on ecological equivalency, concurrent with project construction, as provided in the engineering report.

SEC. 6. USE OF PICK-SLOAN POWER.

(a) IN GENERAL.—From power designated for future irrigation and drainage pumping for the Pick-Sloan Missouri River Basin Program, the Western Area Power Administration shall make available the capacity and energy required to meet the pumping and incidental operational requirements of the water supply system during the period beginning May 1 and ending October 31 of each year.

(b) CONDITIONS.—The capacity and energy described in subsection (a) shall be made available on the following conditions:

(1) The water supply system shall be operated on a not-for-profit basis.

(2) The water supply system shall contract to purchase its entire electric service requirements, including the capacity and energy made available under subsection (a), from a qualified preference power supplier that itself purchases power from the Western Area Power Administration.

(3) The rate schedule applicable to the capacity and energy made available under subsection (a) shall be the firm power rate schedule of the Pick-Sloan Eastern Division of the Western Area Power Administration in effect when the power is delivered by the Administration.

(4) It shall be agreed by contract among—

(A) the Western Area Power Administration;

(B) the power supplier with which the water supply system contracts under paragraph (2);

(C) the power supplier of the entity described in subparagraph (B); and

(D) the Fall River Water Users District;

that in the case of the capacity and energy made available under subsection (a), the benefit of the rate schedule described in paragraph (3) shall be passed through to the water supply system, except that the power supplier of the water supply system shall not be precluded from including, in the charges of the supplier to the water system for the electric service, the other usual and customary charges of the supplier.

SEC. 7. NO LIMITATION ON WATER PROJECTS IN STATE.

This Act does not limit the authorization for water projects in South Dakota under law in effect on or after the date of enactment of this Act.

SEC. 8. WATER RIGHTS.

Nothing in this Act—

(1) invalidates or preempts State water law or an interstate compact governing water;

(2) alters the rights of any State to any appropriated share of the waters of any body of surface or ground water, whether determined by past or future interstate compacts or by past or future legislative or final judicial allocations;

(3) preempts or modifies any Federal or State law, or interstate compact, dealing with water quality or disposal; or

(4) confers on any non-Federal entity the ability to exercise any Federal right to the waters of any stream or to any ground water resource.

SEC. 9. FEDERAL SHARE.

The Federal share under section 4 shall be 70 percent of—

(1) the amount allocated in the total project construction budget for the planning and construction of the water supply system under section 4; and

(2) such sums as are necessary to defray increases in development costs reflected in appropriate engineering cost indices after August 1, 1995.

SEC. 10. NON-FEDERAL SHARE.

The non-Federal share under section 4 shall be 30 percent of—

(1) the amount allocated in the total project construction budget for the planning and construction of the water supply system under section 4; and

(2) such sums as are necessary to defray increases in development costs reflected in appropriate engineering cost indices after August 1, 1995.

SEC. 11. CONSTRUCTION OVERSIGHT.

(a) AUTHORIZATION.—The Secretary of the Interior, acting through the Director of the Bureau of Reclamation may provide construction oversight to the water supply system for areas of the water supply system.

(b) PROJECT OVERSIGHT ADMINISTRATION.—The amount of funds used by the Secretary for planning and construction of the water supply system may not exceed an amount equal to 3 percent of the amount provided in the total project construction budget for the portion of the project to be constructed in Fall River County, South Dakota.

SEC. 12. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated—

(1) $3,600,000 for the planning and construction of the water system under section 4; and

(2) such sums as are necessary to defray increases in development costs reflected in appropriate engineering cost indices after August 1, 1995.

PERKINS COUNTY RURAL WATER SYSTEM ACT OF 1988

The Senate proceeded to consider 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, which had been reported from the Committee on Energy and Natural Resources, 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. 2117

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 ''Perkins County Rural Water System Act of 1997''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) there are insufficient water supplies of reasonable quality available to the members of the Perkins County Rural Water System located in Perkins County, South Dakota, and the water supplies that are available do not meet minimum health and safety standards, thereby posing a threat to public health and safety;

(2) in 1977, the North Dakota State Legislature authorized and directed the State Water Commission to conduct the Southwest Area Water Supply Study, which included water service to a portion of Perkins County, South Dakota;

(3) amendments made by the Garrison Diversion Unit Reformulation Act of 1986 (Public Law 101–294) authorized the Southwest Pipeline project as an eligible project for Federal cost share participation;

(4) the Perkins County Rural Water System has continued to be recognized by the State of North Dakota, the Southwest Water Authority, the North Dakota Water Commission, the Department of the Interior, and Congress as a component of the Southwest Pipeline Project; and

(5) the best available, reliable, and safe rural and municipal water supply to serve the needs of the Perkins County Rural Water System, Inc., members is the waters of the Missouri River as delivered by the Southwest Pipeline Project in North Dakota.

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

(1) to ensure a safe and adequate municipal, rural, and industrial water supply for the members of the Perkins County Rural Water Supply System, Inc., in Perkins County, South Dakota;

(2) to assist the members of the Perkins County Rural Water Supply System, Inc., in developing safe and adequate municipal, rural, and industrial water supplies; and

(3) to promote the implementation of water conservation programs by the Perkins County Rural Water System, Inc.

SEC. 3. DEFINITIONS.

In this Act:

(1) FEASIBILITY STUDY.—The term ''feasibility study'' means the study entitled ''Feasibility Study for Rural Water System for Perkins County Rural Water System, Inc.'', as amended in March 1995.

(2) PROJECT CONSTRUCTION BUDGET.—The term ''project construction budget'' means the description of the total amount of funds that are needed for the construction of the water supply system, as described in the feasibility study.

(3) PUMPING AND INCIDENTAL OPERATIONAL REQUIREMENTS.—The term ''pumping and incidental operational requirements'' means all power requirements that are incidental to the operation of intake facilities, pumping stations, water treatment facilities, cooling facilities, reservoirs, and pipelines to the point of delivery of water by the Perkins County Rural Water System to each entity that distributes water at retail to individual users.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior, acting through the Commissioner of the Bureau of Reclamation.

(5) WATER SUPPLY SYSTEM.—The term ''water supply system'' means the Perkins County Rural Water System, Inc., a nonprofit corporation, established and operated substantially in accordance with the feasibility study.

SEC. 4. FEDERAL ASSISTANCE FOR WATER SUPPLY SYSTEM.

(a) IN GENERAL.—The Secretary shall make grants to the water supply system for the Federal share of the costs of—

(1) the planning and construction of the water supply system; and

(2) repairs to existing public water distribution systems to ensure conservation of the resources and to make the systems functional under the new water supply system.

(b) SERVICE AREA.—The water supply system shall provide for safe and adequate municipal, rural, and industrial water supplies, mitigation of wetlands areas, repairs to existing public water distribution systems, and water conservation in Perkins County, South Dakota.

(c) AMOUNT OF GRANTS.—Grants made available under subsection (a) to the water supply system shall not exceed the Federal share under section 10.

(d) LIMITATION ON AVAILABILITY OF CONSTRUCTION FUNDS.—The Secretary shall not obligate funds for the construction of the water supply system until—

(1) the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) are met with respect to the water supply **[**system;**]** *system; and*

(2) a final engineering report has been prepared and submitted to Congress for a period of not less than 90 days before the commencement of construction of the **[**system; and**]** *system.*

[(3) the water supply system has developed and implemented a water conservation program.

[SEC. 5. WATER CONSERVATION PROGRAM.

[(a) PURPOSE.—The water conservation program under section 4(d)(3) shall be designed to ensure that users of water from the water supply system will use the best practicable technology and management techniques to conserve water use.

[(b) DESCRIPTION.—The water conservation program shall include—

[(1) low consumption performance standards for all newly installed plumbing fixtures;

[(2) leak detection and repair programs;

[(3) rate structures that do not include declining block rate schedules for municipal households or special water users (as defined in the feasibility study);

[(4) public education programs;

[(5) coordinated operation and maintenance (including necessary repairs to ensure minimal water losses) by and between the water supply system and any member of the system that is a preexisting water supply facility within the service area of the system; and

[(6) coordinated operation between the Southwest Pipeline Project of North Dakota and the Perkins County Rural Water System, Inc., of South Dakota.

[(c) REVIEW AND REVISION.—The program described in subsection (b) shall contain provisions for periodic review and revision, in cooperation with the Secretary.**]**

SEC. [6.] *5.* MITIGATION OF FISH AND WILDLIFE LOSSES.

Mitigation of fish and wildlife losses incurred as a result of the construction and operation of the water supply system shall be on an acre-for-acre basis, based on ecological equivalency, concurrent with project construction, as provided in the feasibility study.

SEC. [7.] *6.* USE OF PICK-SLOAN POWER.

(a) IN GENERAL.—From power designated for future irrigation and drainage pumping for the Pick-Sloan Missouri River Basin Program, the Western Area Power Administration shall make available the capacity and energy required to meet the pumping and incidental operational requirements of the water supply system during the period beginning May 1 and ending October 31 of each year.

(b) CONDITIONS.—The capacity and energy described in subsection (a) shall be made available on the following conditions:

(1) The water supply system shall be operated on a not-for-profit basis.

(2) The water supply system shall contract to purchase its entire electric service requirements, including the capacity and energy made available under subsection (a), from a qualified preference power supplier that itself purchases power from the Western Area Power Administration.

(3) The rate schedule applicable to the capacity and energy made available under subsection (a) shall be the firm power rate schedule of the Pick-Sloan Eastern Division of the Western Area Power Administration in effect when the power is delivered by the Administration.

(4) It shall be agreed by contract among—

(A) the Western Area Power Administration;

(B) the power supplier with which the water supply system contracts under paragraph (2);

(C) the power supplier of the entity described in subparagraph (B); and

(D) the Perkins County Rural Water System, Inc.;

that in the case of the capacity and energy made available under subsection (a), the benefit of the rate schedule described in paragraph (3) shall be passed through to the water supply system, except that the power supplier of the water supply system shall not be precluded from including, in the charges of the supplier to the water system for the electric service, the other usual and customary charges of the supplier.

SEC. [8.] *7.* NO LIMITATION ON WATER PROJECTS IN STATES.

This Act does not limit the authorization for water projects in South Dakota and North Dakota under law in effect on or after the date of enactment of this Act.

SEC. [9.] 8. WATER RIGHTS.

Nothing in this Act—

(1) invalidates or preempts State water law or an interstate compact governing water;

(2) alters the rights of any State to any appropriated share of the waters of any body of surface or ground water, whether determined by past or future interstate compacts or by past or future legislative or final judicial allocations;

(3) preempts or modifies any Federal or State law, or interstate compact, dealing with water quality or disposal; or

(4) confers on any non-Federal entity the ability to exercise any Federal right to the waters of any stream or to any ground water resource.

SEC. [10.] *9.* FEDERAL SHARE.

The Federal share under section 4 shall be 75 percent of—

(1) the amount allocated in the total project construction budget for the planning and construction of the water supply system under section 4; and

(2) such sums as are necessary to defray increases in development costs reflected in appropriate engineering cost indices after March 1, 1995.

SEC. [11.] *10.* NON-FEDERAL SHARE.

The non-Federal share under section 4 shall be 25 percent of—

(1) the amount allocated in the total project construction budget for the planning and construction of the water supply system under section 4; and

(2) such sums as are necessary to defray increases in development costs reflected in appropriate engineering cost indices after March 1, 1995.

SEC. [12.] *11.* CONSTRUCTION OVERSIGHT.

(a) AUTHORIZATION.—The Secretary may provide construction oversight to the water supply system for areas of the water supply system.

(b) PROJECT OVERSIGHT ADMINISTRATION.—The amount of funds used by the Secretary for planning and construction of the water supply system may not exceed an amount equal to 3 percent of the amount provided in the total project construction budget for the portion of the project to be constructed in Perkins County, South Dakota.

SEC. [13.] *12.* AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated—

(1) $15,000,000 for the planning and construction of the water system under section 4; and

(2) such sums as are necessary to defray increases in development costs reflected in appropriate engineering cost indices after March 1, 1995.

The amendment (No. 3787) was agreed to, as follows:

AMENDMENT NO. 3787

(Purpose: To require a water conservation program)

On page 2, line 3, strike ''1997'' and insert ''1998''.

On page 6, line 1, strike ''has'' and insert ''and a plan for a water conservation program have''.

The committee amendments were agreed to.

The bill (S. 2117), as amended, was considered read the third time and passed, as follows:

S. 2117

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 ''Perkins County Rural Water System Act of 1998''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) there are insufficient water supplies of reasonable quality available to the members of the Perkins County Rural Water System located in Perkins County, South Dakota, and the water supplies that are available do not meet minimum health and safety standards, thereby posing a threat to public health and safety;

(2) in 1977, the North Dakota State Legislature authorized and directed the State Water Commission to conduct the Southwest Area Water Supply Study, which included water service to a portion of Perkins County, South Dakota;

(3) amendments made by the Garrison Diversion Unit Reformulation Act of 1986 (Public Law 101–294) authorized the Southwest Pipeline project as an eligible project for Federal cost share participation;

(4) the Perkins County Rural Water System has continued to be recognized by the State of North Dakota, the Southwest Water Authority, the North Dakota Water Commission, the Department of the Interior, and Congress as a component of the Southwest Pipeline Project; and

(5) the best available, reliable, and safe rural and municipal water supply to serve the needs of the Perkins County Rural Water System, Inc., members is the waters of the Missouri River as delivered by the Southwest Pipeline Project in North Dakota.

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

(1) to ensure a safe and adequate municipal, rural, and industrial water supply for the members of the Perkins County Rural Water Supply System, Inc., in Perkins County, South Dakota;

(2) to assist the members of the Perkins County Rural Water Supply System, Inc., in developing safe and adequate municipal, rural, and industrial water supplies; and

(3) to promote the implementation of water conservation programs by the Perkins County Rural Water System, Inc.

SEC. 3. DEFINITIONS.

In this Act:

(1) FEASIBILITY STUDY.—The term ''feasibility study'' means the study entitled ''Feasibility Study for Rural Water System for Perkins County Rural Water System, Inc.'', as amended in March 1995.

(2) PROJECT CONSTRUCTION BUDGET.—The term ''project construction budget'' means the description of the total amount of funds that are needed for the construction of the water supply system, as described in the feasibility study.

(3) PUMPING AND INCIDENTAL OPERATIONAL REQUIREMENTS.—The term ''pumping and incidental operational requirements'' means all power requirements that are incidental to the operation of intake facilities, pumping stations, water treatment facilities, cooling facilities, reservoirs, and pipelines to the point of delivery of water by the Perkins County Rural Water System to each entity that distributes water at retail to individual users.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior, acting through the Commissioner of the Bureau of Reclamation.

(5) WATER SUPPLY SYSTEM.—The term ''water supply system'' means the Perkins County Rural Water System, Inc., a nonprofit corporation, established and operated substantially in accordance with the feasibility study.

SEC. 4. FEDERAL ASSISTANCE FOR WATER SUPPLY SYSTEM.

(a) IN GENERAL.—The Secretary shall make grants to the water supply system for the Federal share of the costs of—

(1) the planning and construction of the water supply system; and

(2) repairs to existing public water distribution systems to ensure conservation of the resources and to make the systems functional under the new water supply system.

(b) SERVICE AREA.—The water supply system shall provide for safe and adequate municipal, rural, and industrial water supplies, mitigation of wetlands areas, repairs to existing public water distribution systems, and water conservation in Perkins County, South Dakota.

(c) AMOUNT OF GRANTS.—Grants made available under subsection (a) to the water supply system shall not exceed the Federal share under section 10.

(d) LIMITATION ON AVAILABILITY OF CONSTRUCTION FUNDS.—The Secretary shall not obligate funds for the construction of the water supply system until—

(1) the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) are met with respect to the water supply system; and

(2) a final engineering report and a plan for a water conservation program have been prepared and submitted to Congress for a period of not less than 90 days before the commencement of construction of the system.

SEC. 5. MITIGATION OF FISH AND WILDLIFE LOSSES.

Mitigation of fish and wildlife losses incurred as a result of the construction and operation of the water supply system shall be on an acre-for-acre basis, based on ecological equivalency, concurrent with project construction, as provided in the feasibility study.

SEC. 6. USE OF PICK-SLOAN POWER.

(a) IN GENERAL.—From power designated for future irrigation and drainage pumping for the Pick-Sloan Missouri River Basin Program, the Western Area Power Administration shall make available the capacity and energy required to meet the pumping and incidental operational requirements of the water supply system during the period beginning May 1 and ending October 31 of each year.

(b) CONDITIONS.—The capacity and energy described in subsection (a) shall be made available on the following conditions:

(1) The water supply system shall be operated on a not-for-profit basis.

(2) The water supply system shall contract to purchase its entire electric service requirements, including the capacity and energy made available under subsection (a), from a qualified preference power supplier that itself purchases power from the Western Area Power Administration.

(3) The rate schedule applicable to the capacity and energy made available under subsection (a) shall be the firm power rate schedule of the Pick-Sloan Eastern Division of the Western Area Power Administration in effect when the power is delivered by the Administration.

