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## Senate

### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

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

S. 1302. A bill to authorize the payment of a gratuity to members of the Armed Forces and civilian employees of the United States who performed slave labor for Japan during World War II, or the surviving spouses of such members, and for other purposes; to the Committee on Veterans' Affairs.

Mr. BINGAMAN. Madam President, during the last Congress, I introduced the Bataan-Corregidor Veterans Compensation Act to recognize American veterans who served at Bataan and Corregidor during World War II and were captured, held as prisoners of war, and forced to perform slave labor to support the Japanese war effort. That bill helped bring attention to the plight of Americans captured and enslaved in the Pacific theater at a time when our Government undertook important efforts on behalf of enslaved victims of Nazi oppression in Europe. I believe that our government should also take action on behalf of those who were enslaved in the Pacific theater. Since the waning days of those heroes are quickly passing, the time to take action on this important matter is now.

Today I am introducing an updated version of last year's bill, now entitled the World War II Pacific Theater Veterans Compensation Act, to acknowledge the contributions of all ex-prisoners of war in the Pacific who were forced into slave labor by the Japanese. The bill would award a gratuity of \$20,000 to each surviving veteran, government, or government contractor employee who was imprisoned by the Japanese during World War II and forced to perform slave labor to support Japan's war effort. The bill would also extend that gratuity to surviving spouses of such veterans or employees.

I believe that this bill is both necessary and appropriate, particularly as

those Americans who sacrificed so much approach their final years. Why is it necessary? First, because Americans who were enslaved by Japan have never been adequately compensated for the excruciating sacrifices they made while in Japanese military and company prisons and labor camps. In the War Claims Acts of 1948 and 1952, our Government paid former U.S. prisoners of war \$1.00 per day for "missed meals" during their captivity, and later, \$1.50 per day for "forced labor, pain, and suffering." Even those paltry compensations were not widely known about or received by all veterans who qualified for them. Second, this bill is necessary since ongoing efforts to obtain appropriate compensation from the government of Japan, or from Japanese companies through litigation, have been unsuccessful and are not likely to succeed in a timely enough manner to compensate surviving veterans or others who would be eligible.

My colleagues might ask, "Why is this bill appropriate?" If enacted into law, it would have our own government recognize the vital military contributions made by members of the Armed Forces and civilians employed by the government in the Pacific theater, and would compensate those heroes for the many sacrifices they were forced to make at the hands of their Japanese captors. From December 1941 to April 1942, for example, American military forces stationed in the Philippines fought valiantly for almost six months against overwhelming Japanese military forces on the Bataan peninsula. As a result of that prolonged conflict, U.S. forces prevented Japan from achieving its strategic objective of capturing Australia and thereby dooming Allied hopes in the Pacific theater from the outset of the war.

Once captured by the Japanese, American prisoners of war in the Philippines endured the infamous "Death March" during which approximately 730 Americans died to the notorious

Japanese prison camp north of Manila. Of the survivors of the March, more than 5,000 more Americans perished during the first six months of captivity. The Japanese forced many of those who survived captivity to embark on "hell ships"—unmarked merchant ships—to be transported to Japan to work as slave laborers in company-owned mines, shipyards, and factories. How tragic and cruel it was that many of our own men perished in those unmarked vessels, victims of attacks by American military aircraft and submarines who unknowingly caused their demise! The stories of other American military and civilian employees captured by the Japanese at Wake Island, Java, Manchuria, Taiwan, and other locations in the Pacific and enslaved to support the war effort are equally compelling.

This bill is also appropriate because it reflects international precedents by Allied nations to honor their enslaved veterans in the way which I propose in this bill. Allied governments, including Canada, New Zealand, the Netherlands, and the United Kingdom have authorized compensation gratuities. In 1998, the Canadian Government authorized the payment of \$15,600 (Canadian dollars) to veterans who were captured in Hong Kong and enslaved by the Japanese. Last October, Prime Minister Tony Blair announced a multi-million pound compensation fund for former enslaved Japanese prisoners of war in recognition of their heroic experiences. Given those important precedents by our Allies, is it no less appropriate for our own nation to compensate those who gave so much to defend and preserve our freedom? Surely, the denial of personal freedom; the severe physical punishment; the lifetime of health problems many suffered as a result of prolonged malnutrition and physical beatings—as well as the impact of those experiences on family and loved ones—merit the recognition that I propose in this legislation.

● 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 believe the Congress should act as soon as possible to enact this legislation into law. These brave heroes are leaving us at an increasing rate each year while the court system struggles to resolve the compensation claims of worthy American heroes. The time to act is now, else justice and honor may not ever be served. I thank Senator HATCH for agreeing to cosponsor this legislation, and I urge my fellow Senators to support it.

By Mr. KERRY:

S. 1303. A bill to amend title XVIII of the Social Security Act to provide for payment under the medicare program for more frequent hemodialysis treatments; to the Committee on Finance.

Mr. KERRY. Madam President, I am pleased to introduce legislation to improve the quality of life for the more than 250,000 Americans with End Stage Renal Disease, ESRD. The Kidney Patient Daily Dialysis Quality Act of 2001 will update the Medicare program to reflect the current state of medical science on the efficacy of hemodialysis by eliminating the limitation on the number of sessions now covered by Medicare. Specifically, this bill move Medicare beyond its conventional coverage of three hemodialysis sessions per week to provide coverage of more frequent hemodialysis, as defined by at least five times a week at a dialysis facility or in the home, if determined appropriate by a patient's physician.

ESRD is irreversible kidney failure. Without treatment or transplantation, death invariably results. Unfortunately, the number of Americans with ESRD is growing at a rate of 6 percent to 7 percent per year, and this population is projected to double over the next ten years. Due to the shortage of organs available for transplantation, almost 90 percent of patients with ESRD received hemodialysis treatments three times per week. This has been standard policy since 1972, when Congress created the Medicare End Stage Renal Disease Program. This program has been enormously successful in saving hundreds of thousands of lives, and increasing the life expectancy for hundreds of thousands of others with this terrible disease. However, the program now needs to be modernized.

Today, scientific and medical evidence shows that more frequent hemodialysis enhances the health of patients with ESRD by improving toleration of dialysis, high blood pressure and anemia control, cardiovascular status, nutrition, quality of sleep, mental clarity, and increasing energy and strength. In addition to these improvements in patient health, and subsequent reductions in required medications and hospitalizations, daily hemodialysis can significantly reduce costs to the Medicare program. According to a Project Hope study, more frequent hemodialysis could save the Medicare program between \$120 million and \$260 million per year.

The Kidney Patient Daily Dialysis Quality Act of 2001 stands to improve the quality of life for hundreds of thousands of Americans suffering from kidney failure. Scientific evidence supports the promise of this legislation and modern technology exists to provide it, it is time to deliver.

By Mr. KERRY:

S. 1304. A bill to amend title XVII of the Social Security Act to provide for coverage under the medicare program of oral drugs to reduce serum phosphate levels in dialysis patients with end-stage renal disease; to the Committee on Finance.

Mr. KERRY. Madam President, I am pleased to introduce legislation to improve the quality of life for the more than 250,000 Americans with End Stage Renal Disease, ESRD. My legislation will update the Medicare program to provide patients with better treatment for ESRD by providing coverage of oral prescription medications that reduce the serum phosphate levels in dialysis patients.

Patients with ESRD cannot eliminate dietary phosphorus and, without undergoing a kidney transplant, risk developing a condition known as hyperphosphatemia. This condition, and the hospitalization that accompanies it, can be prevented through the use of phosphate binding drugs, which are taken orally with meals and bind to dietary phosphorus, thereby reducing absorption in the body. Making phosphate binders available to Medicare-eligible ESRD patients makes both medical and economical sense. Not only do these medications improve the quality of life for patients with kidney failure, but they stand to reduce overall Medicare costs associated with treating patients who develop hyperphosphatemia. A recent scientific study by the U.S. Renal Data System found that the use of one such drug could save Medicare, on average, \$17,328 per patient on an annual basis.

Under current law, ESRD patients are prohibited from enrolling in Medicare+Choice plans. Many ESRD patients are also ineligible for "Medigap" coverage as 63 percent of the patients are under the age of 65. Thus, ESRD patients are denied access to the only existing mechanisms under which Medicare enrollees can obtain prescription drug coverage.

ESRD patients are among the sickest, poorest, most likely to be disabled, and most frequently hospitalized of all Medicare beneficiaries. In light of the shortage of organs available for transplant, it is imperative that we do all we can to supplement traditional hemodialysis treatment and improve the quality of life for those patients with kidney disease. Scientific evidence supports the promise of phosphate binding drugs to enhance the health of Americans with ESRD, and it is time that every patient realize that promise.

By Mr. GRAHAM (for himself and Mr. GRASSLEY):

S. 1305. A bill to amend the Internal Revenue Code of 1986 to clarify the status of professional employer organizations and to promote and protect the interests of professional employer organizations, their customers, and workers; to the Committee on Finance.

Mr. GRAHAM. Madam President, today, together with my Finance Committee colleague, Senator GRASSLEY, I am introducing the Professional Employer Organization Workers Benefits Act of 2001. Companion legislation is being introduced in the House by Representatives CARDIN and PORTMAN. This legislation expands retirement and health benefits for workers at small and medium-sized businesses in this country.

This bill is a narrower version of a bill that I sponsored in the last Congress, S. 2979, the Graham-Mack bill. Our new bill incorporates several improvements recommended by interested parties over the course of the past several years. Most significantly, the scope of this bill has been limited to address technical issues that were raised by the Treasury Department, Internal Revenue Service, and the Labor Department. I think it is fair to say that a much improved version of this proposal has emerged, one that ensures that the legislation's objective of expanding retirement and health coverage is achieved, while also ensuring that other important Federal policies are not affected. I am very pleased that, the Commissioner of the IRS, in a letter sent to one of the House companion bill sponsors recently, has indicated his interest in seeing this legislation enacted in a timely fashion.

In brief, this bill would permit certified professional employer organizations, PEOs, to assist small and medium-sized businesses in complying with the multiple responsibilities of being an employer. It does this by permitting the PEOs to accept responsibility for employment taxes and provide employee benefits to workers in small businesses. For many of these workers, the PEO's pension, health and other benefits represent benefits that the worker would not have received otherwise because they are too costly for the small business to provide on its own. PEOs provide the expertise and the economies of scale necessary to provide health and retirement benefits in an affordable and efficient manner.

Congress must take every opportunity to encourage businesses to provide retirement and health benefits to their employees. PEOs offer one creative way to bridge the gap between what workers need and what small businesses can afford to provide them. This legislation clarifies the tax law to make it clear that PEOs meeting certain standards will be able to offer those needed employee benefits and collect Federal employment taxes for their business customers.

In addition, I would like to make clear what this bill does not do. Unlike certain other bills, this bill applies only to PEOs, i.e., arrangements where

the PEO accepts responsibility for all or almost all of the workers at a worksite. It does not have anything to do with temporary staffing agencies or similar arrangements. Further, this bill by its terms applies only to the two areas of the tax law I have mentioned, employment tax and employee benefit laws. It does not affect any other law, nor does it affect the determination of who is the employer for tax law or any other purpose. The bill specifically states that it creates no inferences with respect to those issues.

I am hopeful that, with this narrower focus, this legislation can be considered quickly on its own merits, without getting bogged down in the disputes over the so-called contingent workforce and independent contractor issues, issues that are not addressed in this bill. While those are important issues that Congress may want to examine, we should not allow those complex issues to delay resolution of the unrelated PEO issues addressed by this bill. We believe that the changes made by our legislation will help expand retirement and health plan coverage both in the short-term and the longer run.

I look forward to working with Senator GRASSLEY and my other colleagues on the Finance Committee and the Administration in moving this bill during this Congress so that we can begin to address the difficulties faced by small businesses and their workers in obtaining benefits and meeting the other challenges of operating in an increasingly globalized economy.

I ask unanimous consent that a copy of the bill be printed in the RECORD.

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

S. 1305

*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 "Professional Employer Organization Workers Benefits Act of 2001".

#### SEC. 2. NO INFERENCE.

Nothing contained in this Act or the amendments made by this Act shall be construed to create any inference with respect to the determination of who is an employee or employer—

(1) for Federal tax purposes (other than the purposes set forth in the amendments made by section 3), or

(2) for purposes of any other provision of law.

#### SEC. 3. CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.

(a) EMPLOYMENT TAXES.—Chapter 25 of the Internal Revenue Code of 1986 (relating to general provisions relating to employment taxes) is amended by adding at the end the following new section:

##### "SEC. 3511. CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.

"(a) GENERAL RULES.—For purposes of the taxes imposed by this subtitle—

"(1) a certified professional employer organization shall be treated as the employer (and no other person shall be treated as the employer) of any work site employee performing services for any customer of such organization, but only with respect to remuneration remitted by such organization to such work site employee, and

"(2) the exemptions and exclusions which would (but for paragraph (1)) apply shall apply with respect to such taxes imposed on such remuneration.

"(b) SUCCESSOR EMPLOYER STATUS.—For purposes of sections 3121(a) and 3306(b)(1)—

"(1) a certified professional employer organization entering into a service contract with a customer with respect to a work site employee shall be treated as a successor employer and the customer shall be treated as a predecessor employer, and

"(2) a customer whose service contract with a certified professional employer organization is terminated with respect to a work site employee shall be treated as a successor employer and the certified professional employer organization shall be treated as a predecessor employer.

"(c) LIABILITY WITH RESPECT TO INDIVIDUALS PURPORTED TO BE WORK SITE EMPLOYEES.—

"(1) GENERAL RULES.—Solely for purposes of its liability for the taxes imposed by this subtitle—

"(A) the certified professional employer organization shall be treated as the employer of any individual (other than a work site employee or a person described in subsection (e)) who is performing services covered by a contract meeting the requirements of section 7705(e)(2)(F), but only with respect to remuneration remitted by such organization to such individual, and

"(B) the exemptions and exclusions which would (but for subparagraph (A)) apply shall apply with respect to such taxes imposed on such remuneration.

"(d) SPECIAL RULE FOR RELATED PARTY.—Subsection (a) shall not apply in the case of a customer which bears a relationship to a certified professional employer organization described in section 267(b) or 707(b). For purposes of the preceding sentence, such sections shall be applied by substituting '10 percent' for '50 percent'.

"(e) SPECIAL RULE FOR CERTAIN INDIVIDUALS.—For purposes of the taxes imposed under this subtitle, an individual with net earnings from self-employment derived from the customer's trade or business (including a partner in a partnership that is a customer), is not a work site employee with respect to remuneration paid by a certified professional employer organization.

"(f) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section."

(b) EMPLOYEE BENEFITS.—Section 414 of such Code (relating to definitions and special rules) is amended by adding at the end the following new subsection:

"(w) CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.—

"(1) PLANS MAINTAINED BY CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.—

"(A) IN GENERAL.—Except as otherwise provided in this subsection, in the case of a plan or program established or maintained by a certified professional employer organization to provide employee benefits to work site employees, then, for purposes of applying the provisions of this title applicable to such benefits—

"(i) such plan shall be treated as a single employer plan established and maintained by the organization,

"(ii) the organization shall be treated as the employer of the work site employees eligible to participate in the plan, and

"(iii) the portion of such plan covering work site employees shall not be taken into account in applying such provisions to the remaining portion of such plan or to any other plan established or maintained by the

certified professional employer organization providing employee benefits (other than to work site employees).

"(B) SPECIAL EXCEPTIONS IN APPLYING RULES TO BENEFITS.—

"(i) IN GENERAL.—In applying any requirement listed in clause (iii) to a plan or program established by the certified professional employer organization—

"(I) the portion of the plan established by the certified professional employer organization which covers work site employees performing services for a customer shall be treated as a separate plan of the customer (including for purposes of any disqualification or correction),

"(II) the customer shall be treated as establishing and maintaining the plan, as the employer of such employees, and as having paid any compensation remitted by the certified professional employer organization to such employees under the service contract entered into under section 7705, and

"(III) a controlled group that includes a certified professional employer organization shall not include in the controlled group any work site employees performing services for a customer.

For purposes of subclause (III), all persons treated as a single employer under subsections (b), (c), (m), and (o) shall be treated as members of the same controlled group.

"(ii) SELF-EMPLOYED INDIVIDUALS.—A work site employee who would be treated as a self-employed individual (as defined in section 401(c)(1)), a disqualified person (as defined in section 4975(e)(2)), a 2-percent shareholder (as defined in section 1372(b)(2), or a shareholder-employee (as defined in section 4975(f)(6)(C)), but for the relationship with the certified professional employer organization, shall be treated as a self-employed individual, disqualified person, a 2-percent shareholder, or shareholder-employee for purposes of rules applicable to employee benefit plans maintained by such certified professional employer organization.

"(iii) LISTED REQUIREMENTS.—The requirements listed in this clause are:

"(I) NONDISCRIMINATION AND QUALIFICATION.—Sections 79(d), 105(h), 125(b), 127(b)(2) and (3), 129(d)(2), (3), (4), and (5), 132(j)(1), 274(j)(3)(B), 401(a)(4), 401(a)(17), 401(a)(26), 401(k)(3) and (12), 401(m)(2) and (11), 404 (in the case of a plan subject to section 412), 410(b), 412, 414(q), 415, 416, 419, 422, 423(b), 505(b), 4971 4972, 4975, 4976, 4978, and 4979.

"(II) SIZE.—Sections 220, 401(k)(11), 401(m)(10), 408(k), and 408(p).

"(III) ELIGIBILITY.—Section 401(k)(4)(B).

"(IV) AUTHORITY.—Such other similar requirements as the Secretary may prescribe.

"(iv) WELFARE BENEFIT FUNDS.—With respect to a welfare benefit fund maintained by a certified professional employer organization for the benefit of work site employees performing services for a customer, section 419 shall be treated as not listed in clause (iii)(I) if the fund provides only 1 or more of the following:

"(I) Medical benefits other than retiree medical benefits.

"(II) Disability benefits.

"(III) Group term life insurance benefits which do not provide for any cash surrender value or other money that can be paid, assigned, borrowed or pledged for collateral for a loan.

"(v) EXCISE TAXES.—Notwithstanding clause (iii), the certified professional employer organization and the customer contracting for work site employees to pay services shall be jointly and severally liable for the tax imposed by section 4971 with respect to failure to meet the minimum funding requirements and the tax imposed by section 4976 with respect to funded welfare benefit plans.

“(vi) CONTINUATION COVERAGE REQUIREMENTS.—For purposes of applying the provisions of section 4980B with respect to a group health plan maintained by a certified professional employer organization for the benefit of work site employees:

“(I) TERMINATION OF EMPLOYMENT EVENTS.—Each of the following events shall constitute a termination of employment of a work site employee for purposes of section 4980B(f)(3)(B):

“(aa) The work site employee ceasing to provide services to any customer of such certified professional employer organization.

“(bb) The work site employee ceasing to provide services to one customer of such certified professional employer organization and becoming a work site employee with respect to another customer of such certified professional employer organization; and

“(cc) The termination of a service contract between the certified professional employer organization and the customer with respect to which the work site employee performs services, provided, however, that such a contract termination shall not constitute a termination of employment under section 4980B(f)(3)(B) for such work site employee if, at the time of such contract termination, such customer maintains a group health plan (other than a plan providing only excepted benefits within the meaning of sections 9831 and 9832 or a plan covering less than two participants who are employees).

“(II) TERMINATION EVENT CONSTITUTING A QUALIFYING EVENT.—If an event described in subparagraph (vi)(I) also constitutes a qualifying event under section 4980B(f)(3) with respect to the group health plan maintained by the certified professional employer organization for the affected work site employee, such plan shall no longer be required to provide continuation coverage as of any new coverage date.

“(III) NEW COVERAGE DATE WHEN TERMINATION EVENT CONSTITUTES QUALIFYING EVENT.—For purposes of subclause (II), a new coverage date shall be the first date on which—

“(aa) the customer maintains a group health plan other than a plan described in section 4980B(d), a plan providing only excepted benefits within the meaning of sections 9831 and 9832, or a plan covering less than two participants who are employees, or

“(bb) a service contract between such customer and another certified professional employer organization becomes effective under which worksite employees performing services for such customer are covered under a group health plan of such other certified professional employer organization, other than a plan described in section 4980B(d), a plan providing only excepted benefits within the meaning of sections 9831 and 9832, or a plan covering less than two participants who are employees.

“(IV) EFFECT OF CUSTOMER-MAINTAINED PLAN.—As of a new coverage date described in subclause (III)(aa), the customer shall be required to make continuation coverage available to any qualified beneficiary who was receiving (or was eligible to elect to receive) continuation coverage under a certified professional employer organization's group health plan and who is, or whose qualifying event occurred in connection with, a person whose last employment prior to such employee's qualifying event was as a work site employee providing services to such customer pursuant to a service contract with such certified professional employer organization.

“(C) EFFECT OF NEW SERVICE CONTRACT WITH CERTIFIED PEO.—As of a new coverage date described in subclause (III)(bb), the second certified professional employer organization shall be required to make continuation cov-

erage available to any qualified beneficiary who was receiving (or was eligible to elect to receive) continuation coverage under the first certified professional employer organization's group health plan and who is, or whose qualifying event occurred in connection with, a person whose last employment prior to such employee's qualifying event was as a work site employee providing services to the customer pursuant to a service contract with the first certified professional employer organization.

“(vii) CONTINUED COVERAGE FOR QUALIFIED BENEFICIARIES.—As of the date that a certified professional employer organization's group health plan first provides coverage to one or more work site employees providing services to a customer, such group health plan shall be required to make continuation coverage available to any qualified beneficiary who was receiving (or was eligible to receive or elect to receive) continuation coverage under a group health plan sponsored by such customer if, in connection with coverage being provided by the organization's plan, such customer terminates each of its group health plans, other than a plan or plans providing only excepted benefits within the meaning of sections 9831 and 9832 or covering less than two participants who are employees.

“(viii) EFFECT OF TERMINATION OF PEO STATUS.—The termination of a professional employer organization's status as a certified professional employer organization—

“(I) shall constitute an event described in section 4980B(f)(3)(B) for any work site employee performing services pursuant to a contract between a customer and such professional employer organization, but

“(II) no loss of coverage within the meaning of section 4980B(f)(3) occurs unless, in connection with such termination of status as a certified professional employer organization, the individual formerly treated as a work site employee performing services for the customer pursuant to a contract with such professional employer organization ceases to be covered under the arrangement of the professional employer organization that had been, prior to such termination of status, the group health plan of such organization.

“(ix) PERSON LIABLE FOR TAX.—For purposes of the liability for tax under section 4980B, the person or entity required to provide continuation coverage under this clause (vi) shall be deemed to be the employer under section 4980B(e)(1)(A).

“(2) PLANS MAINTAINED BY CUSTOMERS OF CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.—If a customer of a certified professional employer organization provides (other than through such organization) any employee benefits, then with respect to such benefits—

“(A) work site employees of the organization who perform services for the customer shall be treated as leased employees of such customer,

“(B) such customer shall be treated as a recipient for purposes of subsection (n), and paragraphs (4) and (5) of subsection (n) shall not apply for such purposes, and

“(C) with respect to such work site employees, sections 105(h), 403(b)(12), 422, and 423 shall be treated as a benefit listed in subsection (n)(3)(C).

“(3) PLANS MAINTAINED BY COMPANIES IN SAME CONTROLLED GROUP AS CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATION.—In applying any requirement listed in paragraph (1)(B)(iii), a controlled group which includes a certified professional employer organization shall not include in such controlled group any work site employees performing services for a customer. For purposes of this paragraph, all persons treated as a single

employer under subsections (b), (c), (m) and (o) shall be treated as members of the same controlled group.

“(4) RULES APPLICABLE TO PLANS MAINTAINED BY CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS AND PLANS MAINTAINED BY THEIR CUSTOMERS.—

“(A) SERVICE CREDITING FOR PARTICIPATION AND VESTING PURPOSES.—In the case of a plan maintained by a certified professional employer organization or a customer, for purposes of determining a work site employee's service for eligibility to participate and vesting under sections 410(a) and 411, rules similar to the rules of paragraphs (1) and (3) of section 413(c) shall apply to service for the certified professional employer organization and customer.

“(B) COMPENSATION.—

“(i) IN GENERAL.—Except as provided in clause (ii), for purposes of subsection (s) and section 415(c)(3), or other comparable provisions of this title based on compensation which affects employee benefit plans, compensation received from the customer with respect to which the work site employee performs services shall be taken into account together with compensation received from the certified professional employer organization.

“(ii) EXCEPTION.—For purposes of applying sections 404 and 412 to a plan maintained by a certified professional employer organization, only compensation received from the certified professional employer organization shall be taken into account.

“(C) ELIGIBLE EMPLOYERS.—The provisions of sections 457(f)(1)(A) and (B) apply to a work site employee performing services for a customer that is an eligible employer as defined in section 457(e)(1). The preceding sentence shall not apply in the case of a plan described in section 401(a) which includes a trust exempt from tax under section 501(a), an annuity plan or contract described in section 403, the portion of a plan which consists of a transfer of property described in section 83, the portion of a plan which consists of a trust to which section 402(b) applies, or a qualified governmental excess benefit arrangement described in section 415(m).