(4) It shall be agreed by contract among—

(A) the Western Area Power Administration;

(B) the power supplier with which the water supply system contracts under paragraph (2);

(C) the power supplier of the entity described in subparagraph (B); and

(D) the Perkins County Rural Water System, Inc.;

that in the case of the capacity and energy made available under subsection (a), the benefit of the rate schedule described in paragraph (3) shall be passed through to the water supply system, except that the power supplier of the water supply system shall not be precluded from including, in the charges of the supplier to the water system for the electric service, the other usual and customary charges of the supplier.

SEC. 7. NO LIMITATION ON WATER PROJECTS IN STATES.

This Act does not limit the authorization for water projects in South Dakota and North Dakota under law in effect on or after the date of enactment of this Act.

SEC. 8. WATER RIGHTS.

Nothing in this Act—

(1) invalidates or preempts State water law or an interstate compact governing water;

(2) alters the rights of any State to any appropriated share of the waters of any body of surface or ground water, whether determined by past or future interstate compacts or by past or future legislative or final judicial allocations;

(3) preempts or modifies any Federal or State law, or interstate compact, dealing with water quality or disposal; or

(4) confers on any non-Federal entity the ability to exercise any Federal right to the waters of any stream or to any ground water resource.

SEC. 9. FEDERAL SHARE.

The Federal share under section 4 shall be 75 percent of—

(1) the amount allocated in the total project construction budget for the planning and construction of the water supply system under section 4; and

(2) such sums as are necessary to defray increases in development costs reflected in appropriate engineering cost indices after March 1, 1995.

SEC. 10. NON-FEDERAL SHARE.

The non-Federal share under section 4 shall be 25 percent of—

(1) the amount allocated in the total project construction budget for the planning and construction of the water supply system under section 4; and

(2) such sums as are necessary to defray increases in development costs reflected in appropriate engineering cost indices after March 1, 1995.

SEC. 11. CONSTRUCTION OVERSIGHT.

(a) AUTHORIZATION.—The Secretary may provide construction oversight to the water supply system for areas of the water supply system.

(b) PROJECT OVERSIGHT ADMINISTRATION.—The amount of funds used by the Secretary for planning and construction of the water supply system may not exceed an amount equal to 3 percent of the amount provided in the total project construction budget for the portion of the project to be constructed in Perkins County, South Dakota.

SEC. 12. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated—

(1) $15,000,000 for the planning and construction of the water system under section 4; and

(2) such sums as are necessary to defray increases in development costs reflected in appropriate engineering cost indices after March 1, 1995.

EXTENDING DEADLINE UNDER FEDERAL POWER ACT

Mr. MCCAIN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 4081, just received from the House.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 4081) to extend the deadline under the Federal Power Act applicable to the construction of a hydroelectric project in the State of Arkansas.

The Senate proceeded to consider the bill.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the bill be read a third time and passed and that the motion to reconsider be laid upon the table, without intervening action or debate.

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

The bill (H.R. 4081) was considered read the third time and passed.

ORDERS FOR THURSDAY, OCTOBER 8, 1998

Mr. MCCAIN. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:30 a.m. on Thursday, October 8. I further ask unanimous consent that the time for the two leader be reserved.

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

Mr. MCCAIN. I further ask unanimous consent that there then 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.

Mr. MCCAIN. Mr. President, I further ask unanimous consent that following morning business, the Senate proceed to the consideration of the VA-HUD conference report, and that there be 1 hour for debate equally divided on the report. I further ask that at 11 a.m., the Senate proceed to vote on the adoption of the conference report.

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

PROGRAM

Mr. MCCAIN. Mr. President, for the information of all Senators, on Thursday, there will be a period for the transaction of morning business until 10 a.m. Following morning business, the Senate will begin consideration of the VA–HUD conference report under a 1-hour time agreement. At 11 a.m., the Senate will proceed to vote on the adoption of the VA–HUD conference report.

Following that vote, the Senate may resume consideration of the Internet tax bill or begin consideration of the intelligence authorization conference report, the human services reauthorization conference report and possibly the Treasury-Postal appropriations conference report. The Senate may also consider any other available conference reports or other legislative or executive items cleared for action.

Once again, the leader would like to stress to all Members that there are only a few days remaining in which to complete many important legislative items. Therefore, Members are encouraged to be flexible to accommodate a busy schedule, with votes occurring throughout each day and into the evenings.

ORDER FOR RECESS

Mr. MCCAIN. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that following the remarks of the Senator from Hawaii, the Senate stand in recess under the previous order.

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

Mr. MCCAIN. Mr. President, I thank the Senator from Hawaii for his usual courtesy in allowing me to proceed with this closing business. I thank my dear friend from Hawaii. I yield the floor.

REAUTHORIZATION OF THE ENDANGERED SPECIES ACT

Mr. AKAKA. Mr. President, for the last year or so, both the House and Senate have been working on legislation that would reauthorize the Endangered Species Act of 1973. The Senate Environment and Public Works Committee has reported legislation offered by my colleague from Idaho, Senator KEMPTHORNE, that would modify the Act in significant ways. Although it is unlikely that we will take up this bill in the short time remaining to us, I would like to make a few observations about the Endangered Species Act and what it has meant to Hawaii, home to more endangered species than any other state or territory within the United States.

Mr. President, as legislators, we are guardians of our Nation's rich natural inheritance; in this capacity, we cannot afford to squander the ecological legacy we leave to our children. Surely, part of our concern for rare species and ecosystems is the simple realization that once they are gone, we would have failed in our stewardship responsibility. Hawaii is poised on the brink of irreversible ecological change, and it is important that wise stewardship decisions be rendered to preserve our unique, tropical ecosystem.

The term ''ecosystem'' has become a political buzzword and does not adequately described the delicate checks and balances that make up the natural world. The basis of Hawaii's natural system begins not with a list of threatened plants and animals, but with the unique origin of the islands. For millions of years, lava welling out from the earth's mantle cooled upon the ocean floor, gradually forming the Hawaiian islands, one by one, a process that is ongoing even today. As one island moves away from the influence of a ''hot spot'' in the middle of the Pacific, another island is born. Each island is the peak of a volcanic mountain, with its base hidden far below the surface of the ocean. Only a few types of birds, insects, and plants were able to colonize the remote islands, and these few evolved into scores or even hundreds of unique species. The islands sheltered no large land mammals or reptiles, only creatures that have gradually lost their natural defenses against such predators.

The Endangered Species Act is critical to this unique, insular ecosystem. There are, 1,126 total U.S. species listed by Fish and Wildlife Service under protection of the ESA, and although its islands represent just two-tenths of one percent of the total U.S. land area, Hawaii is home to more rare and endangered species than any other state or territory. In addition, three-fourths of the nation's now extinct plants and birds once existed only in Hawaii. Hawaii has an astounding 363 listed endangered species. Only California, with 223 listed species, rivals Hawaii in the number of listed endangered species. The Pacific islands, not including Hawaii, have a total of 16 listed endangered species.

The causes of Hawaiian species decline are numerous and complicated, but the most significant threats come from non-native animals that uproot and devour fragile native plants. Feral pigs, rats, and mongooses not only physicially destroy plants, but spread the seeds of aggressive alien plants such as the South American banana

poke vine, and small invasive trees like the Brazilian strawberry guava. These alien plants form thick, impenetrable monocultures that choke out native plants. When native plants disappear, the birds and insects that rely on native plants for food are also threatened. Diseases that kill native flora and fauna are also spread by alien species: birds in particular are ravaged by diseases transmitted through mosquitoes.

Hawaiian plants and animals coevolved over millions of years and continue to depend on each other for survival. The interdependency of Hawaiian insects, birds, and plants makes this ecosystem susceptible to rapid, irreversible change due to loss of species richness. Endangered species in Hawaii range from mammals such as the charismatic monk seal and the Hawaiian goose (also the state bird), or nene [nay-nay], to sea creatures like the hawksbill sea turtle and invertebrates such as the Oahu tree snail. There are endangered plants from 279 taxa, including plants with great cultural significance such as the mahoe and uhiuhi. Hawaii harbors at least 5,000 species as yet unknown to science as well as many rare species, including the wekiu bug, which has ''antifreeze'' in its blood, and the Wood's tree hibiscus, a small tree previously unknown to science, found in Kauai, with only four individuals known worldwide.

I cannot stress enough that the loss of even one species may contribute to the decline of entire ecosystems, and barring unprecedented action, many species may vanish undiscovered. Along with the species, lost also is genetic information that could lead to new foods and medicines.

Mr. President, the survival of hundreds of endangered species now depends on human intervention. Though gravely threatened, Hawaii's remaining natural treasures can be saved. Conservation of habitat, control and eradication of noxious introduced plants and predators, and enlightened resource management are the answer. Conservationists within Hawaii kill feral animals, erect fences to keep ungulates away from fragile plants, breed animals in captivity, pollinate flowers by hand, and destroy alien plants. We are hoping to restore and maintain healthy ecosystems so that Hawaii's native species have the respite and protection they need to survive. Thus, Hawaii is not a lost cause: more than a quarter of the state's land remains unspoiled. But we must continue in our struggle to protect rare and endangered species before the battle is over and our legacy to our children is robbed of species richness.

Since the enactment of the Endangered Species Act of 1973, we have garnered important knowledge and won substantial victories across the country in our efforts to protect imperiled species. Eight U.S. species have removed from the list due to recovery and another 18 species have been upgraded from endangered to threatened. More importantly, at least half of all species listed for a decade or more are not either stable or improving in status.

For example, the first group of captive-bred Mexican wolves was released back into the American southwest this year; California condors, southeastern fish, and dear to me, the Hawaiian silversword plant and 'alala have also been re-introduced to the wild. Bird conservation groups in my own state have hatched eggs from 12 different endemic species—species that have never before been reared in captivity like the 'akohekohe, palila, Maui parrotbill, puaiohi, 'elepaio, and 'amakihi. All of this has been accomplished in 25 years since the Act's passage—remarkable when considered on nature's time scale rather than our fast paced Congressional calendar.

But these successful conservation efforts are not merely a result of Federal law. In Hawaii at least, the State legislature has enacted an endangered species law that is comparable, and, in some instances, stronger than Federal law. Last year, the State amended this law to allow ''take'' of endangered or threatened species when such authorization is issued in conjunction with a safe harbor agreement or habitat conservation plan. Although modelled after Federal law, the State amendments are more strict. For example, under the ESA, in order to allow for a ''take,'' the population must not decrease; however, under the Hawaiian statute, the likelihood of population increase must be proven before taking is allowed.

Despite success on the Federal and State levels to protect and preserve biological diversity, Congress may next year consider legislation similar to the Kempthorne bill, that in its current form could weaken the Endangered Species Act of 1973, the Nation's most important law protecting endangered wildlife and wildlife habitat.

There are many provisions of the Kempthorne bill, S. 1180, the Endangered Species Recovery Act of 1997, that I applaud and support. The bill emphasizes recovery efforts, and codifies many of the administration's efforts to provide incentives to landowners that are affected by the Endangered Species Act. The Kempthorne bill also expands the role of States in implementing the act, which has the potential to tailor species recovery efforts on a case-by-case basis, rather than applying a Federal cookie-cutter approach to species protection.

However, there are key elements of S. 1180 that are fundamentally unsound. For example, the legislation would lock in Habitat Conservation Plans without allowing for review and adjustment. Mr. President, our knowledge of rare species is slow in coming; but as our information base grows, Habitat Conservation Plans need to change and grow, too, reflecting new and more complete information about the needs of endangered species. Imagine if our knowledge or medical science were similarly locked in—we would still be using leeches to bleed patients of ''humors.''

In addition, the Kempthorne measure does not fully cover water rights, nor does it provide just compensation to property owners. It would also establish significant bureaucratic obstacles to listing, management, and recovery plans. And it offers less conservation per dollar appropriated.

Our House colleague, Congressman GEORGE MILLER, has put forward a bill that I find more consistent with the original intent of the Endangered Species Act. The Miller bill emphasizes recovery of species; steps up protection of candidate species; creates a new and important category of ''survival habitat'' which is designated at time of listing, yet also has a version of ''no surprises'' permits; and creates a habitat conservation fund based on performance bonds paid by recipients of incidental take permits. It contains extensive tax benefits for landowners affected by the Endangered Species Act. Most importantly, under the Miller legislation, the public is allowed to sue to enforce the terms of Habitat Conservation Plans.

I applaud Senator KEMPTHORNE for attempting in his legislation to balance the needs of private landowners against the protections we accord endangered species; unfortunately, I believe his bill tilts too far in favor of the former. However well-meaning, key provisions of the bill represent a backtracking on endangered species and endangered species habitat protection. Until these shortcomings are addressed, Congress should not consider altering the most important and effective law we have on the books for protecting our rarest forms of life.

Mr. President, let me conclude by noting that more than any other state, Hawaii is teetering on the edge of no return. The Endangered Species Act is our ultimate safety net when the more than 150 other U.S. laws and international treaties fail to prevent a species from declining toward extinction. When measured in terms of preventing threatened species from going extinct, the Act has been an overwhelming success. I would be reluctant to support legislation, however well-intentioned, that would reduce the effectiveness of this landmark law.

I therefore look forward to debating reauthorization of the Endangered Species Act when the 106th Congress convenes. Senator KEMPTHORNE and Congressman MILLER have both made good starts in heightening concern about endangered species and in bringing to light the complexities of species protection and recovery. Let us build on their efforts next year and debate more thoroughly the requirements that are necessary to crafting a stronger, more effective endangered species law.

I yield the floor.

RECESS UNTIL 9:30 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 9:30 a.m., Thursday, October 7, 1998.

Thereupon, the Senate, at 8:04 p.m., recessed until 9:30 a.m., Thursday, October 8, 1998.

NOMINATIONS

Executive nominations received by the Senate October 7, 1998:

DEPARTMENT OF JUSTICE

MARGARET ELLEN CURRAN, OF RHODE ISLAND, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF RHODE ISLAND FOR THE TERM OF FOUR YEARS, VICE SHELDON WHITEHOUSE, RESIGNED.

BYRON TODD JONES, OF MINNESOTA, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF MINNESOTA FOR THE TERM OF FOUR YEARS, VICE DAVID LEE LILLEHAUG, RESIGNED.

FEDERAL MARITIME COMMISSION

HAROLD J. CREEL, JR., OF SOUTH CAROLINA, TO BE A FEDERAL MARITIME COMMISSIONER FOR THE TERM EXPIRING JUNE 30, 2004. (REAPPOINTMENT)

ENVIRONMENTAL PROTECTION AGENCY

ROBERT W. PERCIASEPE, OF MARYLAND, TO BE AN ASSISTANT ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY. (REAPPOINTMENT)

CONFIRMATIONS

Executive Nominations Confirmed by the Senate October 7, 1998:

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

JOY HARJO, OF NEW MEXICO, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE ARTS FOR A TERM EXPIRING SEPTEMBER 3, 2002.

JOAN SPECTER, OF PENNSYLVANIA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE ARTS FOR A TERM EXPIRING SEPTEMBER 3, 2002.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

EXTENSIONS OF REMARKS

IN RECOGNITION OF CAPTAIN HENRY OSBORNE

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 7, 1998

Mr. HALL of Texas. Mr. Speaker, I rise today to honor and pay tribute to one of the greatest men and finest Americans I have ever known—Navy Captain Henry Osborne.

He was born in Ladonia, Texas, January 17, 1924, to Mr. and Mrs. Alonzo Osborne. Henry enlisted as a Seaman Second Class in the Navy May 8, 1942. He was designated a Naval Aviator and received a commission as Ensign, April 16, 1943. After a long and distinguished military career Henry retired June 30, 1973, as Captain, United States Navy.

Seeing Captain Osborne on Sundays at First United Methodist Church of Rockwall, I had the pleasure of getting to know him personally. Besides exchanging pleasantries, I had the opportunity to share old World War II stories with Captain Osborne on many occasions.

During these memorable conversations, Captain Osborne told me about the combat he saw in the Pacific during World War II and in Korea. He was a Prisoner of War in Korea from May 23, 1951 to September 2, 1953. Captain Osborne was awarded the Legion of Merit, the Distinguished Flying Cross, the Air Medal (12), the Joint Service Commendation, the Purple Heart, the Presidential Unit Citation and the Navy Unit Commendation. As shown by these many symbols of accomplishment and bravery, Henry fought for this country, he was imprisoned for this country, he bled for this country—and, yes, he lived for this country.

Captain Henry Osborne passed away last week on October 1, 1998. Henry is survived by his wife, the former Muriel Kathryn Ogden, whom he married at the Naval Air Station Chapel, Corpus Christi, Texas, October 31, 1947. Muriel knew the pains of fear as her husband was shot down in combat and imprisoned. She served side by side with Henry during the dark days of war and enjoyed the bright aftermath of armistice. Muriel is a lovely and talented lady who has shared her talents with our church choir. She has always been a wonderful wife, friend and partner to a great, great man. Henry is also survived by his three daughters: Kathryn, Henri and Zelma.

Mr. Speaker, I have rarely been as impressed by any one man, as I was by Henry Osborne. Henry was a ''man's man.'' When I looked him in the eye I saw a man who bore the brunt of war. Henry Osborne was the epitome of a Naval Captain. Mr. Speaker, when we adjourn today, let us do so in honor and respect for this great American hero—the late Captain Henry Osborne.