“(5) SPECIAL RULES WHERE MULTIPLE PLANS.—

“(A) IN GENERAL.—For purposes of applying section 415 with respect to a plan maintained by a certified professional employer organization, the organization and customers of such organization shall be treated as a single employer, except that if plans are maintained by a certified professional employer organization and a customer with respect to a work site employee, any action required to be taken by such plans shall be taken first with respect to the plan maintained by the customer.

“(B) MINIMUM BENEFIT.—If a minimum benefit is required to be provided under section 416, such benefit shall, to the extent possible, be provided through the plan maintained by the certified professional employer organization.

“(6) TERMINATION OF SERVICE CONTRACT BETWEEN CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATION AND CUSTOMER.—

“(A) IN GENERAL.—

“(i) TREATMENT OF SUCCESSOR PLAN.—If a service contract between a customer and a certified professional employer organization is terminated and work site employees of the customer were covered by a plan maintained by the organization, then, except as provided in regulations, any plan of another certified professional employer organization or the customer which covers such work site employees shall be treated as a successor plan for purposes of any rules governing in-service distributions.

“(ii) TREATMENT AS SEVERANCE FROM EMPLOYMENT AND SEPARATION FROM SERVICE.—If a service contract between a customer and a certified professional employer organization is terminated, and there is no plan treated as a successor plan under clause (i), then such termination shall be treated as a plan termination with respect to each work site employee of such customer.

“(B) DISTRIBUTION RULES APPLICABLE TO SUBPARAGRAPH (A)(ii).—Except as otherwise required by this title, in any case to which subparagraph (A)(ii) applies, the certified professional employer organization plan may distribute—

“(i) during the 2-year period beginning on the date of such termination (in accordance with plan terms) only—

“(I) elective deferrals and earnings attributable thereto,

“(II) qualified nonelective contributions (within the meaning of section 401(m)(4)(C)) and earnings attributable thereto, and

“(III) matching contributions described in section 401(k)(3)(D)(ii)(I) and earnings attributable thereto,

of former work site employees associated with the terminated customer only in a direct rollover described in section 401(a)(31), and

“(ii) after such 2-year period, amounts in such plan in accordance with plan terms.”

(c) CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATION DEFINED.—Chapter 79 of such Code (relating to definitions) is amended by adding at the end the following new section: **“SEC. 7705. CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.**

“(a) IN GENERAL.—For purposes of this title, the term ‘certified professional employer organization’ means a person who applies to be treated as a certified professional employer organization for purposes of sections 414(w) and 3511 and who has been certified by the Secretary as meeting the requirements of subsection (b).

“(b) CERTIFICATION.—A person meets the requirements of this subsection if such person—

“(1) demonstrates that such person (and any owner, officer, and such other persons as may be specified in regulations) meets such requirements as the Secretary shall establish with respect to tax status, background, experience, business location, and annual financial audits,

“(2) represents that it will satisfy the bond and independent financial review requirements of subsections (c) on an ongoing basis,

“(3) represents that it will satisfy such reporting obligations as may be imposed by the Secretary,

“(4) represents that it will maintain a qualified plan (as defined in section 408(p)(2)(D)(ii)) or an arrangement to provide simple retirement accounts (within the meaning of section 408(p)) which benefit at least 95 percent of all work site employees who are not highly compensated employees for purposes of section 414(q),

“(5) computes its taxable income using an accrual method of accounting unless the Secretary approves another method,

“(6) agrees to verify the continuing accuracy of representations and information which was previously provided on such periodic basis as the Secretary may prescribe, and

“(7) agrees to notify the Secretary in writing of any change that materially affects the continuing accuracy of any representation or information which was previously made or provided.

“(c) REQUIREMENTS.—

“(1) IN GENERAL.—An organization meets the requirements of this paragraph if such organization—

“(A) meets the bond requirements of subparagraph (2), and

“(B) meets the independent financial review requirements of subparagraph (3).

“(2) BOND.—

“(A) IN GENERAL.—A certified professional employer organization meets the requirements of this paragraph if the organization has posted a bond for the payment of taxes under subtitle C (in a form acceptable to the Secretary) that is in an amount at least equal to the amount specified in subparagraph (B).

“(B) AMOUNT OF BOND.—

“(i) IN GENERAL.—For the period April 1 of any calendar year through March 31 of the following calendar year, the amount of the bond required is equal to the greater of:

“(I) 5 percent of the organization’s liability for taxes imposed by this subtitle during the preceding calendar year (but not to exceed \$1,000,000), or

“(II) \$50,000.

“(ii) SPECIAL RULE FOR NEWLY CREATED PROFESSIONAL EMPLOYER ORGANIZATIONS.—During the first three full calendar years that an organization is in existence, subclause (I) of clause (i) shall not apply. For this purpose—

“(I) under rules provided by the Secretary, an organization is treated as in existence as of the date that such organization began providing services to any client which were comparable to the services being provided with respect to worksite employees, regardless of whether such date occurred before or after the organization is certified under section 7705, and

“(II) an organization with liability for taxes imposed by this subtitle during the preceding calendar year in excess of \$5,000,000 shall no longer be described in this clause (ii) as of April 1 of the year following such calendar year.

“(3) INDEPENDENT FINANCIAL REVIEW REQUIREMENTS.—A certified professional employer organization meets the requirements of this subparagraph if such organization—

“(A) has, as of the most recent audit date, caused to be prepared and provided to the Secretary (in such manner as the Secretary may prescribe) an opinion of an independent certified public accountant as to whether the certified professional employer organization’s financial statements are presented fairly in accordance with generally accepted accounting principles, and

“(B) provides to the Secretary an assertion regarding Federal employment tax payments and an examination level attestation on such assertion from an independent certified public accountant not later than the last day of the second month beginning after the end of each calendar quarter. Such assertion shall state that the organization has withheld and made deposits of all taxes imposed by chapters 21, 22, and 24 of the Internal Revenue Code in accordance with regulations imposed by the Secretary for such calendar quarter and such examination level attestation shall state that such assertion is fairly stated, in all material respects.

“(4) SPECIAL RULE FOR SMALL CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.—The requirements of paragraph (3)(A) shall not apply with respect to a fiscal year of an organization if such organization’s liability for taxes imposed by subtitle C during the calendar year ending on (or concurrent with) the end of the fiscal year were \$5,000,000 or less.

“(5) FAILURE TO FILE ASSERTION AND ATTESTATION.—If the certified professional employer organization fails to file the assertion and attestation required by paragraph (3) with respect to a particular quarter, then the requirements of paragraph (3) with respect to such failure shall be treated as not

satisfied for the period beginning on the due date for such attestation.

“(6) AUDIT DATE.—For purposes of paragraph (3)(A), the audit date shall be six months after the completion of the organization’s fiscal year.

“(d) SUSPENSION AND REVOCATION AUTHORITY.—The Secretary may suspend or revoke a certification of any person under subsection (b) for purposes of section 414(w) or 3511, or both, if the Secretary determines that such person is not satisfying the representations or requirements of subsections (b) or (c), or fails to satisfy applicable accounting, reporting, payment, or deposit requirements.

“(e) WORK SITE EMPLOYEE.—For purposes of this title—

“(1) IN GENERAL.—The term ‘work site employee’ means, with respect to a certified professional employer organization, an individual who—

“(A) performs services for a customer pursuant to a contract which is between such customer and the certified professional employer organization and which meets the requirements of paragraph (2), and

“(B) performs services at a work site meeting the requirements of paragraph (3).

“(2) SERVICE CONTRACT REQUIREMENTS.—A contract meets the requirements of this paragraph with respect to an individual performing services for a customer if such contract is in writing and provides that the certified professional employer organization shall—

“(A) assume responsibility for payment of wages to the individual, without regard to the receipt or adequacy of payment from the customer for such services,

“(B) assume responsibility for reporting, withholding, and paying any applicable taxes under subtitle C, with respect to the individual’s wages, without regard to the receipt or adequacy of payment from the customer for such services,

“(C) assume responsibility for any employee benefits which the service contract may require the certified professional employer organization to provide, without regard to the receipt or adequacy of payment from the customer for such services,

“(D) assume shared responsibility with the customer for firing the individual and for recruiting and hiring any new worker,

“(E) maintain employee records relating to the individual, and

“(F) agree to be treated as a certified professional employer organization for purposes of sections 414(w) and 3511 with respect to such individual.

“(3) WORK SITE COVERAGE REQUIREMENT.—

“(A) IN GENERAL.—The requirements of this paragraph are met with respect to an individual if at least 85 percent of the individuals performing services for the customer at the work site where such individual performs services are subject to 1 or more contracts with the certified professional employer organization which meet the requirements of paragraph (2).

“(B) SPECIAL RULES.—For purposes of subparagraph (A)—

“(i) WORK SITE.—The term ‘work site’ means a physical location at which an individual generally performs service for the customer or, if there is no such location, the location from which the individual receives job assignments from the customer.

“(ii) CONTIGUOUS LOCATIONS.—For purposes of clause (i), work sites which are contiguous locations shall be treated as a single physical location.

“(iii) NONCONTIGUOUS LOCATIONS.—For purposes of clause (i), noncontiguous locations shall be treated as separate work sites, except that each work site within a reasonably proximate area must satisfy the 85 percent

test under subparagraph (A) for the individuals performing services for the customer at such work site. In determining whether non-contiguous locations are reasonably proximate, all facts and circumstances shall be taken into account.

“(iv) WORK SITES 35 MILES OR MORE APART.—Any work site which is separated from all other customer work sites by at least 35 miles shall not be treated as reasonably proximate under clause (iii).

“(v) DIFFERENT INDUSTRY.—A work site shall not be treated as reasonably proximate to another work site under clause (iii) if the work site operates in a different industry or industries from such other work site as determined by the Secretary.

“(f) EMPLOYER AGGREGATION RULES.—

“(1) IN GENERAL.—For purposes of subsections (c)(2)(B)(ii), (c)(4) and (e), all persons treated as a single employer under subsection (b), (c), (m), or (o) of section 414 shall be treated as 1 person.

“(2) PLANS MAINTAINED BY COMPANIES IN SAME CONTROLLED GROUP AS CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATION.—For purposes of subsection (b)(4), if certified professional employer organizations are part of a controlled group, then the certified professional employer organizations (but no other member of the controlled group) shall be treated as 1 person.

“(3) QUALIFIED PLANS.—For purposes of subsection (b)(4)—

“(A) a qualified plan (as defined in section 408(p)(2)(D)(ii)) which is maintained by, or an arrangement to provide a simple retirement account (within the meaning of section 408(p)) to, a customer with respect to a work site employee performing services for such customer shall be treated as if it were maintained by the applicant, and

“(B) work site employees who do not meet the minimum age and service requirements of section 410(a)(1)(A) (or who are excludable from consideration under section 410(b)(3)) shall not be taken into account.

“(g) DETERMINATION OF EMPLOYMENT STATUS.—Except to the extent necessary for purposes of section 414(w) or 3511, nothing in this section shall be construed to affect the determination of who is an employee or employer for purposes of this title.

“(h) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section and sections 414(w) and 6503(k).”

(d) CONFORMING AMENDMENTS.—

(1) Section 45B of such Code is amended by adding at the end the following new subsection:

“(e) CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.—For purposes of this section, in the case of a certified professional employer organization that is treated, under section 3511, as the employer of a worksite employee who is a tipped employee, the credit determined under this section does not apply to such organization, but does apply to the customer of such organization. For this purpose the customer shall take into account any remuneration and taxes remitted by the certified professional employer organization.”

(2) Section 707 of such Code is amended by adding at the end the following new subsection:

“(d) PAYMENTS TO CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.—If a partnership that is a customer of a certified professional employer organization (as defined in section 7705) makes a payment to such an organization on behalf of a partner, and the payment, if made directly to the partner, would be treated as a guaranteed payment under section 707(c), the partnership shall treat the payment as if it were a guaranteed payment

made to a partner. To the extent that the relevant partner receives all or any portion of such a payment, such partner shall be treated as receiving a guaranteed payment for services under section 707(c).”

(3) Section 3302 of such Code is amended by adding at the end the following new subsection:

“(h) TREATMENT OF CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.—If a certified professional employer organization (as defined in section 7705) (or a client of such organization) makes a payment to the State's unemployment fund with respect to a work site employee, such organization shall be eligible for the credits available under this section with respect to such payment.”

(4) Section 3303(a) of such Code is amended—

(A) by striking the period at the end of subparagraph (D) of paragraph (3) and inserting “; and”;

(B) by inserting immediately after paragraph (3) the following new paragraph:

“(4) a certified professional employer organization (as defined in section 7705) is permitted to collect and remit, in accordance with paragraphs (1), (2), and (3), contributions during the taxable year to the State unemployment fund with respect to a work site employee.”; and

(C) in the last sentence—

(i) by striking “paragraphs (1), (2), and (3)” and inserting “paragraphs (1), (2), (3), and (4)”, and

(ii) by striking “paragraph (1), (2), or (3)” and inserting “paragraph (1), (2), (3), or (4)”.

(5) Section 6053(c) such Code is amended by adding at the end the following new paragraph:

“(8) CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.—For purposes of any report required by this section, in the case of a certified professional employer organization that is treated, under section 3511, as the employer of a worksite employee, the customer with respect to whom a worksite employee performs services shall be the employer for purposes of reporting under this section and the certified professional employer organization shall furnish to the customer any information necessary to complete such reporting no later than such time as the Secretary shall prescribe.”

(e) CLERICAL AMENDMENTS.—

(1) The table of sections for chapter 25 of such Code is amended by adding at the end the following new item:

“Sec. 3511. Certified professional employer organizations.”

(2) The table of sections for chapter 79 of such Code is amended by inserting after the item relating to section 7704 the following new item:

“Sec. 7705. Certified professional employer organizations.”

(f) REPORTING REQUIREMENTS AND OBLIGATIONS.—The Secretary of the Treasury shall develop such reporting and recordkeeping rules, regulations, and procedures as the Secretary determines necessary or appropriate to ensure compliance with the amendments made by this Act with respect to entities applying for certification as certified professional employer organizations or entities that have been so certified. Such rules shall be designed in a manner which streamlines, to the extent possible, the application of requirements of such amendments, the exchange of information between a certified professional employer organization and its customers, and the reporting and recordkeeping obligations of the certified professional employer organization.

(f) USER FEES.—Subsection (b) of section 10511 of the Revenue Act of 1987 (relating to

fees for requests for ruling, determination, and similar letters) is amended by adding at the end the following new paragraph:

“(4) CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.—The fee charged under the program in connection with the certification by the Secretary of a professional employer organization under section 7705 of the Internal Revenue Code of 1986 shall not exceed \$500.”

(g) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this Act shall take effect on the later of—

(A) January 1, 2003, or

(B) the January 1st of the first calendar year beginning more than 12 months after the date of the enactment of this Act.

(2) CERTIFICATION PROGRAM.—The Secretary of the Treasury shall establish the certification program described in section 7705(b) of the Internal Revenue Code of 1986 (as added by subsection (c) of this section) not later than 3 months before the effective date determined under paragraph (1).

(3) TRANSITION ISSUES.—For years beginning before the effective date specified in paragraph (1), subject to such conditions as the Secretary of the Treasury may prescribe, employee benefit plans in existence on the date of the enactment of this Act shall not be treated as failing to meet the requirements of the Internal Revenue Code of 1986 merely because such plans were maintained by an organization prior to such organization becoming a certified professional employer organization (as defined by section 7705 of such Code (as so added)).

By Mr. BAUCUS (for himself, Mr. HARKIN, Mr. LOTT, Mr. JEFFORDS, Mr. WARNER, Mrs. LINCOLN, Mr. SMITH of New Hampshire, Mr. REID, Mr. VOINOVICH, Mr. CRAPO, Mr. BURNS, Mr. THOMAS, Mr. BOND, Mr. DEWINE, Mr. GRAMM, Mr. HUTCHINSON, Mr. LIEBERMAN, Ms. LANDRIEU, and Mr. ENZI):

S. 1306. A bill to amend the Internal Revenue Code of 1986 to transfer all excise taxes imposed on alcohol fuels to the Highway Trust Fund, and for other purposes; to the Committee on Finance.

Mr. BAUCUS. Madam President, I rise today to introduce a piece of legislation that will help ensure that the Trust is restored to the Highway Trust Fund.

The Highway Trust Fund Recovery Act, HTFRA, of 2001 will direct 2.5 cents from the sale of gasohol into the Highway Trust Fund beginning in Fiscal Year 2004.

This bill is important for several reasons. First, the bill reconfirms the landmark 1998 highway bill—TEA 21, which is so important to economic development in Montana and throughout the country. Second, the bill will ensure that much needed highway improvements are made throughout the country. Third, this bill means more jobs for Montanans and others throughout the country.

It is, in short, the right thing to do. By way of background, the gas tax was established for one simple reason: to finance the construction of the national highway system.

In 1993, there was a departure. The tax was increased, by 4.3 cents a gallon. And, for the first time, the tax was

used not for the highway program, but instead for deficit reduction.

I supported the increase, reluctantly, as part of an overall compromise that was a key step towards balancing the budget.

Even so, many of us were determined to restore the principle that the gas tax should only be used to fund our highway and related transportation programs. We worked, as we said, to "put the trust back in the trust fund."

It was a long, difficult fight. We faced tough opposition, from the Administration, the budget committees, and elsewhere. But, in the end, we prevailed. During the Senate's consideration of the 1998 highway bill, we provided that the entire gas tax, including the 4.3 cents, would go into the Highway Trust Fund and be used exclusively for highway construction and other transportation needs. When an amendment was offered to repeal the 4.3 cents tax, it was defeated.

Don't get me wrong. Nobody likes taxes. But, since its inception, the gas tax is how we get money to pay for our highways. As these things go, the gas tax has worked well.

Ensuring necessary and affordable energy supplies, including ethanol-blended motor fuels and other initiatives, is important to the quality of life and economic prosperity of all Americans. Policies to achieve these objectives, however, should not come at the expense of transportation infrastructure improvements.

Under current law, ethanol enjoys an exemption from current excise tax rates. This exemption allows the price of gasohol, ethanol mixed with gasoline, to be lower than the price of gasoline. Two and one half cents from the sale of this lower priced fuel is still sent to the General Fund of the U.S. Treasury. It should be going to the Highway Trust Fund.

Let me explain what the Highway Trust Fund Recovery Act of 2001 would mean for our nation's highway program. At least \$400 million a year would now go where it belongs, toward the maintenance of our Nation's highways.

I'll get right to the point. Most of my colleagues were here for the highway bill debate. You know how difficult it was. You know how hard we fought to make sure that each of our states would get enough funding to support our transportation needs.

We still need more. As was made clear in the debate over TEA-21 in 1998, America still has a significant shortfall in funding when it comes to maintaining a serviceable highway system. The Department of Transportation estimates that the Nations requires \$56.6 billion annually just to maintain existing road and bridge conditions on our Federal highway system. Yet TEA-21 meets only 56 percent of that need.

This 2.5 cent transfer means that thousands of hard-working folks who show up every day, in good weather and bad, to build our roads and improve our

communities will have jobs to go to. These are people who depend on their jobs to support themselves and their families.

Pulling this all together, the Congress needs to find a way to enhancing our energy independence without undermining our highway programs. The Highway Trust Fund Recovery Act of 2001 is a step in the right direction.

There's one final point.

For the past few years, Congress has been criticized for putting partisan politics ahead of the public interest. In short, of not getting much done.

There have been some notable exceptions. Balancing the budget. Reforming the welfare system.

And, yes, reaching a bipartisan compromise on the 1998 highway bill, TEA-21. That bill did not just reauthorize the highway program. It renewed and revitalized the highway program. We passed it overwhelmingly, by a vote of 88-5. It was a great accomplishment.

We can confirm that accomplishment by passing the Highway Trust Fund Recovery Act of 2001.

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. 1306

*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 "Highway Trust Fund Recovery Act of 2001".

**SEC. 2. ALL ALCOHOL FUELS TAXES TRANSFERRED TO HIGHWAY TRUST FUND.**

(a) IN GENERAL.—Section 9503(b)(4) of the Internal Revenue Code of 1986 (relating to certain taxes not transferred to Highway Trust Fund) is amended—

(1) by adding "or" at the end of subparagraph (C),

(2) by striking the comma at the end of subparagraph (D)(iii) and inserting a period, and

(3) by striking subparagraphs (E) and (F).

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxes received in the Treasury after September 30, 2003.

Mr. VOINOVICH. Madam President, I rise today to join my colleague, Senator MAX BAUCUS, in introducing The Highway Trust Fund Recovery Act of 2001. The tax treatment of ethanol-blended fuels is an issue that is disproportionately reducing the amount of Federal highway funding States receive, serving as a disincentive to ethanol use, and impacting our ability to address fully our highway improvement needs. The legislation we are introducing today addresses this problem by ensuring that the portion of the per gallon Federal tax on ethanol-blended fuels which is currently deposited into the General Fund is deposited into the Highway Trust Fund instead.

As my colleagues may be aware, the Federal tax on gasoline that does not contain ethanol is 18.4 cents per gallon, whereas the Federal tax on gasohol, a blend of gasoline and ethanol, is 13.0

cents per gallon. The 5.4 cents per gallon tax difference is meant to keep the price of ethanol down, and serve as an incentive to help promote ethanol's use as a renewable and alternative fuel.

The 18.4 cents per gallon tax on gasoline is the major source of income to the Highway Trust Fund. The money that accumulates in the Highway Trust Fund is used for highway, highway safety, transit, and other surface transportation programs.

However, of the 13.0 cents per gallon Federal tax on gasohol, only 10.4 cents are sent to the Highway Trust Fund, .1 cent goes to the Leaking Underground Storage Tank Fund, while the remaining 2.5 cents are deposited into the General Fund of the Treasury. Although 2.5 cents does not sound like a lot of money, it actually adds up to hundreds of millions of dollars per year that are not being used for the purpose of improving our Nation's roadways, the reason they were collected in the first place.

The bill we are introducing today, the Highway Trust Fund Recovery Act, would ensure that the remaining 2.5 cent tax paid by highway users on ethanol-blended fuels is deposited into the Highway Trust Fund. Under the bill, annual deposits to the Highway Account would increase by some \$400 million per year based on current gasohol sales.

Ohio has the Nation's 10th largest highway network, the 5th highest volume of traffic, the 4th largest interstate highway network, and the 2nd largest inventory of bridges in the country. While Ohio's traffic and congestion have risen, its Federal receipts have not risen commensurately because of the different tax treatment of ethanol-blended fuels.

The reason for this disproportion is because Ohio's uses of gasohol is among the highest in the Nation, 40 percent of the state's gasoline consumption in 2000 compared to a national average of around 10 percent. Since Ohio's Federal appropriation under the Transportation Equity Act for the 21st Century, TEA-21, is determined by its contribution to the Highway Trust Fund, and gasohol is taxed differently than conventional gasoline, gasohol consumption has significantly decreased the amount of revenue credited to Ohio in the Highway Trust Fund.

It's simple: less money in means less money out.

According to the Ohio Department of Transportation, ODOT, Ohio is losing more than \$160 million per year due to gasohol consumption. To put that number in perspective, it equals 17 percent of Ohio's total obligation ceiling; over one half of the State's major new construction program budget; and it nearly equals the amount the State budgets for routine bridge repair and replacement for an entire year. Of that \$160 million figure, the state is losing more than \$50 million simply because 2.5 cents of the Federal tax on gasohol

are deposited into the General Fund. This amount is 5 percent of the Ohio's total obligation ceiling; one-sixth of Ohio's major new construction program; and equal to the amount ODOT budgets for safety improvement projects for a two-year period.

The 11 States that make up the Mississippi Valley Conference of the American Association of State Highway and Transportation Officials, AASHTO, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, Ohio, and Wisconsin, account for 70 percent of the Nation's ethanol consumption. The Federal fuel tax rate for ethanol impacts this region more than any other region of the country. If the legislation we are introducing were enacted today, this region alone would receive over \$225 million more in additional highway funding.

My State of Ohio has made the environmentally sound decision to utilize ethanol in order to keep the air clean; we should not be penalized with fewer highway dollars for doing the right thing.

Our legislation would not affect the highway formulas or distribution of funds under TEA-21, and it does not take effect until fiscal year 2004, after the expiration of TEA-21. It is important that Congress know what estimated Highway Trust Fund revenues will be prior to the next highway authorization process.

The current tax treatment of gasohol is a disincentive to use ethanol, a clean, renewable fuel source. The bill we are introducing today is good environmental policy, good agricultural policy, good energy policy, and good transportation policy. States should not be penalized for using ethanol. It does not make sense for taxes paid on ethanol-blended fuels to be deposited in the General Fund when we need more than \$50 billion per year over the next 20 years just to maintain the current physical condition of our Nation's highways.

Taxes on ethanol are paid by motorists whose vehicles are causing the same wear and tear on our roads and bridges that non-ethanol-fueled vehicles cause. While we may have policy reasons for taxing ethanol at a lower rate or establishing a market for ethanol-blended fuels, surely we ought to insist that the taxes paid by ethanol users are deposited into the Highway Trust Fund where they can be used to make our highways safer and less congested.