TRIBUTE TO CAROLYN MOORE OF MUNSTER, IN.

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 7, 1998

Mr. VISCLOSKY. Mr. Speaker, it is truly my distinct honor to congratulate one of Northwest Indiana's hidden treasures: Carolyn Moore, of Munster, Indiana. The Owner and President of Laughing Cat Productions, Carol's work, ''Citizens Financial Services History,'' has been recognized with a Telly Finalist Award. Since 1986, when she founded Laughing Cat Productions, Carol has been serving businesses, schools, and individuals who wish to have a video produced. Winning a Telly Award is a significant honor, and raises Carol to the top of her field, not only in Northwest Indiana, but across the entire United States. The Telly Awards are a national competition for people and companies who create videos, commercials, and films; Carol earned a Finalist Award in the category of corporate image. The Telly Awards Organization was founded in 1980 to showcase and offer recognition to outstanding non-network and cable television commercials. Past winners include the Ford Motor Company, the American Medical Society, and Pepsi. Carol's Award and Recognition places her among the best in the advertising business.

When I think of Carol, however, the first image which comes to my mind is not her successful professional career, but her extraordinary community activism. Whenever a project has needed a leader or an issue has needed to be addressed, Carol has stepped forward to accept the challenge. I cannot emphasize how much her involvement in the community means to me, and to our region. Well before her career in advertising and production, Carol served our community as one of its most dedicated and successful activists. Beginning in 1978, she helped lead Northwest Indiana's endeavor to create a local television station. Her vision was realized in 1985, with a federal grant of one million dollars for a local television station from the Development of Commerce's National Telecommunications and Information Administration. Today, the residents of Northwest Indiana enjoy the fruit of Carol's labors: WYIN Channel 56, the region's only local broadcast station. Carol's community activism did not stop in 1985, however. For over a decade, she has worked with the Northwest Indiana Literacy Coalition, and today serves as a member of the Board of Directors. She is a member of both the Munster and Gary Chambers of Commerce, serves as the President of the Communicators of Northwest Indiana, and is currently the Vice President of Marketing for the Northwest Indiana World Trade Council.

Though Carol is dedicated to her career and community, she has never limited her time and love for her family. Longtime residents of Munster, Carol and her husband Dave have raised three children; Jillian, 27; Douglas, 23; and Owen, 21. Outside of her work and volunteer service, Carol enjoys spending her time reading, sailing, and golfing. She plans to continue her work as President of Laughing Cat Productions, and hopes to slowly expand the company. In addition, she intends to maintain her high levels of community service and involvement in the local media.

Mr. Speaker, I ask that you and my distinguished colleagues join me in congratulating Carolyn Moore for her truly well-earned honor, and, though often unrecognized, for her exemplary efforts to improve our region. Carol's community activism and desire to improve our community is commendable and praiseworthy. Whether through advancing the public's literacy awareness, championing the cause of local and public television in Northwest Indiana, or pursuing the economic re-vitalization of Northwest Indiana, Carol's actions have left an indelible mark on Indiana's First Congressional District. We are indeed fortunate to have such a dedicated and self-sacrificing citizen.

TAIWAN TO CELEBRATE NATIONAL DAY

HON. SILVESTRE REYES

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 7, 1998

Mr. REYES. Mr. Speaker, I rise to join in celebration with the Republic of China on Taiwan on the occasion of their upcoming National Day and to discuss Taiwan's status in the international community and with the United States.

The Republic of China was founded early in this century, and despite a history of struggle, they have been a strong ally and partner of the United States. They have developed a dynamic economy and industrial base with ties around the world. As a result, they are a valued trading partner. Moreover, they share our economic principles and with their economic success are a tremendous example of free market capitalism.

Additionally, they have shown themselves to be a stabilizing economic force. All of us have heard of the financial devastation and recessionary conditions plaguing various nations in Asia, yet Taiwan remains economically strong. They have assisted neighboring countries and used their financial strength to ease the Asian economic crisis and act as a valuable resource.

Taiwan has been able to take this leadership role, despite remaining isolated without a seat in the United Nations nor in the major international organizations. Moreover, despite a lack of formal diplomatic relations with the United States, Taiwan has consistently worked in conjunction with the United States in support of our various interests. With their important strategic geographic and economic position in the world, they are an important ally.

During the occasion of Taiwan's forthcoming National Day we therefore celebrate our friendship with Taiwan. We must continue to cultivate an ever close partnership with Taiwan. I commend Taiwan on its leadership, friendship, and close relationship.

Mr. Speaker, I therefore congratulate Taiwan on its accomplishments and join in celebration on Taiwan's forthcoming National Day.

FILIPINO VETERANS SSI EXTENSION ACT, H.R. 4716

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 7, 1998

Mr. GILMAN. Mr. Speaker, I rise today to introduce H.R. 4716, the Filipino Veterans SSI Extension Act.

At the start of the 105th Congress, I introduced H.R. 836, the Filipino Veterans Equity Act, a bill which would have provided full veterans benefits to those veterans of the Commonwealth Army of the Philippines.

Although hearings were held earlier this year, the prospect of legislative action on H.R. 836 appears unlikely. Therefore, I am offering this measure in order to provide some relief for those Filipino veterans residing in the United States who currently receive Supplemental Security Income benefits.

Under current law, individuals who receive SSI benefits must relinquish those benefits if they choose to leave the country. This bill would permit those who were members of the Filipino Commonwealth Army and recognized guerilla units during World War II to continue to receive SSI benefits if they elect to return to the Philippines.

These benefits would be reduced by 25 percent if the individual veteran returned to the Philippines, to reflect the lower cost of living and per capita income of that nation.

It is estimated that several thousand veterans would be affected, many of whom are financially unable to petition their families to immigrate to the United States. Should this bill be adopted, these veterans would be able to return to their families in the Philippines while bringing a decent income with them.

I urge my colleagues to join me in supporting this worthwhile measure.

H.R. 4716

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

SECTION 1. PROVISION OF REDUCED SSI BENEFIT TO CERTAIN INDIVIDUALS WHO PROVIDED SERVICE TO THE ARMED FORCES OF THE UNITED STATES IN THE PHILIPPINES DURING WORLD WAR II AFTER THEY MOVE BACK TO THE PHILIPPINES.

(a) IN GENERAL.—Notwithstanding sections 1611(b), 1611(f)(1), and 1614(a)(1)(B)(i) of the Social Security Act—

(1) the eligibility of a qualified individual for benefits under the supplemental security income program under title XVI of such Act shall not terminate by reason of a change in the place of residence of the individual to the Philippines; and

(2) the benefits payable to the individual under such program shall be reduced by 25 percent for so long as the place of residence of the individual is in the Philippines.

(b) QUALIFIED INDIVIDUAL DEFINED.—In subsection (a), the term ''qualified individual'' means an individual who—

(1) as of January 1, 1990, was eligible for benefits under the supplemental security income program under title XVI of the Social Security Act; and

(2) before August 15, 1945, served in the organized military forces of the Government of the Commonwealth of the Philippines while such forces were in the service of the Armed Forces of the United States pursuant to the military order of the President dated July 26, 1941, including among such military forces organized guerrilla forces under commanders appointed, designated, or subsequently recognized by the Commander in Chief, Southwest Pacific Area, or other competent military authority in the Army of the United States.

RECOGNIZING THE HAYS COUNTY 4–H ANNUAL DINNER, DANCE AND AUCTION

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 7, 1998

Mr. PAUL. Mr. Speaker, the Hays County 4–H will hold their annual dinner, dance and auction on Saturday, October 10, 1998. This is a very important event Mr. Speaker, as it recognizes 90 years of 4–H in Texas. For those of us who were raised on farms and who represent agricultural communities it is well known how important an organization 4–H truly is.

Head, Hand, Hearts and Health, these are the ''4–H's'' and they are truly indicative of what this organization is all about. One of the primary missions that this organization undertakes is agricultural education. Earlier this year I introduced a bill which would exempt the sale of livestock by those involved in educational activities such as FFA and 4–H from federal income taxation. By making young men and women who participate in these activities hire a group of tax accountants and attorneys we are sending the wrong message. Young people who sell livestock at county fairs and the like should be rewarded for taking self initiative and allowed to keep the money they've earned to help pay for their education or to re-invest in other animals to raise. My bill would eliminate the current policy of forcing these youngsters to visit the tax man.

Mr. Speaker, I want to commend the young people of Hays County's 4–H, as well as their parents and sponsors, for continuing the fine traditions of this truly great organization.

A TRIBUTE TO THE SHEET METAL WORKERS, LOCAL NO. 20

HON. PETER VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 7, 1998

Mr. VISCLOSKY. Mr. Speaker, it is my distinct honor to congratulate some of the most dedicated and skilled workers in Northwest Indiana. On September 18, 1998, in a salute to their workers' durability and longevity, the Sheet Metal Workers, Local #20, of Gary, Indiana, honored their members of fifty years, forty years, and twenty-five years continued service. These individuals, in addition to the other Local #20 members who have served Northwest Indiana so diligently for such a long time, are a testament to the proto-typical American worker: loyal, dedicated, and hard-working.

The men and women of Local #20 are a fine representation of America's union men and women; I am proud to represent such dedicated men and women in Congress. The Sheet Metal Workers Constitution states, ''. . . to establish and maintain desirable working conditions and thus provide for themselves and their families that measure of comfort, happiness, and security to which every citizen is entitled in return for his labor, from a deep sense of pride in our trade, to give a fair day's work for a fair day's pay.'' For fifty years, the following individuals have followed this creed: John Bitner, Alan Bradford, Henry Eckstein, Clem Gora, Arthur Kekeis, Raymond Klodzen, Ton Mason, Andrew Mushinsky, John Piecuch, Joseph Pollock, Allen Tucker, and John Wesbecher. In 1958, Eugene Bitner, Harold Couma, John Downing, Harry Hamilton, Franklin Klee, Ralph Lasky, and Frank Macewicz, Arthur Panek, Willie Peters, Levi Richmond, Thomas Schaeffer, George Sweat, and Jack Teitge began their own forty years of service to Northwest Indiana and membership in the Sheet Metal Workers trade union. In addition to the great service and dedication displayed by the fifty and forty-year continued service members, the members with twenty-five years of continued service were honored. They are Robert Allen, Howard Alward, Keith Benson, Joseph Bloomfield, Robert Bonner, David Condon, Henry Cook, Benjamin Dear, Randall Hamilton, Terrence Henney, Arthur Herr, Donald Hill, David Hoffman, Kevin Hoffman, Clifford Hynd, David Jorgenson, John Klein, James Knapik, Carlton Kobe, Jerry Krachinski, Thomas Labney, Gerald Levendouski, Raymond Levendouski, Dan Londacre, John McShane, David Masterson, Gus Martakis, Richard Mendez, Earl Miller, Marty Mushinsky, Floyd Nelson, John Oros, Joseph Poropat, Rocky Richardson, Joseph Ring, Steven Sasko, William Schaeffer, Michael Shammert, Louis Schest, Jacob Sherwood, Eugene Skalba, Charles Spicker, Robert Swisher, Michael Switt, Larry Tayler, Walter Thomas, Charles Thompson, Robert Vaughn, Frank Vidimos, Wayne Werdin, Roger Wright, and Paul Zander.

As Orville Dewey said, ''Labor is man's greatest function. He is nothing, he can do nothing, he can achieve nothing, he can fulfill nothing, without working.'' The men of Local #20, in addition to all of the local unions in Northwest Indiana, form the backbone of our economy and community. Without their blood, sweat, and tears, Indiana's First Congressional District would not be a place of which to be proud, it would not be the place I love, nor would it be my home.

Mr. Speaker, I ask that you and my distinguished colleagues join me in congratulating these dedicated, upstanding members of Local #20, in addition to all the hard-working union men and women of America. Their hard labor and dauntless courage are the achievement and fulfillment of the American dream.

TRIBUTE TO ST. PAUL LUTHERAN CHURCH IN ROYAL OAK, MI

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 7, 1998

Mr. LEVIN. Mr. Speaker, I rise to honor the congregation of St. Paul Lutheran Church, Royal Oak, Michigan, as they celebrate 125 years of ministry to the Royal Oak community.

St. Paul Lutheran Church began as a Lutheran orphanage in 1873 on twenty acres of property at University and Main Street in Royal Oak. In August of 1873, Pastor George Speckhard was installed as Pastor of the Church as well as superintendent of the orphanage and instructor of deaf children.

Pastor Speckhard, a former teacher for the deaf in Germany before entering the ministry, had been instructing two deaf children and was soon asked to instruct other deaf children in the area. Within ten months, he was instructing 15 deaf children. Because of the obvious need, the orphanage was transferred to Addison, Illinois and the Royal Oak facility became a school for the deaf. In 1875, the school was moved to Nevada Avenue in Detroit, and became known as The Lutheran School for the Deaf.

After the School for the Deaf was moved, Pastor Speckhard faithfully made the trip to Royal Oak to continue church services and other pastoral duties in various temporary locations. After reorganization, the church was called St. Paul Evangelical Lutheran Church.

St. Paul's experienced changes in pastors throughout the years. In addition, the church made several moves, and underwent building and expansion projects to accommodate its growing congregation and increasing enrollment in the day school.

During these 125 years, St. Paul's has always served the Royal Oak community by participating in a variety of local projects, teaching children in their day school, and reaching out with their ministry program specifically formulated for Royal Oak's unique urban community.

I ask my colleagues to join me as we extend our sincere congratulations to St. Paul Lutheran Church for their 125 years of dedicated spiritual service to the Royal Oak community.

''ARBEN XHAFERI ON PEACE AND DEMOCRACY IN THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA''

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 7, 1998

Mr. GILMAN. Mr. Speaker, Mr. Arben Xhaferi is the Chairman of the Albanian Democratic Party of Macedonia, one of the leading parties representing ethnic Albanian citizens of the Former Yugoslav Republic of Macedonia.

Mr. Xhaferi visited Washington last week and delivered a speech at the United States Institute of Peace concerning developments in the Former Yugoslav Republic of Macedonia and the situation in the Balkans in general. I would like to provide for the Members' review the introductory portion of Mr. Xhaferi's presentation, in which he outlines his argument that a people's right to self-determination should supercede a state's right to territorial integrity if that state does not guarantee democratic and human rights for all its citizens, regardless of ethnic background.

Mr. Speaker, while attention has been focused on the conflict that has raged in the Kosovo region of Serbia, we should note that the future of the Former Yugoslav Republic of Macedonia is just as important for the development of peace and democracy in the Balkans. The creation of a unitary state with equal rights for all it citizens is an important process in the Former Yugoslav Republic of Macedonia. The United States Department of State and Agency for International Development should pay full attention to the problems in that new country and re-double on-going efforts to support democratization, economic growth and educational opportunities there.

Mr. Speaker, the introductory portion of Mr. Xhaferi's speech follows.

CHALLENGES TO DEMOCRACY IN MULTIETHNIC STATES

(By Arben Xhaferi)

INTRODUCTION

Since the fall of communism, the economic, social, ethnic, and cultural problems that previously were concealed and suppressed by Communist ideologists have re-emerged, and often in tragic ways. Five decades of the suppression of ethnic and social conflicts in the service of Communist ideology have resulted in the ''revenge of history over ideology,'' which, in post-Communist states, has manifested itself in two troubling phenomena: the creation of ''ethnic States'' and the creation of colonial relations, and in some instances, apartheid relations, among different ethnic groups.

Consequently, in post-Communist States, there is and there will be for the foreseeable future a struggle between the forces that seek to affirm and cultivate diversity and democracy and those that seek the ethnic, religious, economic, and political domination of one group over another. The attempt of dominant ethnic groups to achieve hegemony is being orchestrated through the misuse of Western values. Democracy is proclaimed and then subverted by officials who have transformed it into an instrument of elimination, a method for marginalizing non-dominant ethnic groups. In the Former Yugoslav Republic of Macedonia (FYROM), for example, a parliament that represents the dominant group of Macedonians ''votes'' to legalize their ''right'' to dominate the minority.

With the shattering of the former Soviet Union and the corresponding rise in ethnic wars of secession, two competing claims in the sphere of international law now confront each other: the right of self-determination, including emancipation and decolinization, and the right of sovereignty, including the inviolability of borders. The former right is in alienable, whereas the latter right is not absolute—it simply defines the ways in which borders can or cannot be changed. The right to self-determination is under attack by those who would replace the ideological totalitarianism of the Communist system with ethnic totalitarianism. In Bosnia, we have witnessed ethnic cleansing. In Kosova, we have watched a apartheid unfolds into genocide; in FYROM, we have seen the second largest ethnic group, the Albanians, marginalized; and in Russia, a Slavophile diplomatic policy prevails.

The efforts of dominant ethnic groups in the post-Cold War world to deny individual liberties and ethnic, cultural, linguistic, and religious rights among ethnic groups seeking freedom and self-determination have been justified using arguments of Legality, the inviolability of borders, conspiracy (unfounded speculations about attempts by ''foreign enemies'' to overthrow the State), racist or ethnocentrist theories, history, including fictitious claims of national destiny, and the threat of instability posed by false comparisons between, for example, the demands and status of American Hispanics, Aborigines in Australia, Basques in Spain, Arabs in France, and Albanians in the former Yugoslavia.