This bill would help ensure that we have reliable alternative sources of energy, while we meet our clean air goals, but not at the expense of States' highway funding. I urge my colleagues to join me in cosponsoring this legislation, and I urge its speedy consideration by the Senate.

By Mr. DOMENICI:

S. 1309. a bill to amend the Water Desalination Act of 1996 to reauthorize that Act and to authorize the construc-

tion of a desalination research and development facility at the Tularosa Basin, New Mexico, and for other purposes; to the Committee on Environment and Public Works.

Mr. DOMENICI. Madam President, I rise today to introduce "The Water Supply Security Act of 2001." Access to fresh water is an increasingly critical national and international issue. As the world's population grows and stores of fresh water are depleted, finding additional sources of fresh water is key to ensuring world peace and security.

In the Middle East, a major component of almost every peace agreement is water. President Khatami of Iran said last month that peace in the region will be largely determined by mechanisms to solve the problem of water. Shortly after being elected, Israeli Prime Minister Sharon stated that one of the first things he was going to do was to build two water desalting plants in Israel to meet that country's water needs.

Providing fresh water to the people of Africa is a key component in fighting the AIDS epidemic plaguing that continent. AIDS researchers have determined that a principal reason that mothers with AIDS and HIV are spreading the virus to their children is because there is not enough clean water to mix infant formula.

Here in the United States, arid states such as New Mexico are facing serious water shortages. City planners in my home town of Albuquerque have speculated that the city will not be able to grow much more because the aquifer located beneath the city is quickly drying up. Nevada, Arizona, Texas, California and Florida are facing similar problems. A study by the Hudson Institute found that by the year 2025, 45 percent of the U.S. population growth will occur in California, Texas, and Florida, States already facing severe water shortages. This population explosion will undoubtedly result in a scarcity of fresh water.

Although all these States have diminishing stores of fresh water, they all have large deposits of brackish and sea water. Because brackish and sea water account for over 97 percent of the water on earth, being able to cheaply convert this water into fresh water is important to ensuring an adequate supply of fresh water.

President Kennedy, a strong proponent of the government funding for desalting technology, stated "if we could ever competitively, at a cheap rate, get fresh water from salt water . . . (this) would be in the long-range interests of humanity which would really dwarf any other scientific accomplishments."

The R&D funded by the federal government between 1952 and the early 1980s resulted in the two desalting technologies that are most widely used today. The development of these widely used technologies would not have been possible had it not been for federally

sponsored research and development. Just as these endeavors resulted in significant technological breakthroughs, I believe that a renewed investment by the federal government would lead to further advancements in the technology.

Although desalting technology has become significantly cheaper in recent years, the cost of desalting brackish and seawater is still substantially more expensive than treatment and delivery of other municipal water supplies. In 1996, Congress passed the Water Desalination Act of 1996. This created a small desalting R & D and demonstration program within the Bureau of Reclamation that was tasked with determining the most technologically efficient and cost-effective means by which useable water can be produced from saline water.

This program has been very successful despite receiving limited funding. However, their authorization is set to expire in 2002. The legislation I introduce today would re-authorize the desalting R & D and demonstration program run by the Bureau of Reclamation for an additional six years so that they can continue their work on ensuring that we are able to produce fresh water at a reduced cost.

In addition to renewing this program, the federal government needs to pursue next-generation technologies that would significantly drive down the cost of converting large volumes of readily available saline and brackish waters. Although desalting technology cost and performance have been significantly improved over the past thirty years, overall cost needs to be reduced by a factor of 5 to 10 to make desalted water affordable. While the currently available technologies may be meeting the needs of certain coastal communities with adequate resources to finance such technology, there is a real need for technologies that can tackle a broader range of applications and reduce costs significantly. Such revolutionary desalting technologies would provide significant relief to communities throughout the world, be they rich or poor, coastal or inland.

Our national laboratories have long been known for being at the forefront of science. The laboratories have extensive expertise in virtually all of the key science and technology areas necessary for developing next-generation desalting technology. Furthermore, the labs are already engaged in research and development in several non-traditional desalination technologies. As such, I believe our national laboratories should play a significant role in the development of this vital technology. Drawing from the technological expertise that the labs can provide should ensure that this endeavor will be a successful one.

The bill that I introduce today would direct a collaboration between the Bureau of Reclamation and the Department of Energy in evaluating current technology, advising on how to proceed

with additional research, authorizing the building of a facility where these advances in technology could be tested, and confirming project and operation costs in a real-world application. This bill would also employ the extensive knowledge in desalination technology that the Bureau of Reclamation has accumulated over the past 30 years by allowing that agency to conduct internal research.

I have no doubt that this legislation would help to push the state of the art forward to ensure that the world has access to this life sustaining resource for years to come.

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. 1309

*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 "Water Supply Security Act of 2001".

#### SEC. 2. AUTHORIZATION OF RESEARCH AND STUDIES.

Section 4 of the Water Desalination Act of 1996 (42 U.S.C. 10301 note; Public Law 104-298) is amended by adding at the end the following:

"(c) TULAROSA BASIN DESALINATION FACILITY.—

"(1) IN GENERAL.—

"(A) TECHNOLOGY PROGRESS PLAN.—

"(i) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, Sandia National Laboratories, in collaboration with the Secretary of Energy and in consultation with the Secretary, and using as models the roles of desalination facilities operated by the Federal Government and other research institutions as of the date of enactment of this subsection, shall develop a desalination technology progress plan that includes—

"(I) an overview of available short-term and long-term desalination technology development;

"(II) recommendations for the location, siting, and configuration of the facility under subparagraph (B);

"(III) an assessment of the contributions that the facility could make to the field of desalination; and

"(IV) recommendations concerning the most effective and efficient manner of carrying out subparagraph (B).

"(ii) COST-SHARING REQUIREMENTS.—The cost-sharing requirements described in sections 1604 and 1605 of the Wastewater and Groundwater Study and Facilities Act (43 U.S.C. 390h-2, 390h-3) shall not apply to—

"(I) the funding of the technology progress plan described in clause (i);

"(II) the facility authorized to be constructed under subparagraph (B); or

"(III) any research carried out by Sandia National Laboratories under this Act.

"(B) TESTING AND EVALUATION FACILITY.—

"(i) CONSTRUCTION.—Not later than 3 years after the date of completion of the technology progress plan under subparagraph (A), the Secretary of Energy, in collaboration with the Secretary and in accordance with the memorandum of understanding described in subparagraph (C) and the technology progress plan developed under subparagraph (A)(i), shall construct a desalination test and evaluation facility at the

Tularosa Basin, located in Otero County in the State of New Mexico (referred to in this subsection as the 'facility').

"(ii) REPORT.—Not later than 1 year after the date on which the facility begins operation, the Secretary of Energy shall submit to Congress a report that describes project plans of, and any technological advancements developed by, the facility.

"(iii) CONTRACTORS.—The Secretary of Energy may enter into such contracts as are necessary (including contracts with other Federal agencies, State agencies, educational institutions, and private entities and organizations) to carry out this subparagraph.

"(C) MEMORANDUM OF UNDERSTANDING.—In carrying out this paragraph, the Secretary of Energy and the Secretary of the Interior shall enter into a memorandum of understanding under which the Secretary of Energy shall seek from the Secretary of the Interior, and the Secretary of the Interior shall provide to the Secretary of Energy, technical assistance and expertise in the development and construction of the facility.

"(2) PURPOSES.—The facility—

"(A) shall be used—

"(i) to carry out research on, and to test, demonstrate, and evaluate, new desalination technologies (including long-term, alternative technologies that have the potential for significant desalination cost reductions beyond the time frame of the focus of current research);

"(ii) to fully evaluate the performance of new technologies, including performance in—

"(I) energy consumption;

"(II) byproduct disposal; and

"(III) operational maintenance costs; and

"(iii) to determine the most technologically-efficient and cost-efficient means by which potable water may be produced from salinated water or other water that is unsuitable for use; and

"(B) should be capable of processing at least 100,000 gallons of water per day.

"(3) COLLABORATION; FACILITY DISCRETION.—

"(A) COLLABORATION.—All research at the facility shall be carried out by the Secretary of Energy, in collaboration with the Secretary.

"(B) FACILITY DISCRETION.—Research described in paragraph (2)(A)(i) may be carried out at the facility or at any other laboratory facility determined to be suitable by Sandia National Laboratories.

"(4) PROVISION OF WATER.—

"(A) IN GENERAL.—Subject to subparagraph (B), all desalinated water produced by the facility shall be provided to 1 or more communities located in Otero County, New Mexico, at no cost to the communities, as jointly determined by the Secretary of Energy and the Secretary.

"(B) TIMING; SUPPLEMENTARY ASPECT.—The water provided under subparagraph (A) shall be—

"(i) provided only after technology testing demonstrates that the water is of a consistent, reliable quality, as determined by Sandia National Laboratories, in coordination with the Secretary of Energy; and

"(ii) supplementary to water provided by public water systems or wells in the communities.

"(5) TECHNICAL ADVISORY COMMITTEE.—

"(A) IN GENERAL.—The Secretary and the Secretary of Energy shall jointly establish a technical advisory committee to provide, under such procedures as the Secretary and the Secretary of Energy shall jointly develop, program guidance and technical assistance in carrying out this subsection.

"(B) COMPOSITION.—

"(i) IN GENERAL.—The technical advisory committee shall be composed of—

"(I) representatives from the Department of the Interior and the Department of Energy, to be appointed by the Secretary and the Secretary of Energy, respectively; and

"(II) such additional representatives from academic institutions, the private sector, other Federal agencies, and educational institutions, as the Secretary and the Secretary of Energy, respectively, determine to be appropriate.

"(ii) CHAIRPERSONS.—A representative of the Department of the Interior selected by the Secretary and a representative of the Department of Energy selected by the Secretary of Energy shall serve as cochairpersons of the technical advisory committee.

"(6) COST SHARING.—Section 7 shall not apply to this subsection."

#### SEC. 3. CONSULTATION; AUTHORIZATION OF APPROPRIATIONS.

The Water Desalination Act of 1996 (42 U.S.C. 10301 note; Public Law 104-298) is amended—

(1) by striking section 8;

(2) by redesignating section 9 as section 8;

(3) in section 8 (as redesignated by paragraph (2)), in the first sentence, by striking "Army," and inserting "Army and the Secretary of Energy,"; and

(4) by adding at the end the following:

#### "SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

"(a) RESEARCH AND STUDIES.—

"(1) IN GENERAL.—There is authorized to be appropriated to the Secretary to carry out section 3 and section 4(c)(1)(A) \$6,000,000 for each of fiscal years 2002 through 2008.

"(2) RESEARCH PROGRAMS.—Of the amounts made available under paragraph (1)—

"(A) not to exceed \$1,000,000 for each fiscal year may be awarded, without any cost-sharing requirement, to institutions of higher education (including United States-Mexico binational research foundations and inter-university research programs established by the 2 countries) for research grants; and

"(B) not less than \$1,000,000 of the amount made available for fiscal year 2002 shall be used to carry out section 4(c)(1)(A).

"(3) INTERNAL RESEARCH.—

"(A) IN GENERAL.—Of the amounts made available under paragraph (1) to carry out section 3 for each of fiscal years 2002 through 2008, the Secretary may use not more than 25 percent for research carried out by the Department of the Interior.

"(B) COST SHARING.—Research described in subparagraph (A) shall not be subject to any cost-sharing requirement.

"(b) DESALINATION DEMONSTRATION AND DEVELOPMENT.—

"(1) IN GENERAL.—There is authorized to be appropriated to the Secretary to carry out section 4 (other than section 4(c)) \$30,000,000 for the period of fiscal years 2002 through 2008.

"(2) DESALINATION RESEARCH AND DEVELOPMENT FACILITY.—There is authorized to be appropriated to the Secretary of Energy for transfer to Sandia National Laboratories, to carry out section 4(c) (other than section 4(c)(1)(A)) \$6,000,000 for each of fiscal years 2003 through 2008."

#### SEC. 4. TECHNICAL AND CONFORMING AMENDMENTS.

(a) AUTHORIZATION OF RESEARCH AND STUDIES.—Section 3 of the Water Desalination Act of 1996 (42 U.S.C. 10301 note; Public Law 104-298) is amended—

(1) in subsection (a)—

(A) by redesignating paragraphs (1), (2), (3), (4), (5), (6), and (7) as subparagraphs (A), (B), (C), (D), (E), (F), and (G), respectively, and indenting appropriately;

(B) by striking "In order to" and inserting the following:

"(1) IN GENERAL.—To";

(C) in the first sentence—

(i) by striking "is authorized to award grants and to enter into contracts," and inserting "may award grants and enter into cooperative agreements, interagency agreements, and contracts,"; and

(ii) by inserting "and" after "financing of research"; and

(D) by striking "Awards" and all that follows through "include—" and inserting the following:

"(2) LOCATIONS.—If the Secretary determines that it is in the national interest, the Secretary may carry out a program described in paragraph (1), in accordance with all applicable law, at a location outside the United States.

"(3) BASIS FOR GRANTS, AGREEMENTS, AND CONTRACTS.—All awards of grants and all cooperative agreements, interagency agreements, and contracts entered into under paragraph (1), shall be made on the basis of a competitive, merit-reviewed process.

"(4) TOPICS.—Research and study topics authorized by this section include—"; and

(2) in subsection (c), by striking "other facilities and educational institutions suitable" and inserting the following: "educational institutions, international organizations, international foundations, and international educational institutions, and other facilities suitable".

(b) DESALINATION DEMONSTRATION AND DEVELOPMENT.—Section 4 of the Water Desalination Act of 1996 (42 U.S.C. 10301 note; Public Law 104-298) is amended—

(1) by redesignating subsection (b) as subsection (c);

(2) by inserting after subsection (a) the following:

"(b) LOCATION.—If the Secretary determines that it is in the national interest, the Secretary may carry out the program described in subsection (a), in accordance with all applicable law, at a location outside the United States,"; and

(3) in subsection (c) (as redesignated by paragraph (1)), by striking "conducted through" and all that follows through "to develop" and inserting the following: "conducted through the provision of grants to, and the entering into cooperative agreements and contracts (including cost-sharing agreements) with, non-Federal public utilities, State and local governmental agencies, educational institutions, international organizations, international foundations, international educational institutions, and other entities, as appropriate, to develop".

(c) COST SHARING.—Section 7 of the Water Desalination Act of 1996 (42 U.S.C. 10301 note; Public Law 104-298) is amended—

(1) by striking the first sentence and inserting the following:

"(a) IN GENERAL.—

"(1) ALL PROJECTS.—Notwithstanding any other provision of law, the Federal share of the cost of a research, study, or demonstration project or a desalination development project or activity carried out under this Act—

"(A) except as provided in paragraph (2) and in section 9(a)(3)(B), shall not exceed 100 percent of the total cost of the project or activity; and

"(B) may be paid out of—

"(i) funds made available to the Secretary, in an amount not to exceed 50 percent of the total cost of the project or activity;

"(ii) funds made available to 1 or more other heads of Federal agencies; or

"(iii) a combination of funds described in clauses (i) and (ii).

"(2) INTERIOR PROJECTS.—The Federal share of the cost of a project or activity described in paragraph (1) that is carried out by the Secretary shall not exceed 50 percent.";

(2) by striking "A Federal contribution" and inserting the following:

"(b) DETERMINATION OF INFEASIBILITY.—A contribution by the Secretary described in subsection (a)(2) that is";

(3) by striking "The Secretary shall prescribe" and inserting the following:

"(c) PROCEDURES.—The Secretary shall prescribe"; and

(4) by striking "Costs of operation," and inserting the following:

"(d) NON-FEDERAL RESPONSIBILITIES.—Costs of operation.".

(d) CONSULTATION.—Section 8 of the Water Desalination Act of 1996 (42 U.S.C. 10301 note; Public Law 104-298) (as redesignated by section 3(2)) is amended to read as follows:

"SEC. 8. CONSULTATION.

"(a) IN GENERAL.—In carrying out this Act, the Secretary shall consult with the heads of other Federal agencies (including the Secretary of the Army) that have experience in conducting desalination research or operating desalination facilities.

"(b) INTERNATIONAL CONSULTATION.—In a case in which the Secretary intends to conduct an activity under this Act in accordance with section 3(a)(2) or 4(b), the Secretary shall consult with the Secretary of State before beginning the conduct of the activity.

"(c) OTHER PROGRAMS.—Nothing in this Act prohibits any other agency from carrying out a program for desalination research or operation that is authorized under any other provision of law.".

By Mr. REID:

S. 1310. A bill to provide for the sale of certain real property in the Newlands Project, Nevada, to the city of Fallon, Nevada; to the Committee on Energy and Natural Resources.

Mr. REID. Madam President, I rise today to introduce legislation to provide the City of Fallon, NV, the exclusive right to purchase approximately 6.3 acres of public land located in the downtown area of the City. My bill, the Fallon Rail Freight Loading Facility Transfer Act, will enable the City of Fallon to make the necessary long-term investments to ensure the future viability of this important municipal asset.

Fallon is a rural agricultural community of 8700 residents located in northern Nevada approximately 70 miles east of Reno. Since 1984 the City has leased approximately 6.3 acres of property from the U.S. Bureau of Reclamation that it utilizes as a rail freight yard and loading facility. The City, the State of Nevada, the U.S. Department of Transportation and the Southern Pacific Railroad have collectively invested a significant amount of money in this facility that is directly responsible for over 400 jobs in the community.

On January 1, 2000, the long-term lease agreement between the City of Fallon and the Bureau of Reclamation expired. As negotiations began for a new long-term lease the City and the Bureau came to the conclusion that it would be in both party's best interests to have ownership of this property transferred to the City.

The City would be able to make long term investments in a facility that it owned without having to worry about

renegotiating new leases and the possibility of losing access to the property which is critical to the economic well being of the community. The Bureau of Reclamation would be able to divest itself from an asset that no longer serves a purpose to its core mission allowing more of its scarce resources to be focused on the traditional roles of the Bureau. Of course this transfer will be contingent on the satisfactory conclusion of all necessary environmental reviews and will be purchased by the City at fair market value.

The Fallon Rail Freight Loading Facility Transfer Act is a win-win situation for all affected parties. I look forward to prompt consideration of this important piece of legislation.

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. 1310

*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 "Fallon Rail Freight Loading Facility Transfer Act".

**SEC. 2. CONVEYANCE TO THE CITY OF FALLON, NEVADA.**

(a) CONVEYANCE.—

(1) IN GENERAL.—Subject to subsections (b) and (c), the Secretary of the Interior shall convey to the city of Fallon, Nevada, all right, title, and interest of the United States in and to approximately 6.3 acres of real property in the Newlands Reclamation Project, Nevada, generally known as "380 North Taylor Street, Fallon, Nevada", and identified for disposition on the map entitled "Fallon Rail Freight Loading Facility".

(2) MAP.—The map referred to in paragraph (1) shall be on file and available for public inspection in—

(A) the office of the Commissioner of Reclamation; and

(B) the office of the Area Manager of the Bureau of Reclamation, Carson City, Nevada.

(b) CONSIDERATION.—

(1) IN GENERAL.—The Secretary shall require that, as consideration for the conveyance under subsection (a), the city of Fallon, Nevada, shall pay to the United States an amount equal to the fair market value of the real property, as determined—

(A) by an appraisal of the real property conducted not later than 60 days after the date of enactment of this Act by an independent appraiser approved by the Commissioner of Reclamation; and

(B) without taking into consideration the value of any structure or other improvement on the property.

(2) CREDIT OF PROCEEDS.—The amount paid to the United States under paragraph (1) shall be credited, in accordance with section 204(c) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(c)), to the appropriate fund in the Treasury relating to the Newlands Reclamation Project, Nevada.

(c) LIABILITY.—The conveyance under subsection (a) shall not occur until such date as the Commissioner of Reclamation certifies that all liability issues relating to the property (including issues of environmental liability) have been resolved.

By Mr. LEAHY (for himself, Mr. BROWNBACK, Mr. KENNEDY, Ms.

COLLINS, Mr. DURBIN, Mr. JEFFORDS, and Mr. GRAHAM):

S. 1311. A bill to amend the Immigration and Nationality Act to reaffirm the United States historic commitment to protecting refugees who are fleeing persecution or torture; to the Committee on the Judiciary.

Mr. LEAHY. Madam President, I am proud to introduce the Refugee Protection Act, a bipartisan bill that would sharply reduce the use of expedited removal at our borders while also reducing the number of asylum seekers whom we detain. This is a bipartisan bill, I am joined today by Senators BROWNBACK, KENNEDY, COLLINS, DURBIN, JEFFORDS, and GRAHAM. I am grateful for the support of the Chairman and Ranking Member of the immigration subcommittee.

In 1996, I introduced an amendment to the Illegal Immigration Reform and Immigrant Responsibility Act, "IIRIRA", that would have authorized the use of expedited removal only at times of immigration emergencies. The bill we introduce today is modeled on that proposal. That amendment passed the Senate with bipartisan support, but was omitted from the bill that was reported out of a partisan, closed conference. As a result, expedited removal took effect on April 1, 1997. America's historic reputation as a beacon for refugees has suffered as a consequence, and it is long past time to restore it.

Expedited removal allows INS inspection officers summarily to remove aliens who arrive in the United States without travel documents, or even with facially valid travel documents that the officers merely suspect are fraudulent, unless the aliens utter the magic words 'political asylum' upon their first meeting with American immigration authorities. This policy is fundamentally unwise and unfair, both in theory and in practice, and its efficacy and fairness has come under increasing criticism.

First, expedited removal ignores the fact that many deserving asylum applicants are forced to travel without papers. For example, victims of repressive governments often find themselves forced to flee their homelands at a moment's notice, without time or means to acquire proper documentation. Or a government may systematically strip refugees of their documentation, as the Serbian government did in Kosovo in 1999.

Second, expedited removal places an undue burden on refugees, and places too much authority in the hands of low-level INS officers. Refugees typically arrive at our borders ragged and tired from their ordeals, and often with little or no knowledge of English. Our policy forces them to undergo a secondary inspection interview with an INS officer without expertise in asylum and with the power to deport them on the spot, subject only to a supervisor's approval. By law, anyone who indicates a fear of persecution or requests asylum during this interview is to be re-

ferred for an interview with an asylum officer. But no safeguards exist to guarantee that this happens, and the secondary inspection interviews generally take place behind closed doors with no witnesses. Indeed, this interview often becomes unduly confrontational and intimidating. As the Lawyers Committee for Human Rights has documented, refugees are detained for as long as 36 hours, are deprived of food and water, and are often shackled. If they are lucky, they will be provided with a competent interpreter. If they are unlucky, they will receive no interpreter at all, an interpreter with extraordinarily limited knowledge of their language, or even an interpreter who works for the airline owned by the government that they claim is persecuting them. Such a system is a betrayal of our ideals, and we need to reform it.

I was heartened to hear James Ziglar, the President's choice to head the INS, criticize expedited removal at his confirmation hearing. He said: "I definitely think we need to change the process where asylum-seekers come here, to make sure that we know who these people are and what their claims are and whether they're legitimate before we turn around and put them on a plane back to an uncertain future." I could not agree more with Mr. Ziglar, and I look forward to working with him on this issue.

I was also moved by the recent words of Theodore McCarrick, the new Archbishop of Washington, in a July 22 op-ed in the Washington Post. Archbishop McCarrick described how expedited removal forces potential asylum seekers arriving on our shores "to immediately articulate their fear of return" or be "subject to immediate deportation without any recourse to the legal system." He wrote: "Those who come to our shores and request asylum should be given a chance to make their case before a qualified asylum officer and immigration judge. The Refugee Protection Act to be considered by Congress would reform the U.S. asylum system appropriately and should be enacted."

The Archbishop described the case of Ditron, an ethnic Albanian from Kosovo who fled from the Milosevic government in early 1998 and made it all the way to Newark International Airport, where he tried to gain asylum. But the language barrier prevented him from communicating his fear of returning to Kosovo to the INS inspector, and he was put on a plane and deported under expedited removal. We only know about his story because he was somehow able to make it back to the United States a second time, and his application for asylum is now pending. But such a 50 percent success ratio is simply unacceptable for this Nation.

I became aware of another very disturbing case last summer. A domestic violence victim from the Dominican Republic fled to the United States. The INS believed that she had been a vic-

tim and that her life would be endangered if she were returned to her native country. Nonetheless, she was ordered deported under expedited removal because the INS officers who interviewed her took it upon themselves to make a legal determination that victims of domestic violence were ineligible for asylum on that ground. It is bad enough that these officers decided their responsibilities in implementing expedited removal went so far as interpreting U.S. asylum law. Even worse, they got the law wrong. Although a recent Board of Immigration Appeals decision had indicated that domestic violence victims could not gain asylum here, that decision was under review at the time and was later vacated by then-Attorney General Janet Reno. Luckily, a number of Members of Congress intervened in the case and the INS did not deport this woman, who has since been granted asylum. But had her case not been brought to our attention by the Lawyers' Committee for Human Rights, she would likely have become a silent victim of the expedited removal process.