Serbian President Slobodan Milosevic and his staff resort to most of these arguments when they discuss the factors that led to the disintegration of Yugoslavia. The blame foreign agents, the West in general and former U.S. Congressman Robert Dole and former German Minister of Foreign Affairs Hans Genscher in particular, as responsible for the disintegration of their country. Simultaneously, the hold aloft Serbia as the bastion of Orthodoxy preventing the penetration of Catholicism in the East and Islam in the West. In order to justify their hegemony, the Serbian regime oscillates between the ethnic argument (Bosnia and Hercegovina) and the historical argument (Kosova is Serbia's ''Jerusalem'').

Similarly, in FYROM, when the Albanians called for more extensive use of the Albanian language and the official recognition of the Albanian University of Tetova within the Macedonian educational system, the government of Koro Gligorov dismissed these demands by arguing that if such rights were given to Albanians, then the same should also be given to Hispanics in Texas and Arabs in Marseilles.

Nevertheless, we stand at the beginning of a new era in which old federations are dissolving, their constituent parts are seceding, and the right to self-determination is emerging as a defining issue on the historical stage. In the face of massive human rights abuses and economic, cultural, and political disenfranchisement, a people's right to self-determination must have priority over territorial integrity. Emerging new States should be recognized only if they guarantee human rights, freedom, equality, peace, and democracy for all groups.

RECOGNIZING THE FAYETTE COUNTY 4–H ANNUAL BANQUET

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 7, 1998

Mr. PAUL. Mr. Speaker, the Fayette County 4–H will hold their annual banquet on Sunday, October 11, 1998. This is a very important event Mr. Speaker, as it recognizes 90 years of 4–H in Texas. For those of us who were raised on farms and who represent agricultural communities it is well known how important an organization 4–H truly is.

Head, Hand, Hearts and Health, these are the ''4–H's'' and they are truly indicative of what this organization is all about. One of the primary missions that this organization undertakes is agricultural education. Earlier this year I introduced a bill which would exempt the sale of livestock by those involved in educational activities such as FFA and 4–H from federal income taxation. By making young men and women who participate in these activities hire a group of tax accountants and attorneys we are sending the wrong message.

Young people who sell livestock at county fairs and the like should be rewarded for taking self initiative and allowed to keep the money they've earned to help pay for their education or to re-invest in other animals to raise. My bill would eliminate the current policy of forcing these youngsters to visit the tax man.

Mr. Speaker, I want to commend the young people of Fayette County's 4–H, as well as their parents and sponsors, for continuing the fine traditions of this truly great organization.

GAS PRICES

HON. SILVESTRE REYES

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 7, 1998

Mr. REYES. Mr. Speaker, the citizens of El Paso voiced their concerns to me over what they pay for gas at the pump. As many of you know, the mayor of El Paso, Carlos Ramirez, contacted me earlier this year with a request that I initiate a closer look at this situation. At my request, Congressman GENE GREEN chaired a public meeting in El Paso on gas prices. I would like to insert for the RECORD the statements of two of the participants, Mr. Carter Montgomery of Longhorn Partners Pipeline, and Dr. R. Perryman of Perryman and Associates, who both spoke about the gas prices in El Paso and how to resolve those problems.

STATEMENT OF CARTER R. MONTGOMERY, PRESIDENT AND CEO, THE LONGHORN PARTNERS PIPELINE, SEPT. 3, 1998, EL PASO, TX

Good morning. I am Carter Montgomery, President and CEO of Longhorn Partners Pipeline. Longhorn is a limited partnership based in Dallas, Texas. In 1995, we began developing a 700-mile, 18-inch diameter pipeline that will transport gasoline, diesel and jet fuel from Gulf Coast refineries to West Texas communities and the El Paso gateway market.

Our pipeline consists of an existing 450-mile section from Houston to Crane, which we have significantly improved; a newly constructed 250-mile extension from Crane to El Paso; and a new nine-mile section to connect the existing pipeline in Houston with the GATX terminal in Galena Park, Texas. GATX is the largest products terminal on the Gulf Coast. By originating there, Longhorn will be able to receive products for delivery to West Texas from as many as 12 Gulf Coast refineries that, together, constitute nearly 25 percent of the refining capacity of the U.S. Our goal is to begin delivering products to El Paso and West Texas before the end of 1998.

In El Paso, we are also constructing a 19-tank, 900,000-barrel terminal to allow shippers to store fuels for this area and send some on to New Mexico and Arizona. In addition, Longhorn is constructing a smaller terminal in Odessa, Texas to serve the Permian Basin market. An 8-inch pipeline is being constructed from Crane to serve the new terminal in Odessa.

We made the decision to serve El Paso consumers and businesses after identifying historically high gasoline costs, often 10 to 20 cents per gallon more than drivers pay in other parts of Texas, such as Houston. This costs El Pasoans more than $12 million per year.

As this chart shows, between January 1990 and July 1998, Houston had consistently lower gasoline prices than El Paso.

Even as El Paso's gasoline prices became slightly lower between June 1996 through July 1998, its prices have still remained higher than in Houston plus the cost of transportation, although an interesting phenomenon is taking place.

From June 1996 through July 1998, there has been a definite closing of the price gap. It appears to me that several factors have contributed to this welcome relief to El Paso motorists: the actions of El Paso citizens in demanding lower prices, including some very active advocates in the media; the actions of Mayor Ramirez and other elected officials like yourselves; and the mere threat of competition from the Gulf Coast that has resulted in gasoline merchandisers competing for market share before the new gasoline supplies get here.

I want to emphasize, though, that El Paso citizens have seen short-term price reductions before, only to have their hopes dashed a few months later. What will be different after Longhorn is operating is this—bringing gasoline and other fuels from those Gulf Coast refineries will create a structural change in the market. That structural change is what will seal in the new, more competitive market that will, in turn, help make fairer pricing a lasting part of the El Paso economy.

I am extremely proud to be a part of this project. We are building a safe, environmentally sound pipeline, with a goal of 100 percent safety. We have gone to great lengths to ensure the operating integrity of this pipeline. Many of the tests and improvements to the line exceed federal and state requirements.

Even before purchasing the line in 1995, we conducted several comprehensive tests. These included the ''Smart Pig'' test, a device, run through the pipeline, that electronically measures wall thickness and other structural conditions. Following that, a Hydrostatic Test was performed to confirm the integrity of the entire pipeline. In a Hydrostatic Test, the line is pressurized to 1.25 times its maximum operating pressure and held there for an extended period. The tests confirmed the pipeline's structural integrity. Going forward, Longhorn will conduct additional ''Smart Pig'' tests every five years.

Once in operation, the entire pipeline will be monitored 24 hours a day from a central control room, with readings taken every few seconds by computer. An operator will manage the pipeline, including the new remotely controlled valves we are adding as a safety upgrade.

Longhorn is adding these remotely operated block valves on both sides of the Edwards Aquifer and at all river crossings, isolating these small sections so the flow of products can be quickly halted if necessary. Volumes entering and exiting sections of the pipeline are metered and balanced every few seconds, allowing the operator to monitor the flow of products through the pipeline. Each valve operates independently, enabling the operator to select the most environmentally sound course of action.

Suction and discharge pressures at all pumping stations are also continually monitored, giving the operator additional data to operate the pipeline safely and reliably.

Longhorn will also install an additional pump near the Edwards Aquifer that will lower the operating pressures over the aquifer. These operating pressures will be lower than in the past. This is an additional step that will help to protect the environment.

We are also posting pipeline identification signs closer together than the previous operator, decreasing the risk of third-party damage to the line.

Longhorn will visually inspect the entire line once a week, more frequently than in the past. Many of these safety measures go beyond the requirements of law or regulation, but we are doing them because they enhance safety, help us fulfill our commitment to safety and environmental quality and, frankly, because they're good, prudent business measures.

We are, and will continue to be, regulated by the U.S. Department of Transportation's Office of Pipeline Safety on interstate pipeline matters, and by the Texas Railroad Commission on any intrastate pipeline matters.

This concludes my statement. I will be happy to answer any questions.

SUMMARY OF TESTIMONY BY M. RAY PERRYMAN, PHD, SEPT. 3, 1998, EL PASO CIVIC CENTER

INTRODUCTION AND QUALIFICATIONS

My name is M. Ray Perryman. I am President and Chief Executive Officer of The Perryman Group (TPG), an economic research and analysis firm with its principal place of Business in Waco, Texas. In addition to my responsibilities at the firm, I am business Economist-in-Residence at Southern Methodist University (SMU) and Institute Distinguished Professor of Economic Theory and Method at the International Institute for Advanced Studies.

It is my pleasure to appear before this Committee and offer a perspective on the retail gasoline market in El Paso and New Mexico. I am deeply appreciative of the work that the Committee is doing and greatly admire the willingness of this group to tackle such complex issues. I will do anything possible to assist in the process.

INTRODUCTION

A new competitor is seeking to enter the market for gasoline sales in the Upper Rio Grande area which is dominated by the El Paso Metropolitan Statistical Area (MSA). The project will also provide a new source of refined petroleum products in New Mexico. The new venture promises substantial economic benefits to consumers in the form of lower costs. The project involves the development of a pipeline connecting the refineries of the Texas Gulf Coast with El Paso. The pricing structure offered by this new initiative will bring significant savings to area residents, particularly within the Hispanic population. The new pipeline will also enable connections to third party pipelines with access to major urban centers in Arizona and New Mexico.

The total project has far-reaching economic benefits for the economies of regions it serves, including construction costs, ongoing operating expenditures, and substantial savings to consumers. The present testimony presents the project's economic savings to residents in the El Paso area, to the local Hispanic community, and to New Mexico—all of which are made possible by the pipeline. Initially, a brief description of the methodology is provided. This discussion is followed by a presentation of results and a concluding synopsis.

METHODOLOGY

The basic technique used in this investigation is known as input-output analysis. In general, this approach involves the creation of a system which estimates the amount of various inputs required to make a unit of output (measured in monetary terms). For example, the construction of a typical house requires quantities of wood, glass, wiring, roofing shingles, financial services, and numerous other factors. Each of these items also requires inputs, thus leading to multiple rounds of activity. The portion of this production activity that remains in an area depends upon its capability to supply the various items required in the process.

The proposed pipeline will enable the achievement of consumer savings through notably lower prices for gasoline and diesel in the Upper Rio Grande areas it reaches. The direct magnitude of fuel purchases in the relevant regions is estimated based on data provided by the Texas Comptroller of Public Accounts and the New Mexico Taxation and Revenue Department for gallons of fuel sold and motor vehicle registrations. As a conservative assumption, 1997 volumes are used in the analysis although past data and forecasts for the regions suggest increasing future sales. (The regional forecasts of overall economic conditions are generated by The Perryman Group using standard regional modeling approaches.)

Once the volumes are established, the potential savings in wholesale costs are determined. Using data from the Oil Price Information Service, the differential between prices in the Gulf Coast area and the relevant consumer markets is calculated. A four-year average (19943–1997) disparity is employed in the analysis. The net differential in wholesale prices is determined by subtracting the expected transportation tariff for spot shippers to be levied by the new competitor and other third party shippers from the price gap. The calculations are completed in a manner that does not incorporate disparities in state gasoline taxes within the cost savings. Even greater savings could occur through contract shipments at lower negotiated rates, although this potential was not factored into the calculations in the interest of conservatism.

To translate these wholesale price reductions into retail savings for consumers requires an evaluation of the extent to which cost decreases are passed along to consumers. In general, studies indicate that ''permanent'' changes in wholesale gasoline costs are fully reflected in retail prices within a short period of time. Several recent national studies indicate that even temporary cost decreases are passed from 80%–100% to consumers. (See, for example, Robert Bacon, ''Rockets and Feathers: The Asymmetric Speed of Adjustment of UK Retail Gasoline Prices to Cost Changes,'' Energy Economics, 1991; A. Borenstein, Colin Cameron, and Richard Gilbert, Do Gasoline Prices Respond Asymmetrically to Crude Oil Price Changes?, National Bureau of Economic Research, 1992; Jeffrey Karrenbrock, ''The Behavior of Retail Gasoline Prices: Symmetric or Not?,'' Federal Reserve Bank of St. Louis Review, 1991; and US General Accounting Office, Analysis of the Pricing of Crude Oil and Petroleum Products, 1993.) In the present study, it is assumed that only 80% of the wholesale savings is translated to consumers, thus again understating the likely benefits. It is further assumed, and widely supported by empirical studies and market behavior, that reductions in cost from one supply source will be matched by others in the market. (See, for example, Howard Friedman, ''The Analyst's Angle,'' Indiana Department of Natural Resources, 1998; ''Taking the Mystery Out of Gasoline Prices,'' Petroleum Communications Foundation, 1997; Rick Castnais and Herb Johnson, ''Gas Wars: Retail Gasoline Price Fluctuations,'' Review of Economics and Statistics, 1993; and Margaret E. Slade, ''Vancouver's Gasoline-Price Wars: An Empirical Exercise in Uncovering Supergame Strategies,'' Review of Economic Studies, 1992.)

The calculated savings to consumers represent a net increase in after-tax spendable income. A portion of this gain will be saved or spent outside the area, but the vast majority of it will be spent locally on various household purchase items. The composition of these direct outlays is estimated using information regarding typical local spending patterns compiled from the US Department of Labor and the American Chamber of Commerce Researchers' Association. (Some of these savings also accrue to local business enterprises. Those entities typically have higher multipliers than consumers, thus making the approach employed in this study quite conservative.)

After the components of direct spending are compiled, the indirect and induced (or multiplier) effects are determined. (The actual incremental consumer spending that takes place as a result of savings stemming from the project is called the direct effect. The production of the purchased goods is known as the indirect effect, while that resulting from payroll spending is the induced effect.) Given a reliable measure of the direct magnitude of increased spending, localized input-output models may be used to determine the additional or ''multiplier'' production that is generated.

These effects are calculated by using the relevant geographic submodels of the U.S. Multi-Regional Impact Assessment System which was developed and is maintained by The Perryman Group. This model, which has been used in hundreds of applications over the past two decades, reflects the unique industrial composition of each geographic region and may be used to assess business activity in any county or multi-county region. The system is extremely comprehensive and encompasses more than 500 distinct industrial categories. The model is similar in scope to the Input-Output Model of the United States and the Regional Input-Output Modeling System maintained by the U.S. Department of Commerce, but it incorporates numerous refinements, updates, expansions, and localization parameters. It is designed to provide a realistic yet conservative estimate of the overall outcomes resulting from specific economic stimuli. Thus, it offers an ideal mechanism to assess the anticipated gains to residents in the El Paso area and New Mexico who will benefit from the new pipeline's lower gasoline prices.

ANNUAL ECONOMIC BENEFITS TO CONSUMERS IN THE UPPER RIO GRANDE (EL PASO MSA) AREA

The Upper Rio Grande region primarily benefits from the advent of new competition via cost savings in gasoline and diesel products. The total yearly gains (from cost savings) to consumers in the El Paso area at project maturity are thus determined to be: $46.648 million in annual Total Expenditures; $21.165 million in annual Gross Area Product; $13.168 million in annual Personal Income; $12.264 million in annual Retail Sales; and 568 Permanent Jobs.

The first graph appended to this report graphically illustrates these economic benefits. (All monetary values throughout this analysis are given in 1998 dollars in order to adjust for the effects of inflation.)

These enhancements to local economic conditions permeate the entire area and positively affect virtually all segments of the population.

ANNUAL ECONOMIC BENEFITS TO HISPANIC CONSUMERS IN THE EL PASO AREA

As more competitive gasoline prices occur in the El Paso area, the highly-concentrated Hispanic population will receive significant economic benefits. Due to the presence of lower gasoline prices, this group is projected to enjoy yearly savings of over $5.7 million, with an average gain of about 22.0% relative to non-Hispanic households.

The total yearly impacts (in consumer savings) from the new, competitive pipeline on economic activity among local Hispanics are expected to be: $7.045 million in annual Personal Income; $5.456 million in annual Wages and Salaries; $7.154 million in annual Retail Sales; $11.346 million in annual effective Purchasing Power; and 411 Permanent Jobs.

The second attached graph illustrates these benefits.

This entrance of a new player in the market clearly offers impressive increases in the well-being of the Hispanic community of the Upper Rio Grande region.

ANNUAL ECONOMIC BENEFITS TO HISPANIC CONSUMERS IN THE STATE OF TEXAS

Hispanics across Texas will enjoy further economic benefits from lower prices offered by the new competitor. Hispanic consumers and businesses in the Upper Rio Grande region will purchase inputs from other parts of the state, thus generating subsequent indirect and induced gains.

The total annual impact of the ongoing activities of the new pipeline (from cost savings) on the Hispanic population of Texas are estimated to be: $10.110 million in annual Personal Income; $7.813 million in annual Wages and Salaries; $9.249 million in annual Retail Sales; $14.875 million in annual effective Purchasing Power, and 590 Permanent Jobs.

The third attachment to this report graphically presents these economic enhancements.

There are, thus, substantial economic gains which will accrue to the Hispanic residents of the state due to the new competitor's lowered gasoline and diesel prices. Texans are not the only US citizens to gain from the presence of a new competitor. New Mexico residents also stand to benefit.