Another expedited removal horror story came to our attention just last week. Libardo Yepes Holguin fled Colombia last November after his life was threatened by the paramilitary forces involved in the civil war there. When he arrived at Miami International Airport, he told the INS inspectors that he feared being returned to Colombia and that he wanted to seek asylum. He was nonetheless put on a plane back to Colombia, where his life was again threatened. He managed to escape again, and this time entered the United States by crossing a river from Mexico. He was seized by INS officers and has been detained in Texas since May. The INS is currently attempting to remove Mr. Yepes Holguin based on the prior removal order entered against him in Miami last fall, despite his sworn testimony that his repeated requests to apply for asylum were ignored.

Finally, and most shockingly, expedited removal has even been used against U.S. citizens. Sharon McKnight, a 35-year old U.S. citizen with the mental capacity of a 5-year old, returned to the United States last June from a trip to visit her grandfather in Jamaica. INS inspectors did not believe she was a citizen, wrongly questioning the authenticity of her U.S. passport and dismissing as fake the birth certificate presented by her waiting relatives that showed she was born on Long Island. She was held overnight in a room at the airport, handcuffed and with her legs shackled to a chair. During the entire time she was at the airport she was given nothing to eat and was not allowed to use the restroom. Ms. McKnight was put on a plane back to Jamaica, denied entrance to her own country because of expedited removal. Although immigration officials realized their mistake eventually and allowed her to return, any system that permits such "mistakes" is sorely in need of reform. For

her part, Ms. McKnight has said: "They treated me like an animal—I will have nightmares all my life."

These stories, just four of the many stories demonstrating the human cost of expedited removal, go a long way toward showing the inhumanity of the new immigration regime that Congress imposed in 1996. But refugees and U.S. citizens are not the only people affected by expedited removal. Human rights groups have also documented numerous cases where people traveling to the United States on business, with proper travel documents, have been removed based on the so-called "sixth sense" of a low-level INS officer who suspected that their facially valid documents were fraudulent. In other words, the damage done by expedited removal also threatens the increasingly international American economy, if businesspeople from around the world are treated disrespectfully at our ports of entry, they are likely to take their business elsewhere.

But perhaps the most distressing part of expedited removal is that there is no way for us to know how many deserving refugees have been excluded. Because secondary inspection interviews are conducted in secret, we typically only learn about mistakes when refugees manage to make it back to the U.S. a second time, like Ditron, or when they are deported to a third country they passed through on their way to the U.S., like Mr. Thevakumar. This uncertainty should lead us to be especially wary of continuing this failed experiment.

As I said, my bill would limit the use of expedited removal to times of immigration emergencies, defined as the arrival or imminent arrival of aliens that would substantially exceed the INS' ability to control our borders. The bill gives the Attorney General the discretion to declare an emergency migration situation, and the declaration is good for 90 days. During those 90 days, the INS would be authorized to use expedited removal against people coming from a nation whose crisis has given rise to the emergency migration situation. The Attorney General can extend the declaration for further periods of 90 days, in consultation with the House and Senate Judiciary Committees.

This framework allows the government to take extraordinary steps when a true immigration emergency threatens our ability to patrol our borders. At the same time, it recognizes that expedited removal is an extraordinary step, and is not an appropriate measure under ordinary circumstances.

This bill also provides safeguards that will guarantee refugees some due process rights, even during immigration emergencies. First, aliens would be given the right to have an immigration judge review a removal order, and would have the opportunity both to speak before the immigration judge on their own behalf and to be represented at the hearing at their own expense. To make these rights meaningful, immi-

gration officers would be required to inform aliens of their rights before they are removed or withdraw their application to enter the country. This provision takes away from INS inspectors the unilateral, and prior to 1997, unprecedented, power to remove an alien from the United States.

Second, this bill reforms the procedures used to determine whether an applicant who seeks asylum has a credible fear of persecution. If an asylum officer determines that an applicant does not have a credible fear of persecution, the applicant will now have a right to a prompt review by an immigration judge. The applicant will have the right to appear at that review hearing and to be represented, at the applicant's expense.

Even those asylum seekers who are found to have a credible fear of persecution and thus escape expedited removal move on to another troubled system. Under current law and practice, they are often detained in INS detention facilities or in local jails where the INS rents space. In other words, these men and women who have fled persecution in their native lands are all too often treated like common criminals. We need to do something to solve this problem as well, and the Refugee Protection Act attempts to do so.

As a young girl in Zaire, now the Democratic Republic of Congo, Adolphine Mwanza lived in a convent and was studying to be a nun. Her family was known to be opposed to the corruption of the ruling Mobutu regime. Her brother was killed, and she was kidnapped, tortured, and raped. She escaped from the country and fled to the United States in November 1999 on a Zambian passport. She was sent to an INS detention facility in Elizabeth, New Jersey, where she was found to have a credible fear of persecution. But despite the fact that she had volunteer attorneys from the New York University Law School clinic, and a Roman Catholic convent had agreed to house and support her, her request for parole from detention was denied by the INS. She was held in a detention facility for eight months, until she was granted asylum.

This is senseless. We should not detain people whom our own government has found to be likely candidates for asylum as if they were awaiting a criminal trial. Moreover, the cost to the government to detain someone like Adolphine Mwanza for eight months cannot be justified. And she is not alone. Many asylum seekers are detained for more than a year even though there are family members or nongovernmental organizations that are willing to house them and ensure that they appear for their asylum hearing.

The Refugee Protection Act would clarify that the Attorney General has the option to parole asylum seekers, and would add language to existing law to say that it is the policy of the United States not to detain asylum

seekers who have been found to have a credible fear of persecution. It also instructs the Attorney General to promulgate regulations to authorize and promote the use of alternatives to the detention of asylum seekers, such as paroling them to private nonprofit voluntary agencies. For those who would still be detained, the bill would guarantee access to legal and religious services. It would also ensure that they are only detained in INS facilities or in contract facilities that contain only immigration detainees asylum seekers would no longer be housed alongside criminals in county jails. In addition, asylum seekers would have the right to have an asylum officer make a determination about whether they should be paroled from detention, and to have an immigration judge review that determination.

These changes will reduce the use of detention against asylum seekers, offer them fundamental due process rights, and improve the conditions of their confinement in those cases where detention is appropriate. These are crucial steps, and we should act on them as quickly as possible.

Finally, this bill includes three additional provisions. First, it would eliminate the one-year deadline for asylum applicants that was imposed in 1996. By definition, worthy asylum applicants have arrived in the United States following traumatic experiences abroad. They often must spend their first months here learning the language and adjusting to a culture that in many cases is extraordinarily different from the one they know. Therefore, although I can understand the desire to have asylum seekers submit timely applications, the existing one-year rule does not make sense.

Second, the bill would eliminate the existing annual limit on the number of people who have been granted asylum who can become legal permanent residents. Once we have decided that someone is worthy of asylum, we should not delay their adjustment into American society. These are people who have chosen the United States because of its ideals and its freedoms, in other words, they are exactly the sort of people we would want to become citizens. We need to eliminate the backlogs that prevent them from starting that process by getting their green cards. This bill will do that.

Third, the bill eliminates the annual limit on the number of refugees who may be admitted or granted asylum because they are subject to persecution for resistance to coercive population control methods. Under current law, only 1000 people can be accepted to the United States in any year for that reason. Americans are united in their opposition to forced sterilization and abortion, and we should not place an artificial limit on the number of people fleeing from such policies that we will accept.

This bill has received the support of a wide variety of civil rights and religious groups, with a coalition of over

50 groups, from the Lawyers' Committee for Human Rights to the Hebrew Immigrant Aid Society to the Lutheran Immigration and Refugee Service, endorsing it. And even before it has been introduced it has been the subject of favorable editorials or op-eds in the Washington Post, Pittsburgh Post-Gazette, San Francisco Chronicle, San Diego Union-Tribune, Newark, Star-Ledger, Arizona Republic, Baltimore Sun, Minneapolis Star-Tribune, San Antonio Express-News, South Florida Sun-Sentinel, Oakland Tribune, Buffalo News, Bangor, ME., Daily News, and Harrisburg, PA., Patriot-News. Meanwhile, the immigration subcommittee of the Judiciary Committee has already heard testimony this year about the inherent unfairness of our current expedited removal and detention policies from people who went through those systems before being granted asylum. I hope that the momentum this bill already has will lead to prompt consideration by the Senate.

Even in 1996, a year in which immigration was as unpopular in this Capitol as I can remember, this body agreed that expedited removal was inappropriate for a country of our ideals and our historic commitment to human rights. And that agreement cut across party lines, as many of my Republican colleagues voted to implement expedited removal only in times of immigration emergencies. I urge them, as well as my fellow Democrats, to support this legislation and to work for its prompt passage.

Mr. BROWBACK. Madam President, I am pleased to join my distinguished colleagues, Senators LEAHY, COLLINS, and KENNEDY, among others to introduce the Refugee Protection Act of 2001. The Refugee Protection Act will restore fairness to our treatment of refugees who arrive at our shores seeking freedom from persecution and oppression. It will reduce the number of asylum seekers placed in prison-like detention facilities.

On July 10, standing on Ellis Island, President Bush said, "America at its best is a welcoming society." From our very beginnings almost 400 years ago when the refugee Pilgrims landed on Plymouth Rock seeking religious freedom, our Nation has welcomed refugees. When we give refuge to desperate people fleeing extraordinary persecution, we are a better Nation. Moreover, asylees, by definition, represent the best of American values. Often they are people who have stood alone, at great personal cost, against hostile governments for principles that are fundamental to us such as political and religious liberty. Therefore, as Americans with a noble legacy, we must continue to examine our asylum policies with an eagle-eyed vigilance for fairness and justice.

On May 3, I chaired an Immigration Subcommittee hearing on asylum policy. We heard testimony that genuine refugees are, from time to time, mistakenly deported by INS inspectors,

treated abusively during airport inspections, and that many asylum seekers are detained in prison-like conditions well beyond the time needed to determine their identity and establish that they have a credible fear of persecution.

First of all, it must be stated that the men and women who serve the INS are dedicated public servants, with a difficult job and in no fashion do I want to indict them. They often work under extremely demanding conditions, sometimes with insufficient resources, yet they complete their difficult tasks with fairness and good judgment. However, we must examine various incidents of abuse which have come to our attention regarding the treatment of asylee applicants while their claim is pending. Clearly, these incidents are not official INS policy and most officers would abhor such mistreatment, yet they do occur, nonetheless, and therefore must be addressed.

At that hearing, former asylum seekers presented moving testimony about such mistreatment. For example, Mekabou Fofana, a Liberian teenager, testified that he arrived at JFK airport nine days before his 16th birthday. Despite his request, he was not provided with a Mandingo interpreter. When INS officials twisted his arm and attempted to forcibly fingerprint him, Mekabou fell to the floor, hitting his head and bleeding so profusely that he had to be taken to the hospital. After a year and a half in detention in adult facilities, Mekabou was granted asylum and is now attending high school in New York City.

An Albanian asylum seeker who arrived at O'Hare International Airport in Chicago last year also submitted testimony to the subcommittee. This testifier who wishes to remain anonymous was dragged by his clothing after he explained that he wished to apply for asylum. Despite his requests, he was not provided with an Albanian interpreter whom he could understand, and officers yelled at him when he refused to sign documents written in English that he could not comprehend.

Faheem Danishmandi, a refugee from Afghanistan, arrived in America at age nineteen, traumatized by the recent killing of his father and separation from his mother. When he told an INS officer that he did not have a passport, the officer roughly searched him, apparently looking for documents then he was chained to a bench for 25 hours. After five months in detention, he was granted asylum.

Amin Al-Torfi, a torture survivor from Iraq, fled to America after he and his family were persecuted by Saddam Hussein's regime because of their political opinions and religious beliefs. At the airport, he was told that he would have to wait three days to get an Arabic interpreter. He was shackled by the leg to a bench for eight hours, strip-searched, and led handcuffed with another asylum seeker through the airport in front of other passengers. After

five months of detention, Amin was granted asylum.

A change in our law is desperately needed. I believe in the enforcement of our nation's immigration laws. I also believe that people who find themselves under INSA jurisdiction deserve humane treatment. We are a Nation of immigrants, of refugees, of the courageous who resisted governmental persecution and fled to America in search of freedom. Given this proud tradition, we have a higher responsibility to asylum seekers. We have a responsibility to afford them a fair opportunity to present their asylum claims, a responsibility to not unnecessarily detain them for extended periods, and a responsibility not to turn them away to suffer further persecution.