ANNUAL ECONOMIC BENEFITS TO CONSUMERS IN THE ALBUQUERQUE METROPOLITAN AREA

Consumers in Albuquerque and Las Cruces are among New Mexico's residents most likely to feel an increase in economic activity from the new venture. The Albuquerque area will primarily benefit from the proposed pipeline through cost savings in gasoline and diesel products. At project maturity, the increase in local business activity generated by lower prices of refined products and the associated increase in consumer spending is expected to be: $33.133 million in annual Total Expenditures; $17.346 million in annual Gross Area Product; $10.348 million in annual Personal Income; $9.230 million in annual Retail Sales; and 581 Permanent Jobs.

These enhancements to local economic conditions permeate the entire area and positively affect virtually all segments of the population. The fourth graph following this report depicts these gains.

ANNUAL ECONOMIC BENEFITS TO CONSUMERS IN THE LAS CRUCES METROPOLITAN AREA

As in Albuquerque, the Las Cruces area will also derive its major gains from the proposed pipeline through savings accruing to purchasers of gasoline and diesel products.

The stimulus to the local economy resulting from lower prices of petroleum products and the corresponding enhancements to consumer spending is estimated at: $9.308 million in annual Total Expenditures; $4.704 million in annual Gross Area Product; $2.840 million in annual Personal Income; $2.667 million in annual Retail Sales; and 164 Permanent Jobs.

Again, these benefits, which are measured at project maturity, are enjoyed across a broad spectrum of industries and population cohorts. The fifth attached graph illustrates these enhancements.

ANNUAL ECONOMIC BENEFITS TO CONSUMERS IN THE STATE OF NEW MEXICO

The savings achieved in Las Cruces and Albuquerque yield spillover benefits to the entire state of New Mexico. The overall statewide gains from greater accessibility to more competitive gasoline prices in these two urban markets are projected to include: $48.938 million in annual Total Expenditures; $25.163 million in annual Gross Area Product;

$14.469 million in annual Personal Income; $12.370 million in annual Retail Sales; and 807 Permanent Jobs.

Assuming that a similar level of direct savings is available across the entire state, the aggregate incremental stimulus to business activity in New Mexico expands to: $128.686 million in annual Total Expenditures; $66.167 million in annual Gross State Product; $38.048 million in annual Personal Income; $32.529 million in annual Retail Sales; and 2,122 Permanent Jobs.

It is, thus, readily apparent that the consumers and producers of New Mexico have a substantial stake in the ongoing availability of gasoline at lower prices which is afforded by the new, competitive pipeline. Both sets of consumer benefits are illustrated in the graphs following this report.

SYNOPSIS

This testimony presents an evaluation of the contributions to consumers of a dynamic, new competitor in the Upper Rio Grande and New Mexico markets for gasoline and diesel sales. The results reveal impressive economic enhancements for the residents of the El Paso area, particularly among Hispanic residents. Substantial gains are also observed for retail customers in New Mexico. Conservative assumptions were used throughout the analysis; longterm effects, such as the greater competitiveness of a region for new industrial locations engendered by lower transportation costs, have not been factored into the analysis. Thus, this assessment should be viewed as a measure of the minimum benefits ensuing from the entrance of a new competitor. The findings clearly reveal that the pipeline is an imaginative endeavor which will be highly advantageous to the consumers it reaches.

Again, I appreciate the opportunity to participate in this process and look forward to ongoing involvement. As additional issues surface concerning the impacts of gasoline prices, I will continue to update our analysis.

If any of you have questions or need additional information, please feel free to let me know. I appreciate the work that all of you do on behalf of the citizens of the United States, and I wish you all the best with the many challenges you face.

RELATIVE ECONOMIC STABILITY OF BRUNEI DARUSSALAM AMONG ASIAN ECONOMICS

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 7, 1998

Mr. TOWNS. Mr. Speaker, I would like to bring to my colleagues' attention the attached article from Euronmoney October 1998, "Brunei Darussalam: The Abode of Peace."

BRUNEI DARUSSALAM: THE ABODE OF PEACE

Asia is caught in recession. No country in the region can expect to escape from at least part of the consequences of the turnmoil that has swept Asian economies. That said, the Sultanate of Brunei Darussalam is better placed than most regional states to weather the challenges ahead.

With the August 1998 inauguration of HRH Prince Haji Al-Muhtadee Billah as Crown Prince and future 30th Sultan in a direct royal line that reaches back over 500 years, Negara Brunei Darussalam truly reaffirmed its position as ''The Abode of Peace.''

The spectacular and traditional ceremony held in the heart of the capital Bandar Seri Begawan, a modern and forward-looking city, served to underline Brunei Darussalam's fortunate and enduring ability to combine the very best of the past with the very best of the new.

Brunei Darussalam has changed hugely with the flow of oil wealth, but His Majesty Sultan Haji Hassanal Bolkiah Mu'izzaddin Waddaulah, his government and his people have all striven to maintain the traditional standards of the country.

On the resumption of independence in 1984, His Majesty the Sultan proclaimed the country a sovereign, democratic Sunni Moslem monarchy. From the 14th to the 16th centuries Brunei Darussalam was the centre of a substantial empire with strong trading links, which covered much of Borneo and the neighbouring islands. However, by the end of the 19th century the Sultanate had lost much of its territory and influence as the result of European colonial expansion throughout south-east Asia.

In these difficult circumstances, Brunei Darussalam agreed to become a British protectorate and in 1888 accepted a British resident who advised the Sultan on all matters except the Islamic faith and Malay custom.

The discovery of oil in the western part of the country 20 years later initiated a long period of economic development, which was accelerated when the first offshore discoveries were made in the 1960s and given a further boost by the increase in oil prices in the 1970s.

The Brunei Darussalam constitution was drawn up in 1959, at the same time that the Sultanate became self-governing, although the British maintained responsibility for the country's foreign affairs, security and defence.

In 1967, Sultan Haji Omar 'Ali Saifuddin Sa'adul Khari Waddien, who had reigned for 17 years, voluntarily abdicated in favour of his eldest son, His Majesty Sultan Haji Hassanal Bolkiah, who ascended the throne in 1968, becoming the 29th Sultan.

Since then, His Majesty the Sultan has built upon the foundations laid by his late father, HM Sultan Omar Ali Saifuddin, III, who is remembered as the architect of modern Brunei Darussalam. But the old Sultan never lost his links with his country's past. When he knew he was dying in 1986, he left his modern palace and returned to the old palace near the Kampong Ayer stilt village on the Brunei River, from which his family had first moved at the start of the century.

The 1979 Treaty of Friendship and Cooperation reinterpreted the long-standing relationship between Britain and Brunei Darussalam and paved the way for Brunei Darussalam to reassume full responsibility for its own destiny as an independent state in January 1, 1984.

Since that date, Brunei Darussalam has joined and supported the aims of all the principle international organizations. Upon independence, it joined the Association of South East Asian Nations (Asean). Most of Brunei's trade is conducted with the other members of Asean, with Singapore being the leading trading partner within the grouping. Participation within Asean projects has also given Brunei an interest in the economic development of the region.

In October 1991, the member states of Asean formally announced the establishment of the Asean Free Trade Area (Afta), which was to be implemented over a period of 15 years, later reduced to 10.

Brunei is also a member of Asia-Pacific Economic Cooperation (Apec) whose heads of government will be the guests of Brunei Darussalam during the Apec 2000 meeting, to be held in Bandar Seri Begawan.

Brunei Darussalam is also a member of the Islamic Development Bank, the World Bank and the International Monetary Fund.

In October 1993, the idea of a ''growth quadrangle'', encompassing Mindanao and Palawan (the Philippines), Sarawak, Labuan and Sabah (Malaysia), East and West Kalimantan and Sulawesi (Indonesia) and Brunei, was mooted, aiming to emulate the Singapore-Johore-Riau ''growth triangle''. At a meeting in Mindanao in November 1994, it was agreed to establish the ''growth triangle'' as the Brunei - Indonesia - Malaysia - Philippines - East Asean Growth Area (BIMP–EAGA). The area has since been expanded with the announcement of the incorporation of additional provinces in Indonesia, including North and South Kalimantan. Maluku Islands and Irian Jaya, in July 1996. It was also decided to locate the secretariat of the East Asean Business Council (EABC) in Brunei. The provision of an office and the pledge to fund one half of the secretariat's operating expenses on a three-year renewable basis, are seen as part of Brunei Darussalam's commitment towards the development of BIMP-EAGA.

Brunei Darussalam is on the northern coast of the island of Borneo. It covers an area of 5,765 square kilometres. Malays form the majority of the population with a Chinese minority. There are also small expatriate communities, particularly from Britain, the Netherlands, the United States and Australia.

Brunei Darussalam is divided into two parts by Sarawak, a part of eastern Malaysia. The western side of the country is made up of two main districts, Brunei-Muara, Tutong and Belait while the eastern side contains the Temburong district. The climate is tropical and the average daytime temperatures range between 26 degrees centigrade (80 degrees Fahrenheit) and 35C (95F), with the evenings generally being a little cooler.

The annual rainfall varies from 200 inches a year in the interior to 100 inches annually on the coast. Brunei Darussalam has 130 kilometres of coastline and over 85% of the population lives in the coastal area.

CAUTIOUS ECONOMIC MANAGEMENT

In 1997, GDP per head, in Brunei Darussalam measured at current prices was Br$25,600 ($14,712). After some years of gentle decline, between 1990 and 1997 GDP increased by an annual average of 2.2%. In 1997, Brunei's GDP, at current prices was estimated at Br$8,051 million. The economy is based largely on wealth from natural gas and petroleum and from the Brunei Investment Agency managed funds of short and long-term assets.

The proportion of GDP contributed by the petroleum sector has however declined steadily from 83.7% in 1980 to 72.8% in 1985 to 62.9% in 1990 and 35.6% in 1997. Based on the current rate of production, Brunei Darussalam's petroleum and natural gas reserves are expected to last for another 20 and 30 years respectively.

The diversification of the economy into non-petroleum-related activities, which is expected to reduce income disparity (with wealth concentrated hitherto in the petroleum sector) remains a major challenge.

The proportion of GDP contributed by the non-oil sector has increased annually since 1986. Between 1990 and 1996, the GDP of the non-oil sector rose at an average of 5.7% per annum. In 1997 this relatively high growth continued, particularly in service-related areas.

The petroleum sector was adversely affected by depressed prices on the world oil market in the late 1980s. Export earnings from petroleum and natural gas declined by about Br$9.7 billion in 1980 to Br$3.6 billion in 1997, although the latter figure still represented 91.1% of the total export revenue.

The downward movement in oil prices has, however, been somewhat balanced by the appreciation of the US dollar as well as the improvement in the non-oil sectors, helped to sustain the recovery of the overall economy, with GDP growth rising from −1.1% in 1992 to 4.1% in 1997.

Brunei's dependence on imports renders it susceptible to external inflationary pressures. Subsidies on essential foodstuffs and petrol however play a part in controlling inflationary pressure. The average annual rate of inflation, as measured by the consumer price index (CPI), was 4% during the decade to 1990 and 2.4% between 1990 and 1994. The index increased by 6.5% in 1995, largely owning to the stiff import tariff announced by the government early in the year, although this rise was mitigated somewhat by a tariff reduction on some 700 other items in the course of the year.

In 1997 the CPI stood at a low of 1.7%, further improving from the 2% recorded the previous year when the government implement further tariff cuts on imported consumer items, some tariffs being abolished altogether. In October 1987, the government began a year long survey of household expenditure to help it formulate a new base for the calculation of the CPI.

Brunei Darussalam has always sought to organize and direct its economic growth. There have been seven National Development Plans, covering the periods 1953–58, 1962–66, 1975–79, 1980–84, 1986–90, 1991–95 and 1996–2000 respectively. These plans, although they were far from comprehensive, delineated proposals for government investment in infrastructure, services and incentives, all aimed at diversifying the economy and at increasing private-sector participation in the economic life of the country.

In 1995, the Brunei Industrial Development Plan (IDP) was commissioned to reactivate the non-oil sector. The IDP has since produced several policy recommendations, including the development of ''niche strategy'' for industrial activities and the creation of an environment that is more conducive to promoting investments.

The government allocated Br$5.5 billion ($3.16 billion) for various sectors of the economy in the Sixth National Development Plan (1991–1995). Industry and commerce were slated to receive 10% of the total plan budget, of which Br$100 million was to be set aside for industrial promotion and development. The social-services sector, which includes government and national housing, public facilities, education and health, was again to receive the largest allocation, at 29.3% of the total planned budget. The transport and communications sector and the public utilities sector were each to receive 20% of the total development allocation. Particular emphasis was to be placed on communications, electricity and water-supply programmes and the treatment of waste products. The remaining funds were allocated to public buildings, defense and security and miscellaneous items.

During the Sixth Plan about 5,100 houses were built under the Housing Development Programme and the Landless Indigenous Housing Scheme, in addition to a number of other institutional and private housing developments.

Under the health programme, the establishment of rural clinics to complement the private clinics and private hospital contributed significantly to the improved provision of medical and health-care services.

In the education sector, various government secondary and religious schools were completed. Also under the Sixth Plan a total of 40 kilometres of new roads were completed, 12km of suburban roads widened and a total of 180 kilometres of existing roads either upgraded or rehabilitated.

The telecommunications sector was also able to diversify its services, which resulted in a marked increase in the number of subscribers. During this period BruNet, an information network, was established to provide access to the internet.

Other infrastructural projects were undertaken such as the deepening of Muara Port and the completion of the Maura Export Zone (MEZ). Civil aviation benefited from an expansion of cargo and passenger handling at Brunei International Airport. Royal Brunei Airlines, the national carrier, operates a modern fleet of aircraft and now flies to some 25 international and regional destinations with more being negotiated.

Of nearly 1,000 programmes and projects approved for the Sixth National Plan, 58% were completed, 28% were approaching completion at the end of the plan and 11% were under way when the plan ended, leaving only 3% of the projects cancelled or suspended for various reasons.

In terms of actual expenditures, of the original Br$5.6 billion, Br$5 billion or 89% of the total allocation had been or was in the process of being spent.

The Seventh National Development Plan (1996-2000) forms the third stage of the implementation of a 20-year long-term development strategy that began in 1985, one year after independence. This plan aspires further to improve the quality of life for the people of Brunei Darussalam, while at the same time seeking to widen and further enhance the country's economic base. The overall aims of the plan include: the achievement of a balanced and sustained socioeconomic development through a more outward looking economic diversification strategy; the continued development of physical infrastructure and public facilities; the implementation of effective human resource development; the implementation of social development projects, the deployment of appropriate technologies and the continuing protection of the environment.

The government approved a sum of Br$7.2 billion. The sectoral breakdown is as follows: industry 12.6% (up from 10% in the previous plan); transport and communications 19.5%; social services 27.5%; public utilities 21.9%; public building 8.8%; security (civilian projects for the police and army) 7.3%; and miscellaneous items, which included feasibility studies and local plans, 2.4%.

OIL AND GAS, THE TWIN PILLARS OF ECONOMIC DEVELOPMENT

Brunei Darussalam is south-east Asia's third-largest oil producer and has the world's fourth-largest production of liquified natural gas (LNG). In 1997 oil output averaged 163,000 barrels a day (b/d), while gas production was running at 1,070 million standard cubic feet a day (MMscf/d).

As long ago as 1981, the Sultanate introduced an oil and gas conversation policy, with the aim of guaranteeing the sound management of all hydrocarbon reservoirs, and ensuring that with the very best enhanced recovery techniques, production will be sustained for the maximum time period possible. Japan and other Asean nations take between them some 70% of Brunei Darussalam's oil production. South Korea is also an important customer. Further crude oil exports go to Australia, China, Taiwan and the United States. The domestic market refines and uses only 3% of total crude production.

The on-shore Seria oil field was discovered by Shell in 1929, only weeks after other oil companies had given up the search for commercial deposits and surrendered their exploration licenses. The Seria field, which had not then been fully developed, was badly damaged during World War II. However by 1956 it was producing 114,700 barrels a day.

Off-shore discoveries led to production at sea in 1964 and there are now around 182 off-shore structures in the South-West Ampa, Fairley, Fairley-Baram (a field which is shared with Malaysia), Magpie, Gannet, Iron Duke and Champion Fields. The Champion field is the Sultanate's most prolific and holds some 40% of the country's proven reserves.

All the producing fields in Brunei Darussalam, both on-shore and off-shore are operated by the Brunei Shell Petroleum Company (BSP), which is jointly owned by the government of Brunei Darussalam and Royal Dutch Shell Petroleum.

BSP is a fully integrated operation which is responsible not only for exploration and production but also oil refining and crude oil trading. In studying complex local geological structures BSP regularly deploys the most technically advanced three-dimensional imaging equipment.

Brunei Darussalam's LNG is produced by a separate company, Brunei LNG, which liquifies product that it purchases from BSP. Brunei LNG, then sells that product to a third company, Brunei Coldgas, which markets the gas and organizes its transport to overseas customers. Brunei owns and operates a fleet of state-of-the-art LNG tankers. Both Brunei LNG and Coldgas are 50% owned by the government. In each company Royal Dutch Shell Petroleum and Mitsubishi hold a 25% stake.

A further company, Brunei Marketing, again jointly owned by the government and Royal Dutch Shell, is responsible for marketing a range of petroleum products, including gasoline, diesel, lubricants and jet fuel within Brunei itself.

When Bruneian LNG was first exported to Japan in 1974 under a 20 year contract, the technology used for the liquifaction and transport was new and ground breaking. The plant has since undergone regular upgrades, to keep abreast of advances in both in production efficiency and safety. The latest modernization programme cost in the region of $370 million and came at a time when the Japanese supply contract had been successfully renegotiated.

Brunei Darussalam's main Japanese customers are the Tokyo Electric Power Company and the gas utilities of Tokyo and Osaka. The successful renegotiation of the LNG supply contracts to these customers was based upon the secure and reliable supply of gas throughout the first contract period. Thus the LNG Tanker fleet operated by Brunei Shell Tankers has benefited from an evergreen programme of maintenance and technical upgrading, which means that the still represent a modern and highly efficient fleet.

Brunei Darussalam enjoys one of the most unpolluted environments in the world. To keep it that way the government decided to invest in gas as an efficient and environmentally clean fuel for local power generation.

FOREIGN INVESTMENT: A BIG STORY FOR A SMALL COUNTRY

In September 1997 Brunei Darussalam signed a deal with an American communications company to permit the Sultanate to be used as an earth hub to link broadcasting satellites in geostationary orbit over the United States and Europe. The facility reinforces Brunei Darussalam's ambition to establish itself as a regional service hub and centre for communications and broadcasting.

This contract is typical of the type of high-technology investment that Brunei Darussalam is encouraging along with a range of targeted ''pioneer industries'' which include pharmaceuticals, cement, aluminum,

wall tiles, aircraft catering, steel rolling and chemical engineering.

Brunei Darussalam's position as a stable location with excellent infrastructure and communications in the heart of the Asean region recommends it to foreign investors, who wish to establish a regional operation in a country that enjoys excellent relations with its neighbours.

To attract these foreign investors, Brunei Darussalam has created a liberal legislative and fiscal regime which does not discriminate between local and overseas investment. The value for the Sultanate of the creation of new businesses, more often than not as joint ventures with local partners, (though in many instances 100% ownership is possible), is the opportunity such operations represent for technology transfer and the spread of business and administrative skills.

Tax breaks of up to eight years are available for new ventures, which include the waiving of duty on imported capital equipment and all production inputs that cannot be sourced in Brunei Darussalam itself. Established businesses in Brunei Darussalam that choose to expand their operations can in their turn enjoy tax breaks of up to five years and similar incentives relating to import duties.

Among other incentives is the provision that interest paid to non-resident lenders of an approved foreign loan, is exempt from withholding tax. There is no personal income tax, nor sales, payroll, manufacturing or export taxes and wages are subject only to a 5% pension contribution from both the employer and employee.

Brunei Darussalam being a small and cohesive society, foreign businessmen are never far away from decision makers and informed analysis. The Ministerial Economic Committee, established to examine the consequences and solutions of the current economic downturn includes foreign businessmen and bankers on its working groups.

Indeed, it is generally agreed that the Ministerial Economic Committee and its working groups have produced an invaluable opportunity for leading businessmen and bankers to come together with ministers and senior officials and discuss existing ideas and new approaches to the challenges that are facing the economy at this time.

However while they may be a novelty in terms of the business world, they are typical of the way in which His Majesty the Sultan and his government seek out the opinion of citizens. During 1997 government ministers and officials held a series of meetings all around the Sultanate, to which every citizen was invited to come with grievances about and suggested improvements to any government service or agency. Complaints were taken up speedily and, if justified, remedied immediately. Of equal importance was that these meetings enabled the official party to explain government policies and actions.

Business start-ups in the Sultanate may attract special finance. The Economic Development Board is responsible for directly assisting local businessmen by providing loans at favorable rates of interest for new ventures or the expansion of their existing businesses. The scheme currently provides loans for up to a maximum of Br$1.5 million ($862,000) at 4% interest, repayable up to a maximum period of 12 years.

The cost of utilities and services are among the lowest in the region and there is a full range of international banking and accounting services. There are no restrictions on foreign exchange. Banks permit non-resident accounts to be maintained and there are no restrictions on borrowing by non-residents.

Brunei Darussalam has one of the best telecommunications systems in south-east Asia and there are major plans for improving it even further. The rate of telephone availability is currently one telephone for every three persons.

There are two earth satellite stations providing direct telephone, telex and facsimile links to most parts of the world. Several systems currently in operation include an analogue telephone exchange, fibre optic cable links with Singapore and Manila, a packet-switching exchange for access to high-speed computer bases overseas and a cellular mobile telephone and paging system. Direct telephone links are available to the remotest parts of the country through microwave and solar-powered telephones.

For manufacturers especially, the local market, while small, boasts high disposable incomes which could offer a lucrative domestic business base, with little or no competition, while firms also concentrate on exporting to Brunei's neighboring markets. There are regular flights with Royal Brunei Airlines to all major regional cities and a sophisticated cargo-handling facility at the ultra-modern Brunei International Airport, which is designed to handle 1.5 million passengers and 50,000 tonnes of cargo a year.

The country's two main ports at Muara and Kuala Belait provide direct shipping links to Hong Kong, Singapore and several other Asian destinations. Muara, a deep-water port 29 kilometers from the capital, was opened in 1973 and has since been considerably developed. There are 12,542 square meters of warehouse space and 6,225 square meters of transit sheds. Container yards have been increased in size and container freight station handles unstuffing operations.

The 2,000 kilometre road network serving the entire country is being expanded and modernized. A main highway runs the entire length of the country's coastline. It conveniently links Muara, the port entry at one end with Belait, the oil production centre at the western end of the state.

The official language of Brunei Darussalam is Malay but English is widely spoken and is also used in the education system. Half the population of the Sultanate is under the age of 20 and the education service has, not surprisingly, seen a massive expansion in recent years. Education is provided free from the age of five for all citizens. The government also provides scholarships for Bruneians to undertake further studies overseas, in subjects where facilities are not available locally.

There are currently two prime higher education establishments, the University of Brunei Darussalam and the Brunei Institute of Technology. The University, which was established 1985, has in recent years been receiving growing numbers of overseas students from the surrounding region. There are also various other technical and vocational institutes aimed at producing graduates who will meet the skill shortages in both the public and private sectors.

However, with such a limited population, the government recognizes that foreign investors will probably not be able to source all the skilled workers and managers they need from the local economy. There are therefore liberal regulations allowing companies based locally to hire foreign workers, from laborers to managers.

The quality of health care in Brunei Darussalam is better than that in many developed countries and all major disease have been eradicated. Malaria has been eliminated since 1970 and cholera and smallpox have also been stamped out and the Ministry of Health carries out regular immunization programmes. Moreover, Brunei Darussalam has substantially met the health requirements laid down by the World Health Organization in its Health for All by the Year 2000 programme.

Health care is free for Brunei Darussalam's citizens and is available to permanent residents, foreign citizens and their dependants for a nominal charge.

The final attraction for foreign investors is that Brunei Darussalam is an extremely pleasant place in which to live and do business. The quality of life is high, the streets of the capital are safe and the crime rate is negligible. Excellent housing is available and the children of foreign nationals have a choice of schools, including the outstanding new International School at Jerudong. Brunei Darussalam's equatorial weather may come as a surprise to new arrivals but it quickly becomes an interesting part of the pattern of life in the Sultanate, which has been fortunate in never experiencing the typhoons, earthquakes or severe floods that occasionally descend elsewhere in the region.

Brunei Darussalam is proud of its strong Islamic tradition, which is evidenced by the outstanding and impressive mosques that have been built in recent decades. Though some contend that Islam first came to the Sultanate as early as the seventh century, modern scholarship believes that it probably spread to Brunei Darussalam sometime in the 13th century. The constitution guarantees religious freedom.

For business trips, Brunei Darussalam is truly the regional hub of Asean with the flying time to Bangkok, Jakarta, Kuala Lumpur, Manila and Singapore between one-and-a-half and three hours flying time away.

A DIFFERENT HOLIDAY OPPORTUNITY

In a statement in 1996, the government gave details of a plan to develop Brunei as a ''Service Hub for Trade and Tourism'' (SHuTT) by 2003. Brunei Darussalam wants to see itself as a bridge for the EAGA member countries to the regional and global markets. At the same time, it aspires for Brunei Darussalam to become that gateway to EAGA markets for the rest of the world.

Ports, airport services and tourism services are all being upgraded as part of the move to build on Brunei's excellent regional and international telecommunications network.

Tourism is considered to be a key element in the SHuTT plan. Initiatives include the Visit Brunei Year and the production of the country's first Tourism Master Plan. A new tourism division was established under the Ministry of Industry and Primary Resources. Visa requirements have been relaxed (72-hour visas are now available) and border checkpoints have been upgraded.

Brunei Darussalam's location on the north east coast of Borneo, 450 kilometers north of the equator means it has a climate that combines a great deal of sunshine with a lot of rain, all of which contributes to the creation of the rich and fantastic flora and fauna of the rain forest.

Forestry and agriculture were the traditional productive sectors before the Sultanate was able to enjoy the benefits of its substantial hydrocarbon resources. The original exploitation of the rain forest therefore dated from a time when it had been managed on traditional, sustainable lines. This environmentally sensitive approach has been maintained because, unlike Brunei's neighbours, there has been no imperative to exploit the wealth of the rain forest up to and beyond supportable levels.

Brunei Darussalam therefore offers tourists a unique opportunity to visit large areas of unspoilt jungle which cover 80% of the country's land area, with a extraordinary range of biodiversity.

There are three main reserves, the largest and most striking of which is the Batu Apoi Forest Reserve covering a massive 500 square kilometres of undisturbed rain forest in

south Temburong. The Reserve contains the Kuala Belalong Field Studies Centre. Visitors are presented with the extraordinary chance to move around areas of the forest by way of sensitively constructed walkways which include sections that actually take them up into the canopy of the trees, where a completely different range of flora and fauna exist. The Belalong Centre is most easily accessed by water and the up river journey is an outstanding way of experiencing Borneo's jungle waterways, which cut through steep valleys where the jungle towers several hundred metres overhead.

The other reserves are the Bukit Shahbandar Forest Recreation Park and the Sungai Liang Recreation Park, which features catwalks and tower tree houses in the tree canopy.

Brunei Darussalam currently has some 1,200 hotel beds, which are due to be increased to 3,000 by 2000. By that date Brunei is hoping to have doubled the number of visitors to one million a year. Besides its astonishing rain forests, Brunei has its own attractions including the remarkable Jerudong Play Park with a wide range of state-of-the-art rides, all of which are completely free. The Bruneians have also discovered golf in recent years and there is now a series of excellent golf links including one floodlit course for the cool evenings. There are also excellent gymnasia, fitness centres and swimming pools as well as an impressive range of sports stadia where it is planned to host the upcoming Asean games. Bandar Seri Bagawan will also host to meeting of Apec at the end of the millennium and in the first year of the new century, will be mounting a 12-month-long programme of cultural and sporting events as part of the Visit Brunei Year 2001.

Royal palaces, stunning mosques and miles of sandy beaches complement the country's attractions. In a move that will broaden the visitor's horizons yet further, the Brunei Darussalam tourism authorities have also produced a campaign to market the Sultanate as part of the island of Borneo as well. A modern highway circling the whole island is under construction, so that tourists with more time to spare can plan much longer journeys in this fascinating part of the world.

There are also plans to market ''medical tourism'', whereby visitors could be treated at the luxurious and fully equipped and staffed Jerudong Medical Centre, whose rooms are better appointed than those of a five star hotel.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, October 8, 1998, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

OCTOBER 9

10:30 a.m.
Governmental Affairs
Business meeting, to consider pending nominations.
SD–342

CANCELLATIONS

OCTOBER 8

9:30 a.m.
Select on Intelligence
To hold hearings to examine the scope of national security threats.
SH–216

2:30 p.m.
Select on Intelligence
To hold closed hearings on intelligence matters.
SH–219

Wednesday, October 7, 1998

Daily Digest

HIGHLIGHTS

The House agreed to the conference report on H.R. 3694, Intelligence Authorization Act.

The House agreed to the conference report on H.R. 4104, Treasury, Postal Appropriations Act.

Senate

Chamber Action

Routine Proceedings, pages S11643–S11830

Measures Introduced: Fourteen bills and three resolutions were introduced, as follows: S. 2563–2576 and S. Res. 289–291. **Page S11698**

Measures Reported: Reports were made as follows:

Special Report entitled ''Further Revised Allocation to Subcommittees of Budget Totals for Fiscal Year 1999.'' (S. Rept. No. 105–373)

Report to accompany S. 2041, to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Willow Lake Natural Treatment System Project for the reclamation and reuse of water. (S. Rept. No. 105–374)

Report to accompany S. 2140, to amend the Reclamation Projects Authorization and Adjustment Act of 1992 to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Denver Water Reuse project. (S. Rept. No. 105–375)

Report to accompany S. 2142, to authorize the Secretary of the Interior to convey the facilities of the Pine River Project, to allow jurisdictional transfer of lands between the Department of Agriculture, Forest Service, and the Department of the Interior, Bureau of Reclamation, and the Bureau of Indian Affairs. (S. Rept. No. 105–376)

Report to accompany H.R. 2402, to make technical and clarifying amendments to improve management of water-related facilities in the Western United States. (S. Rept. No. 105–377)

Report to accompany H.R. 4079, to authorize the construction of temperature control devices at Folsom Dam in California. (S. Rept. No. 105–378)

S. 391, to provide for the disposition of certain funds appropriated to pay judgment in favor of the Mississippi Sioux Indians, with an amendment in the nature of a substitute. (S. Rept. No. 105–379)

H.R. 1023, to provide for compassionate payments with regard to individuals with blood-clotting disorders, such as hemophilia, who contracted human immunodeficiency virus due to contaminated blood products.

S. 2564, to provide for compassionate payments with regard to individuals with blood-clotting disorders, such as hemophilia, who contracted human immunodeficiency virus due to contaminated blood products, and for other purposes. **Pages S11697–98**

Measures Passed:

Copyright Term Extension Act: Committee on the Judiciary was discharged from further consideration of S. 505, to amend the provisions of title 17, United States Code, with respect to the duration of copyright, and the bill was then passed after agreeing to the following amendment proposed thereto: **Pages S11672–75**

Lott (for Hatch) Amendment No. 3782, in the nature of a substitute. **Pages S11672–73**

Thomas Alva Edison Commemorative Coin Act: Senate passed H.R. 678, to require the Secretary of the Treasury to mint coins in commemoration of the sesquicentennial of the birth of Thomas Alva Edison, to redesign the half dollar circulating coin for 1997 to commemorate Thomas Edison, clearing the measure for the President. **Pages S11807–08**

School Resource Officers: Senate passed S. 2235, to amend part Q of the Omnibus Crime Control and Safe Streets Act of 1968 to encourage the use of school resource officers. **Page S11808**

Alternative Dispute Resolution Act: Senate passed H.R. 3528, to amend title 28, United States Code, with respect to the use of alternative dispute resolution processes in United States district courts, after agreeing to committee amendments, and the following amendment proposed thereto:

Pages S11808–10

McCain (for Grassley/Durbin) Amendment No. 3784, to make technical modifications regarding the use of alternative dispute resolution processes in United States district courts. **Page S11810**

Printing Authority: Senate agreed to S. Res. 289, authorizing the printing of the ''Testimony from the Hearings of the Task Force on Economic Sanctions''. **Page S11810**

Senate Legal Counsel Representation: Senate agreed to S. Res. 290, to authorize representation by Senate Legal Counsel. **Page S11810**

Senate Legal Counsel Representation: Senate agreed to S. Res. 291, to authorize representation by Senate Legal Counsel. **Pages S11810–11**

Democracy Transition in Iraq: Senate passed H.R. 4655, to establish a program to support a transition to democracy in Iraq, clearing the measure for the President. **Pages S11811–12**

Bounty Hunter Accountability and Quality Assistance Act: Senate passed S. 1637, to expedite State review of criminal records of applicants for bail enforcement officer employment, after agreeing to a committee amendment in the nature of a substitute. **Pages S11812–13**

Irrigation Project Contract Extension Act: Senate passed H.R. 2795, to extend certain contracts between the Bureau of Reclamation and irrigation water contractors in Wyoming and Nebraska that receive water from Glendo Reservoir, clearing the measure for the President. **Page S11813**

Mount St. Helens National Volcanic Monument Completion Act: Senate passed H.R. 1659, to provide for the expeditious completion of the acquisition of private mineral interests within the Mount St. Helens National Volcanic Monument mandated by the 1982 Act that established the Monument, clearing the measure for the President. **Page S11813**

Alaska Native Claims Settlement Act: Senate passed H.R. 2000, to amend the Alaska Native Claims Settlement Act to make certain clarifications to the land bank protection provisions, clearing the measure for the President. **Page S11813**

Carlsbad Irrigation Project Acquired Land Transfer Act: Senate passed S. 736, to convey certain real property within the Carlsbad Project in New Mexico to the Carlsbad Irrigation District, after agreeing to a committee amendment in the nature of a substitute. **Pages S11813–14**

Lewis and Clark Rural Water System Act: Senate passed S. 777, to authorize the construction of the Lewis and Clark Rural Water System and to authorize assistance to the Lewis and Clark Rural Water System, Inc., a nonprofit corporation, for planning and construction of the water supply system, after agreeing to committee amendments.

Pages S11814–16

Advisory Commission Reauthorization: Senate passed S. 1175, to reauthorize the Delaware Water Gap National Recreation Area Citizen Advisory Commission for 10 additional years. **Page S11816**

Women's Rights National Historic Trail: Senate passed S. 1641, to direct the Secretary of the Interior to study alternatives for establishing a national historic trail to commemorate and interpret the history of women's rights in the United States, after agreeing to a committee amendment. **Page S11816**

Willow Lake Natural Treatment System Project: Senate passed S. 2041, to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Willow Lake Natural Treatment System Project for the reclamation and reuse of water. **Page S11816**

George Washington Birthplace National Monument: Senate passed S. 2086, to revise the boundaries of the George Washington Birthplace National Monument, after agreeing to a committee amendment in the nature of a substitute. **Pages S11816–17**

Denver Water Reuse Project: Senate passed S. 2140, to amend the Reclamation Projects Authorization and Adjustment Act of 1992 to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Denver Water Reuse Project. **Page S11817**

Pine River Project Conveyance: Senate passed S. 2142, to authorize the Secretary of the Interior to convey the facilities of the Pine River Project, to allow jurisdictional transfer of lands between the Department of Agriculture, Forest Service, and the Department of the Interior, Bureau of Reclamation, and the Bureau of Indian Affairs, after agreeing to a committee amendment in the nature of a substitute.

Pages S11817–18

Fort Matanzas National Monument: Senate passed S. 2239, to revise the boundary of Fort Matanzas National Monument. **Page S11818**

Adams National Historical Park: Senate passed S. 2240, to establish the Adams National Historical

Park in the Commonwealth of Massachusetts, after agreeing to committee amendments. **Pages S11818–20**

Land Acquisition: Senate passed S. 2241, to provide for the acquisition of lands formerly occupied by the Franklin D. Roosevelt family at Hyde Park, New York. **Page S11820**

Boundary Modification: Senate passed S. 2246, to amend the Act which established the Frederick Law Olmsted National Historic Site, in the Commonwealth of Massachusetts, by modifying the boundary. **Page S11820**

U.S. Park Police Medical Expenses: Senate passed S. 2247, to permit the payment of medical expenses incurred by the United States Park Police in the performance of duty to be made directly by the National Park Service. **Page S11820**

Waiver Allowance/Indemnification: Senate passed S. 2248, to allow for waiver and indemnification in mutual law enforcement agreements between the National Park Service and a State or political subdivision, when required by State law. **Pages S11820–21**

National Historic Preservation Act: Senate passed S. 2257, to reauthorize the National Historic Preservation Act, after agreeing to committee amendments. **Page S11821**

Minuteman Missile National Historic Site: Senate passed S. 2284, to establish the Minuteman Missile National Historic Site in the State of South Dakota, after agreeing to a committee amendment in the nature of a substitute. **Page S11821**

Seneca Falls Convention 150th Anniversary: Senate passed S. 2285, to establish a commission, in honor of the 150th Anniversary of the Seneca Falls Convention, to further protect sites of importance in the historic efforts to secure equal rights for women. **Pages S11821–22**

Gateway Visitor Center: Senate passed S. 2309, to authorize the Secretary of the Interior to enter into an agreement for the construction and operation of the Gateway Visitor Center at Independence National Historical Park. **Pages S11822–23**

Dante Fascell Visitor Center: Senate passed S. 2468, to designate the Biscayne National Park visitor center as the Dante Fascell Visitor Center at Biscayne National Park, after agreeing to a committee amendment. **Page S11823**

Land Exchange: Senate passed H.R. 2411, to provide for a land exchange involving the Cape Cod National Seashore and to extend the authority for the Cape Cod National Seashore Advisory Commission, clearing the measure for the President. **Page S11823**

Folsom Dam: Senate passed H.R. 4079, to authorize the construction of temperature control devices at Folsom Dam in California, clearing the measure for the President. **Page S11823**

Idaho Admission Act: Senate passed H.R. 4166, to amend the Idaho Admission Act regarding the sale or lease of school land, clearing the measure for the President. **Page S11823**

Fall River Water Users District Rural Water System Act: Senate passed 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, after agreeing to committee amendments, and the following amendment proposed thereto: **Pages S11823–25**

McCain (for Daschle/Johnson) Amendment No. 3786, to reduce the Federal share of expenditures and require a water conservation program. **Page S11824**

Perkins County Water Supply System: Senate passed 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, after agreeing to committee amendments, and the following amendment proposed thereto: **Pages S11825–28**

McCain (for Daschle/Johnson) Amendment No. 3787, to require a water conservation program. **Pages S11827–28**

Hydroelectric Project Extension: Senate passed H.R. 4081, to extend the deadline under the Federal Power Act applicable to the construction of a hydroelectric project in the State of Arkansas, clearing the measure for the President. **Page S11828**

Financial Services Act: By 88 yeas to 11 nays (Vote No. 301), Senate agreed to a motion to proceed to consideration of H.R. 10, to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, and other financial service providers, with a committee amendment in the nature of a substitute. **Page S11648**

A unanimous-consent agreement was reached providing for further consideration of the bill on Thursday, October 8, 1998, at 5 p.m.

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 S11651–70, S11675–79, S11682–91

Adopted:

By 98 yeas to 1 nay (Vote No. 303), Coats Modified Amendment No. 3695, to exempt from the moratorium on Internet taxation any persons engaged in the business of selling or transferring by means of the World Wide Web material that is harmful to minors who do not restrict access to such material by minors. **Pages S11651–56**

Dodd Amendment No. 3780 (to Amendment No. 3695), to provide for an exception to the moratorium with respect to Internet access providers who do not offer customers screening software.

Pages S11652–56

McCain (for Graham) Amendment No. 3734, to modify the Commission membership.

Pages S11656–57

McCain Modified Amendment No. 3723, to establish a relationship with other provisions of existing law, and to set forth the role of the National Commission on Uniform State Legislation.

Pages S11656–57

McCain/Wyden Amendment No. 3717, to add severability provisions. **Pages S11656–57**

McCain/Wyden Amendment No. 3713, of a clarifying nature. **Pages S11656–57**

McCain/Wyden Amendment No. 3710, of a clarify nature. **Pages S11656–57**

McCain/Wyden Amendment No. 3712, to define the term ''Internet''. **Pages S11656–57**

McCain (for Bryan) Amendment No. 3735, to make it clear that the delayed effective date for the Children's Online Privacy Act is keyed to the filing date of the application. **Pages S11656–57**

McCain Modified Amendment No. 3721, to establish an Advisory Commission on Electronic Commerce. **Page S11656**

Subsequently, the amendment was further modified. **Pages S11659, S11677**

McCain Amendment No. 3722, to direct the Commission to examine model State legislation.

Pages S11659–70

Hutchinson Modified Amendment No. 3760 (to Amendment No. 3722), relating to the duties of the Advisory Commission on Electronic Commerce. (By 30 yeas to 68 nays (Vote No. 304), Senate earlier failed to table the amendment.) **Pages S11660–69**

McCain (for Graham) Amendment No. 3732, to modify the duties of the Commission. **Page S11670**

McCain (for Graham) Amendment No. 3733, to modify the report of the Commission. **Page S11670**

Dorgan Modified Amendment No. 3779 (to Amendment No. 3719), to establish a definition of generally imposed and actually enforced.

Pages S11675–76

McCain (for Enzi) Amendment No. 3727, to include legislative recommendations in the commission's report. **Page S11679**

McCain Modified Amendment No. 3718, to revise the definitions of the terms ''tax'', ''telecommunications service'', and ''tax on Internet access''.

Page S11679

McCain (for Abraham) Modified Amendment No. 3678, to enhance electronic commerce by promoting the reliability and integrity of commercial transaction through establishing authentication standards for electronic communications. **Page S11676**

Subsequently, the amendment was further modified. **Pages S11687–88**

Pending:

McCain/Wyden Amendment No. 3719, to make changes in the moratorium provision. By 28 yeas to 69 nays (Vote No. 306), Senate earlier failed to table the amendment. **Pages S11675, S11688–90**

Rejected:

By 45 yeas to 52 nays (Vote No. 305), McCain/Wyden Amendment No. 3783 (to Amendment No. 3719), to extend the ending date of the moratorium.

Pages S11676–79, S11683–87

During consideration of this measure today, Senate also took the following action:

By 94 yeas to 4 nays (Vote No. 302), three-fifths of those Senators duly chosen and sworn having voted in the affirmative, Senate agreed to close further debate on the bill. **Page S11649**

Senate may resume consideration of the bill on Thursday, October 8, 1998.

Freedom from Religious Persecution Act—Cloture Filed: A motion was entered to close further debate on the motion to proceed to the consideration of H.R. 2431, to establish an Office of Religious Persecution Monitoring, and to provide for the imposition of sanctions against countries engaged in a pattern of religious persecution and, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, a vote on the cloture motion will occur on Friday, October 9, 1999. **Page S11807**

Child Nutrition and WIC Reauthorizations—Conference Report: Senate agreed to the 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, clearing the measure for the President. **Page S11807**

Head Start/Low-Income Energy Assistance/Community Services Block Grant Authorizations Conference Report—Agreement: A unanimous-consent time-agreement was reached providing for the consideration of the 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, and to establish demonstration projects that provide an opportunity for persons with limited means to accumulate assets. **Page S11808**

Intelligence Authorizations Conference Report—Agreement: A unanimous-consent time-agreement was reached providing for the consideration of 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. **Page S11828**

VA/HUD Appropriations 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 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, on Thursday, October 8, 1998, with a vote to occur thereon. **Page S11828**

Nominations Confirmed: Senate confirmed the following nominations:

Joy Harjo, of New Mexico, to be a Member of the National Council on the Arts for a term expiring September 3, 2002.

Joan Specter, of Pennsylvania, to be a Member of the National Council on the Arts for a term expiring September 3, 2002. **Pages S11813, S11830**

Nominations Received: Senate received the following nominations:

Margaret Ellen Curran, of Rhode Island, to be United States Attorney for the District of Rhode Island for the term of four years.

Byron Todd Jones, of Minnesota, to be United States Attorney for the District of Minnesota for the term of four years.

Harold J. Creel, Jr., of South Carolina, to be a Federal Maritime Commissioner for the term expiring June 30, 2004.

Robert W. Perciasepe, of Maryland, to be an Assistant Administrator of the Environmental Protection Agency. **Page S11830**

Messages From the House: **Page S11695**

Communications: **Page S11695**

Executive Reports of Committees: **Page S11698**

Statements on Introduced Bills: **Pages S11698–S11714**

Additional Cosponsors: **Pages S11714–15**

Amendments Submitted: **Pages S11716–96**

Authority for Committees: **Pages S11796–97**

Additional Statements: **Pages S11797–S11806**

Text of S. 2561 as Previously Passed: **Pages S11806–09**

Record Votes: Six record votes were taken today. (Total—306) **Pages S11648, S11649, S11656, S11669, S11687, S11690**

Recess: Senate convened at 9:30 a.m., and recessed at 8:04 p.m., until 9:30 a.m., on Thursday, October 8, 1998. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S11828.)

Committee Meetings

(Committees not listed did not meet)

NOMINATION

Committee on Banking, Housing, and Urban Affairs: Committee concluded 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, after the nominee testified and answered questions in his own behalf.

NOMINATIONS

Committee on Environment and Public Works: Committee concluded hearings on the nominations of Isadore Rosenthal, of Pennsylvania, and Andrea Kidd Taylor, of Michigan, each 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, after the nominees testified and answered questions in their own behalf. Mr. Smith was introduced by Senator Breaux and Representative Tauzin.

NOMINATIONS

Committee on Foreign Relations: Committee concluded hearings on the nominations of William B. Bader, of New Jersey, to be Associate Director for Educational and Cultural Affairs, 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, after the nominees testified and answered questions in their own behalf. Mr. Bader was introduced by Senator Sarbanes, and Mr. Koh was introduced by Senators Dodd, Lieberman, Sarbanes, and Feingold.

NOMINATIONS

Committee on Governmental Affairs: Committee concluded 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, after the nominees testified and answered questions in their own behalf. Mr. Covington was introduced by Senator Lott, and Mr. Walker was introduced by Senators Cleland and Mack.

MILITARY ADULTERY STANDARDS

Committee on Governmental Affairs: Subcommittee on Oversight of Government Management, Restructuring, and the District of Columbia concluded hearings to examine certain implications of proposed revisions to the Department of Defense Manual for Courts Martial provisions relating to adultery, after receiving testimony from Daniel R. Heimbach, former Deputy Assistant Secretary of the Navy for Manpower; Elaine Donnelly, Center for Military Readiness, Livonia, Michigan, former Member of the Defense Advisory Committee on Women in the Services and the Presidential Commission on Women in the Armed Forces; and Lt. Col. Robert L. Maginnis, USA (Ret.), Family Research Council, Washington, D.C.

NOMINATION

Committee on the Judiciary: Committee concluded hearings on the nomination of Norman A. Mordue, to be United States District Judge for the Northern District of New York, after the nominee, who was introduced by Senator D'Amato, testified and answered questions in his own behalf.

RADIATION EXPOSURE COMPENSATION

Committee on the Judiciary: Committee concluded hearings on proposals to amend the Radiation Exposure Compensation Act of 1990 designed to compensate certain individuals who suffered from exposure to radiation as a result of the federal government's nuclear testing program and federal uranium mining activities, including S. 2343, and provisions of H.R. 3539, measures to provide for partial restitution to individuals who worked in uranium mines, or transport which provided uranium for the use and benefit of the United States Government, after receiving testimony from Senator Bingaman; Representative Redmond; Donald M. Remy, Deputy Assistant Attorney General, Department of Justice; Jonathan M. Samet, Johns Hopkins University, Baltimore, Maryland; Phillip Harrison, Jr., Office of Navajo Uranium Workers, Shiprock, New Mexico; Becky Rockwell, Canyon Consultants, Durango, Colorado; and Gayle Dawne Staheli Hanig, Washington, Utah.

INDIAN SELF-GOVERNANCE

Committee on Indian Affairs: Committee concluded hearings on certain provisions of H.R. 1833, to amend the Indian Self-Determination and Education Assistance Act to establish the Tribal Self-Governance Demonstration program within the Department of Health and Human Services to provide for further self-governance by Indian tribes and to set forth program requirements and related provisions, after receiving testimony from John J. Callahan, Assistant Secretary for Management and Budget, and Luana L. Reyes, Director of Headquarter Operations, Indian Health Service, both of the Department of Health and Human Services; Henry M. Cagey, Lummi Indian Business Council, Bellingham, Washington; Robert J. Clark, Bristol Bay Area Health Corporation, Dillingham, Alaska; and Alvin Windy Boy, National Indian Health Board, Denver, Colorado.

GENERAL BUSINESS Y2K CHALLENGES

Special Committee on the Year 2000 Technology Problem: Committee concluded hearings to examine certain issues with regard to Year 2000 information technology challenges facing small businesses and certain corporations, after receiving testimony from Fred P. Hochberg, Deputy Administrator, Small Business Administration; William J. Dennis, Jr., National Federation of Independent Business, Washington, D.C.; Rod Rodrigue, Maine Manufacturing Extension Partnership, Augusta; Harold Schild, Tillamook County Creamery Association, Tillamook, Oregon; Lou Marcoccio, Gartner Group, Scottsdale, Arizona; Charles Popper, Merck & Co., Inc., Whitehouse Station, New Jersey; Keith Mallonee, McKesson Corporation, San Francisco, California; Ronald J. Streck, National Wholesale Druggists' Association, Reston, Virginia; Richard T. Carbray, Jr., Pelton's Pharmacy and Home Health Centers, Newington, Connecticut, on behalf of the American Pharmaceutical Association; and Laurene L. West, Salt Lake City, Utah.

House of Representatives

Chamber Action

Bills Introduced: 18 public bills, H.R. 4712–4729; 2 private bills, H.R. 4730–4731; and 4 resolutions, H. Con. Res. 334–335 and H. Res 578, 582, were introduced. **Pages H10010–11**

Reports Filed: Reports were filed today as follows:

Conference report on 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 (H. Rept. 105–789);

H. Res. 579, waiving points of order against the conference report to accompany 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 (H. Rept. 105–790);

H. Res. 580, providing for consideration of H.J. Res. 131, waiving certain enrollment requirements for the remainder of the One Hundred Fifth Congress with respect to any bill or joint resolution making general or continuing appropriations for fiscal year 1999 (H. Rept. 105–791);

Report in the matter of Franklin L. Haney (H. Rept. 105–792);

H.R. 3828, to amend title XVIII of the Social Security Act to improve access to health care services for certain Medicare-eligible veterans, amended (H. Rept. 105–793 part 1);

Conference report on H.R. 3150, to amend title 11 of the United States Code (H. Rept. 105–794); and

H. Res. 581, authorizing and directing the Committee on the Judiciary to investigate whether sufficient grounds exist for the impeachment of William Jefferson Clinton, President of the United States (H. Rept. 105–795). **Pages H9870–98, H9954–85, H10010**

Speaker Pro Tempore: Read a letter from the Speaker wherein he designated Representative Sessions to act as Speaker pro tempore for today. **Page H9725**

Intelligence Authorization: The House agreed to the conference report accompanying 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, by a recorded vote of 337 ayes to 83 noes, Roll No. 487. **Pages H9729–41**

Rejected the Barr motion to recommit the conference report with instructions to the conference committee to remove Section 604 (rejected by a yea and nay vote of 148 yeas to 267 nays, Roll No. 486). **Pages H9739–40**

Omnibus National Parks and Public Lands: The House failed to pass H.R. 4570, to provide for certain boundary adjustments and conveyances involving public lands, to establish and improve the management of certain heritage areas, historic areas, National Parks, wild and scenic rivers, and national trails, to protect communities by reducing hazardous fuels levels on public lands, by a yea and nay vote of 123 yeas to 302 nays, Roll No. 489. **Pages H9750–H9870**

Agreed to the Hansen amendment in the nature of a substitute that revises or eliminates various provisions relating to consultations with affected state governors on presidentially declared national monuments and conveyances or exchange of lands in various states by the Interior and Agriculture Departments. **Pages H9814–70**

H. Res. 573, the rule that provided for consideration of the bill, was agreed to by a yea and nay vote of 225 yeas to 198 nays, Roll No. 488. **Pages H9741–49**

Suspensions: The House agreed to suspend the rules and pass the following measures:

Antimicrobial Regulation Technical Corrections: H.R. 4679, to amend the Federal Food, Drug, and Cosmetic Act to clarify the circumstances in which a substance is considered to be a pesticide chemical for purposes of such Act; **Pages H9898–H9900**

Border Smog Reduction: Agreed to the Senate amendment to H.R. 8, 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 vehicles emissions—clearing the measure for the President; **Pages H9900–02**

Child Online Protection Act: H.R. 3783, amended, to amend section 223 of the Communications Act of 1934 to require persons who are engaged in the business of selling or transferring, by means of the World Wide Web, material that is harmful to minors to restrict access to such material by minors. Agreed to amend the title; **Pages H9902–11**

Multichannel Video Competition and Consumer Protection: H.R. 2921, amended, to amend the

Communications Act of 1934 to require the Federal Communications Commission to conduct an inquiry into the impediments to the development of competition in the market for multichannel video programming distribution. Agreed to amend the title;

Pages H9932–37

Designating the Corporal Harold Gomez Post Office: H.R. 4616, to designate the United States Post Office located at 3813 Main Street in East Chicago, Indiana, as the ''Corporal Harold Gomez Post Office'' (agreed to by a yea and nay vote of 425 yeas with none voting ''nay'', Roll No. 491);

Pages H9937, H9939–40

Designating the Mervyn Dymally Post Office Building: H.R. 2348, to redesignate the Federal building located at 701 South Santa Fe Avenue in Compton, California, and known as the Compton Main Post Office, as the ''Mervyn Dymally Post Office Building'' (agreed to by a yea and nay vote of 421 yeas with 1 voting ''nay'', Roll No. 492);

Pages H9938–40

Curt Flood: S. 53, to require the general application of the antitrust laws to major league baseball—clearing the measure for the President;

Pages H9942–46

Sonny Bono Copyright Term Extension Act: S. 505, to amend the provisions of title 17, United States Code, with respect to the duration of copyright—clearing the measure for the President;

Pages H9946–54

Judicial Appointments: 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—clearing the measure for the President;

Pages H9985–87

Crime Identification Technology Act: S. 2022, amended, to provide for the improvement of interstate criminal justice identification, information, communications, and forensics; **Pages H9987–93**

Identity Theft and Assumption Deterrence: H.R. 4151, amended, to amend chapter 47 of title 18, United States Code, relating to identity fraud;

Pages H9993–98

Crime Victims with Disabilities: S. 1976, to increase public awareness of the plight of victims of crime with developmental disabilities, to collect data to measure the magnitude of the problem, and to develop strategies to address the safety and justice needs of victims of crime with developmental disabilities—clearing the measure for the President;

Pages H9998–99

COPS on the Beat Funding: H.R. 804, to amend part Q of title I of the Omnibus Crime Control and Safe Streets Act of 1968 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 nonadministrative public safety services;

Pages H9999–H10001

Northern Ireland and the Republic of Ireland Cultural Exchange and Training Program: H.R. 4293, amended, to establish a cultural and training program for disadvantaged individuals from Northern Ireland and the Republic of Ireland;

Pages H1001–07

Treasury, Postal Appropriations: The House agreed to the conference report on 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, by a yea and nay vote of 290 yeas to 137 nays Roll No. 494.

Pages H9920–32, H9941–42

Rejected the Hoyer motion to recommit the conference report to the conference committee with instructions to insist on section 624 of H.R. 4104 dealing with contraceptive prescription coverage under the Federal Employees Health Benefit Plan (rejected by a yea and nay vote, Roll No. 493).

Pages H9932, H9941

H. Res. 579, the rule waiving points of order against the conference report accompanying the bill, was agreed to by a yea and nay vote of 231 yeas to 194 nays, Roll No. 490. **Pages H9911–20**

Senate Messages: Messages received from the Senate today appear on pages H9725 and H9911.

Amendments: Amendments ordered printed pursuant to the rule appear on page H10012.

Quorum Calls—Votes: Eight yea and nay votes and one recorded vote developed during the proceedings of the House today and appear on pages H9739–40, H9740–41, H9749, H9870, H9919–20, H9939–40, H9940, H9941, and H9941–42. There were no quorum calls.

Adjournment: The House met at 10 a.m. and adjourned at 12:01 a.m. on October 8.

Committee Meetings

FDA MODERNIZATION ACT

Committee on Commerce: Held a hearing on the Implementation of the Food and Drug Administration Modernization Act of 1997. Testimony was heard

from Michael A. Friedman, M.D., Acting Commissioner, Food and Drugs, FDA, Department of Health and Human Services; and public witnesses.

OVERSIGHT—EX-IM BANK

Committee on International Relations: Subcommittee on International Economic Policy and Trade held an oversight hearing on Ex-Im Bank. Testimony was heard from James Harmon, President and Chairman, Export-Import Bank; JayEtta Hecker, Associate Director, GAO; and public witnesses.

NATIONAL MILITARY STRATEGY

Committee on National Security: Held a hearing on the state of U.S. military forces and their ability to execute the National military strategy. Testimony was heard from the following former officials of the Department of Defense: Gen. Gordon S. Sullivan, USA, Chief of Staff; Adm. Frank Kelso, USN, Chief of Naval Operations; Gen. Thomas Moorman, Jr., USAF, Vice Chief of Staff; and Gen. Richard I. Neal, USMC, Assistant Commandant.

GRAND STAIRCASE ESCALANTE NATIONAL MONUMENT REPORT; MISCELLANEOUS MEASURE

Committee on Resources: Approved a draft Committee Report concerning the Grand Staircase Escalante National Monument.

The Committee also held a hearing on H.R. 2822, Swan Creek Black River Confederated Ojibwa Tribes of Michigan Act. Testimony was heard from Representatives Knollenberg and Camp; Kevin Gover, Assistant Secretary, Native American Affairs, Department of the Interior; and public witnesses.

WAIVING CERTAIN ENROLLMENT REQUIREMENTS

Committee on Rules: Granted, by voice vote, a closed rule providing 1 hour of debate on H.J. Res. 131, waiving certain enrollment requirements for the remainder of the One Hundred Fifth Congress with respect to any bill or joint resolution making general or continuing appropriations for fiscal year 1999, equally divided and controlled by the Majority Leader and the Minority Leader or their designees. The rule provides one motion to recommit.

CONFERENCE REPORT—TREASURY, POSTAL SERVICE, GENERAL GOVERNMENT APPROPRIATIONS

Committee on Rules: Granted, by voice vote, a rule waiving all points of order against the conference report to accompany 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, and against its consideration. The rule provides that the conference report shall be considered as read. Testimony was heard from Representative Kolbe.

INTERNATIONAL SPACE STATION—PROPOSED BAIL-OUT FOR RUSSIA

Committee on Science: Held an oversight hearing on the International Space Station, The Administration's Proposed Bail-Out for Russia. Testimony was heard from the following officials of NASA: Daniel S. Goldin, Administrator; and Jay Chabrow, Chairman, Cost Assessment and Validation Task Force, Advisory Council; and public witnesses.

DOMAIN NAME SYSTEM TRANSFER

Committee on Science: Subcommittee on Basic Research and the Subcommittee on Technology held a joint oversight hearing on Transferring the Domain Name System to the Private Sector: Private Sector Implementation of the Administration's Internet ''White Paper''. Testimony was heard from J. Beckwith Burr, Associate Administrator, National Telecommunications and Information Administration, Office of International Affairs, Department of Commerce; 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 Coast Guard, Maritime and Water Resources. Testimony was heard from the following officials of the Department of Transportation: Rear Adm. George Naccara, USCG, Director, Information and Technology; and John Graykowski, Acting Deputy Administrator, Maritime Administration; Alvin Pesachowitz, Chief Information Officer, EPA; Lacy Suiter, Executive Associate Director, FEMA; John D'Aniello, Departmental Director, Civil Works, Corps of Engineers, Department of the Army; Diane Bunch, Manager, Enterprise Operations, TVA; and public witnesses.

Joint Meetings

IMF REFORM

Joint Economic Committee: Committee concluded hearings on proposals to reform the International Monetary Fund and the future course of international economic policy, after receiving testimony from Charles Calomiris, Columbia University, New York, New York; and Jacob Frenkel, Bank of Israel, Jerusalem,

former Research Director of the International Monetary Fund.

CARL D. PERKINS VOCATIONAL-TECHNICAL EDUCATION ACT AMENDMENTS

Conferees met to resolve the differences between the Senate- and House-passed versions of H.R. 1853, to amend the Carl D. Perkins Vocational and Applied Technology Education Act, but did not complete action thereon, and recessed subject to call.

NEW PUBLIC LAWS

(For last listing of Public Laws, see DAILY DIGEST, *p. D1110)*

S. 1695, to authorize the Secretary of the Interior to study the suitability and feasibility of designating the Sand Creek Massacre National Historic Site in the State of Colorado as a unit of the National Park System. Signed October 6, 1998. (P.L. 105–243)

COMMITTEE MEETINGS FOR THURSDAY, OCTOBER 8, 1998

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Armed Services, to hold hearings to review the recommendation to elevate the position of the Director, Office of Non-Proliferation and National Security of the Department of Energy, 3:30 p.m., SR–222.

Committee on Commerce, Science, and Transportation, to hold hearings on the nomination of Ashish Sen, of Illinois, to be Director of the Bureau of Transportation Statistics, Department of Transportation, 9:30 a.m., SR–253.

Committee on Environment and Public Works, Subcommittee on Drinking Water, Fisheries, and Wildlife, to hold oversight hearings on scientific and engineering issues relating to Columbia/Snake River system salmon recovery, 9:30 a.m., SD–406.

Full Committee, to hold hearings on the nomination of Robert W. Perciasepe, of Maryland, to be Assistant Administrator for Air and Radiation, Environmental Protection Agency, 2 p.m., SD–406.

Committee on Foreign Relations, Subcommittee on Near Eastern and South Asian Affairs, to hold hearings to examine recent events in Afghanistan, 10 a.m., SD–419.

Committee on the Judiciary, Subcommittee on Technology, Terrorism, and Government Information, to hold hearings to examine national security considerations in asylum applications, focusing on a case study involving six Iraqis, 9 a.m., SD–226.

Full Committee, business meeting, to consider pending calendar business, 10 a.m., SD–226.

Select Committee on Intelligence, to hold closed hearings on intelligence matters, 2:30 p.m., SH–219.

NOTICE

For a listing of Senate Committee Meetings scheduled ahead, see page E1939 in today's Record.

House

Committee on Agriculture, Subcommittee on General Farm Commodities, hearing on current U.S. trade issues with Canada, 10:30 a.m., 1300 Longworth.

Subcommittee on Risk Management and Specialty Crops, hearing on Review of the Commodity Futures Trading Commission's FY 2000 Budget and Annual Performance Plan, 9 a.m., 1302 Longworth.

Committee on Banking and Financial Services, Subcommittee on Domestic and International Monetary Policy, hearing on Will Jumbo Euro Notes Threaten the Greenback?, 9:30 a.m., 2128 Rayburn.

Committee on Commerce, Subcommittee on Health and Environment, hearing on the Implementation of the 1996 Safe Drinking Water Act Amendments, 11 a.m., 2123 Rayburn.

Subcommittee on Oversight and Investigations, hearing on A Review of the Department of Energy's Hanford Radioactive Tank Waste Privatization Contract, 11 a.m., 2322 Rayburn.

Committee on Education and the Workforce, Subcommittee on Oversight and Investigations, hearing on the Year 2000 Problem at the Department of Education, Part II, 10 a.m., 2175 Rayburn.

Committee on Government Reform and Oversight, to consider the following: draft reports entitled ''Hepatitis C: Silent Epidemic, Mute Public Health Response;'' ''Medicare Home Health Services: No Surety in the Fight Against Fraud and Waste;'' ''The Year 2000 Problem;'' and ''Campaign Fundraising Improprieties and Other Possible Violations of Law;'' and H.R. 4523, Lorton Technical Corrections Act of 1998; H.R. 4566, District of Columbia Courts and Justice Technical Corrections Act of 1998; H.R. 4568, District of Columbia Reform Technical Corrections Act of 1998; H.R. 4620, Statistical Consolidation Act of 1998; release of Depositions, Interrogatories and Documents, 10:30 a.m., 2154 Rayburn.

Committee on International Relations, hearing on Assessing the Administration's Foreign Policy: The Record After Six Years, 10:30 a.m., 2172 Rayburn.

Committee on National Security, Subcommittee on Military Procurement and the Subcommittee on Military Research and Development, joint hearing on Department of Defense modernization, 11 a.m., 2118 Rayburn.

Subcommittee on Military Procurement, hearing on Navy ship donation procedures, 4 p.m., 2118 Rayburn.

Committee on Science, Subcommittee on Technology, hearing on the Fastener Quality Act: Needed or Outdated? 10:30 a.m., 2318 Rayburn.

Committee on Transportation and Infrastructure, to consider the following: H.R. 3243, Alternative Water Source Development Act of 1998; GSA leasing program; Courthouse construction resolutions; Public building resolutions; Corps of Engineers water resources survey resolutions; and other pending business, 1 p.m., 2167 Rayburn.

Next Meeting of the SENATE

9:30 a.m., Thursday, October 8

Senate Chamber

Program for Thursday:After the transaction of any morning business (not to extend beyond 10 a.m.), Senate will consider the conference report on H.R. 4194, VA/HUD Appropriations, 1999, with a vote to occur thereon, following which Senate may resume consideration of 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., Thursday, October 8

House Chamber

Program for Thursday: Journal Vote at 10:00 a.m. followed by U.S. House of Representatives 105th Congress Photograph on the House Floor;

Consideration of H. Res. 581, Resolution Allowing Impeachment Inquiry;

Consideration of H.J. Res. 131, Hand-Enrollment Resolution (Consider Rule Only);

Consideration of 19 Suspensions;

1. H.R. 2263, Authorizing the Congressional Medal of Honor to Theodore Roosevelt;
2. H.R. 2281, WIPO Copyright Treaties Implementation Act;
3. S.J. Res. 51, Granting the Consent of Congress to the Potomac Highlands Airport Authority Compact;
4. H.R. 4364, Depository Institution Regulatory Streamlining Act;
5. H. Res. 578, Science Policy Report;
6. H. Res. 565, Sense of the House Regarding Mammograms and Biopsies in the Fight Against Breast Cancer;
7. H. Con. Res. 334, Taiwan World Health Organization;
8. H.R. 4506, International Child Labor Relief Act of 1998;
9. H.R. 4660, Providing Rewards for Information regarding Crimes and Violations of Humanitarian Law Relating to the Former Yugoslavia;
10. H. Con. Res. 320, Supporting Estonia, Latvia, and Lithuania, and Condemning the Nazi-Soviet Pact of Non-Aggression of August 23, 1939;
11. H. Con. Res. 331, Sense of Congress Concerning the Inadequacy of Sewage Infrastructure Facilities in Tijuana, Mexico;
12. H. Res. 557, Support for U. S. Efforts to Identify Holocaust-era Assets and Urging the Restitution of Individual and Communal Property;
13. H. Con. Res. 309, Condemning the Abduction of Ugandan Children and their Use as Soldiers;
14. S. 1021, Veterans Employment Opportunities Act;
15 H. Con. Res. 302, Recognizing the Importance of Children and Families;
16. H.R. 2109, Campaign Finance Sunshine Act;
17. H.R. 3874, William F. Goodling Child Nutrition Reauthorization Act;
18. S. 2206, Coats Human Services Reauthorization Act; and
19. H. Con. Res. 335, Technical Corrections to Workforce Improvement and Protection Act.

Extensions of Remarks, as inserted in this issue

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