At the May 3 hearing, Leonard Glickman, President of the Hebrew Immigrant Aid Society testified on behalf of his own agency and five other Jewish organizations. Mr. Glickman discussed the tragic history of 900 Jews on the ship, the *St. Louis*, who, in 1939, were fleeing Nazi persecution. American immigration officials turned them away from the Port of Miami and they were forced to return to Europe where most perished. He concluded that, "The Jewish community is greatly concerned about the major changes that were instituted in the U.S. asylum system in 1996, changes that we believe threaten to undermine refugee protection and US global leadership in this area."

Dr. Don Hammond, a Senior Vice President for World Relief also testified. World Relief is the relief, development, and refugee assistance arm of the National Association of Evangelicals which has called for passage of the Refugee Protection Act. Dr. Hammond stated that there has been a significant increase in religious persecution in a number of countries around the world. A University of California study of expedited removal listed the 101 countries with the highest number of people being turned away from the United States and sent back to their countries of origin. According to Dr. Hammond, of those 101 countries, almost 40 percent are listed on the Open Doors World Watch list of countries that severely restrict religious freedom. "In other words," Dr. Hammond concluded, "over a third of those who were subjected to expedited removal from the U.S. were being sent back to countries which are known to persecute Christians" and other religious minorities.

I believe that the future of American immigration policy towards asylees is promising. In his July 18 confirmation hearing to serve as INS Commissioner, James Ziglar committed to changing INS policy regarding asylum seekers. He said, "I definitely think that we need to change the process where asylum-seekers come here, to make sure that we know who these people are and what their claims are and whether they're legitimate before we turn around and put them on a plan back to

an uncertain future." Mr. Ziglar continued that, "I am not one who particularly likes the idea in general of people being detained, unless they have been convicted of a crime, or unless they create some kind of danger to the community. So, my inclination in general is not to detain people unless there is some kind of valid reason, subject to all the due process requirements." Passage of the Refugee Protection Act, combined with fair and humane enforcement by an INS committed to the protection of refugees, will ensure that our Nation once again fully lives up to the dreams of the immigrants who built this great nation as a refuge of freedom and justice.

Mr. KENNEDY. Madam President, I am honored to join Senator LEAHY, Senator BROWNBACK, and other colleagues, in introducing the "Refugee Protection Act of 2001." Our goal is to protect courageous persons who arrive on our shores seeking asylum, provide alternatives to detention for asylum seekers, and improve detention conditions for all persons detained by the INS. The bill also eliminates the arbitrary one-year deadline on filing for asylum, and eliminates the cap on the number of persons granted asylum who can adjust their status to lawful permanent resident.

Every day people are forced to leave their native lands in desperation, fearing for their lives and for the lives of their loved ones. Many of them arrive in the United States seeking asylum, and we have a responsibility to ensure they are able to request it in a fair and efficient manner.

In 1996, Congress enacted harsh immigration laws that included an expedited removal process granting INS inspection officers broad authority to summarily remove potential asylum seekers if they arrive without proper papers. This process also requires persons seeking asylum to specifically state their fear of persecution or their intent to apply for asylum immediately upon arriving in the U.S. But asylum seekers are often traumatized, and are unable to speak to a stranger about their harrowing experience. This is particularly true when they first arrive in the U.S., often after a long and difficult journey.

Many asylum seekers are unable to articulate their fears, especially to government officials whom they may view with distrust because of past experience in their home countries. Many of them speak very little, if any, English, and adequate translators are often not available to assist them in making their asylum claims.

Legal representation is not permitted at the initial and most critical phase of the expedited removal process, thereby increasing the likelihood that individuals actually eligible for asylum will be turned away and sent back to their native lands to face additional persecution. The law contains no opportunity for judicial appeal of decisions on summary removal. Instead, low-level INS

employees have broad, unchecked authority to issue final and binding deportation orders.

Some argue that the expedited removal process is appropriate. Their view is based on the false assumption that the process, in practice, follows the procedures in the regulations. In particular, the regulations require a careful interview and the taking of a systematic sworn statement, a process that should take several hours. The officer conducting the interview must begin by reading a set of specific advisories, including an express notice that persons who fear persecution in their native lands may claim asylum in the U.S.

The interviewing officer must also ask specific questions about whether the person has "any fear or concern" about return to their homeland. And if the person faces charges, the charges must be explained orally, in a language the individual understands. The regulations also require review of the file and approval of any removal or deportation order by a high-level supervisor before an expedited removal order is considered final.

It is clear that these regulations are not adequately followed in practice. Members of my staff have observed first-hand the unfair process. During a visit to JFK International Airport, my staff toured the area where inspection interviews were held and spoke with INS employees. The interviews were conducted side-by-side in a large, open room, affording no privacy to persons who had to share very personal and painful information with government officials.

My staff met with an inspector, who was informed that he would be meeting with congressional staff. The inspector told the staff about the "cockamamie stories people make up" and the phony documents they present. Upon hearing these stories, he said that he puts people back on a plane and sends them "out of here."

The inspector admitted that he did not read anyone any advisories to determine whether they were fearful. The inspector said that anyone who wants to apply for asylum would tell him about that immediately, and those were the only people he referred to asylum officers for interviews. He made this statement in spite of the fact that many asylum seekers do not ask for asylum. Our staff members, including the staff from other members' offices, were appalled by these remarks and behavior.

When a supervisor was asked whether the inspectors received training in asylum and interviewing techniques, the supervisor dismissed training as "warm fuzzy stuff," even though many asylum seekers have fled persecution by people in uniforms and are reluctant to speak to uniformed INS officers.

Many immigration groups representing asylum seekers have shared similarly shocking stories. The expedited removal process has caused great

hardships for many vulnerable individuals.

Recently, the Immigration Subcommittee held a hearing on asylum policy. At the hearing, a young man from the Democratic Republic of Congo recounted the tragic circumstances that led to his escape. He described being severely beaten and tortured by security forces, and then witnessing his father's death at the hands of these forces. His mother and sisters fled the family home and he has not seen them since.

Upon his arrival in the U.S., he was placed in chains and taken to a detention facility. Neither an interpreter nor a lawyer was present to assist him. Yet, the INS officer decided he did not have a credible fear of persecution and ordered his deportation. An immigration judge reviewed the case, but again the young man did not have an interpreter or lawyer to help him. When he was taken to the airport for deportation, he pleaded with INS officials not to deport him. His pleas were ignored and three detention guards carried him onto the plane. The airline employees subsequently asked the guards to take him off the plane and he was returned to the detention facility. Finally, the INS reversed its decision and decided his fear was credible, but only after this young man begged not to be sent home for fear he would be killed. His case vividly demonstrates the failure of some INS officials to follow the procedures set forth in the regulations.

Congress must act to end these abuses. Our bill is intended to accomplish this goal. It limits expedited removal to immigration emergencies. It offers protection to persons arriving without proper documents, who will now be referred to an immigration judge to have their case reviewed, rather than have their fate determined by a low-level INS employee who has not been trained in asylum issues.

If an individual indicates an intention to apply for asylum or a credible fear of persecution, the immigration officer must refer the individual to an asylum officer for an interview. The bill limits the existing broad authority of immigration officers and permits persons to seek review of their case by an asylum officer who is trained in determining whether a person's expression of fear is credible. The individual must be given written information, in a language the individual understands, about the consequences of his decisions, the availability of review of his case and his ability to have counsel. After the interview with the asylum officer, the individual may have the case reviewed by an immigration judge. During this review, the individual will have the opportunity to be heard and represented by counsel, at no expense to the government.

Currently, asylum seekers who request asylum are often subject to mandatory detention. They are held in INS detention centers or state and county jails, often with criminal inmates, and

often for weeks, months or even years. They have little access to legal representation, health care, or contact with family, friends or clergy who can assist them. Such conditions are extremely traumatizing for those who have already suffered so much.

Under our proposal, the general policy will be to parole asylum seekers who establish a credible fear of persecution, not place them in mandatory detention. Asylum seekers could be released to family, friends or community groups who are ready to assist them. These alternatives to detention have been tested at various sites, and they are cost-effective and have been successful in achieving the goal of providing a safe, compassionate residence, offering services, and increasing compliance with INS procedures and court proceedings.

In addition, those persons who remain in INS detention must be kept safe and treated humanely. I commend the INS for issuing detention standards to accomplish this goal, but the guidelines are not binding. Our proposal would codify the most important guidelines to ensure that all persons in detention are safe and treated with dignity. The bill requires that persons in detention have access to legal services, visits by persons who are able to lend assistance in the preparation of their cases, and access to legal resources, telephones and religious services. Other protections would be guaranteed by the legislation as well.

Our bill also authorizes the establishment of group legal orientation programs, to identify persons with meritorious claims for relief and refer them to counsel at no cost to the government. These programs save the government money by improving the efficiency of the judicial process and by reducing the need for prolonged detention. They educate persons about their rights, options and likelihood of success. The bill also creates a national center to provide training for nonprofit agencies that offer such programs, to consult with nonprofit groups on program development and substantive legal issues, and to develop standards for such programs.

Finally, our proposal deals with two other important concerns. In 1996, Congress enacted a law requiring, for the first time, that persons seeking asylum must apply within a year of their arrival in the U.S. Since the enactment of this deadline, more than 10,000 asylum seekers have had their claims rejected by the INS. Many of these individuals did not file their claims, because they were unfamiliar with our legal system and did not know they are required to file a timely application.

Asylum seekers should be able to apply for protection, regardless of when they file their claims. Our bill will eliminate the one-year deadline, thereby preserving the ability of persons seeking refuge to be granted safe haven without regard to the timing of their application. This provision will

offer much-needed protection to persons who have fled their home countries out of fear and terror.

Immigration law also currently places a cap of 10,000 on the number of persons granted asylum whose status can be adjusted to lawful permanent resident each fiscal year, regardless of the number of persons granted asylum in that year. Because the number of persons granted asylum each year exceeds 10,000, the cap has created a large backlog. The INS estimates that a backlog of 57,000 asylees is awaiting adjustment. This delay causes significant hardship to deserving individuals and their families. Our bill will eliminate the arbitrary cap of 10,000 and permit eligible persons to adjust their status without waiting up to six years, as may occur under current law.

Clearly, we need to improve the treatment of those who arrive on our shores seeking asylum and awaiting adjudication of their claims and adjustment of their status. I urge my colleagues to support the Refugee Protection Act of 2001. It is a vital piece of legislation that is long overdue.

By Mr. NELSON of Florida:

S. 1312. A bill to authorize the Secretary of the Interior to conduct a special resource study of Virginia Key Beach, Florida, for possible inclusion in the National Park System; to the Committee on Energy and Natural Resources.

Mr. NELSON of Florida. Madam President, I am proud to introduce the Virginia Key Beach Resource Study Bill. Congresswoman Carrie Meek has introduced the companion to this legislation in the House of Representatives. This bill authorizes the Secretary of Interior to conduct a special resource study of Virginia Key Beach, FL, for inclusion in the National Park System.

Based solely on its natural attributes, Virginia Key is worthy of inclusion. Situated just off the mainland of the City of Miami, between Key Biscayne to the south and Fisher Island to the north, Virginia Key is a 1,000-acre barrier island, characterized by a unique and sensitive natural environment. The island is non-residential and includes ponds and waterways, a tropical hardwood hammock and a large wildlife conservation area.

Virginia Key Beach deserves national distinction for another reason. Its unique history teaches us about our Nation's progress toward achieving racial justice. For decades in South Florida, beaches were segregated by race. As the only beach in Miami that permitted blacks from the 1940s to the 1960s, Virginia Key was a source of seaside recreation for countless African-American families. Virginia Key also was the site for many baptisms and religious services. Thus, Virginia Key's value to our Nation, and to Florida, should be recognized both for its natural beauty and its role in the Nation's ongoing struggle for equality and social justice.

By Mr. KENNEDY (for himself,

Mr. DODD, and Mr. WELLSTONE):

S. 1313. A bill to provide for the adjustment of status of certain foreign agricultural workers, to amend the Immigration and Nationality Act to reform the H-2A worker program under that Act, and for other purposes; to the Committee on the Judiciary.

Mr. KENNEDY. Madam President, it is a privilege to join my colleagues in introducing the "H-2A Reform and Agricultural Worker Adjustment Act of 2001."

The Nation needs and deserves an agricultural policy that protects farm workers, provides hard-working foreign-born workers with the opportunity to become legal permanent residents, and provides the growers of fruits, vegetables and other commodities with an adequate and legal labor supply. Our bill works toward achieving this goal. It establishes a legalization program for foreign-born farm workers, guarantees certain labor protections for all farm workers, and improves wages and working conditions.

We cannot continue to ignore the fact that large numbers of the persons employed in agriculture today are undocumented. Illegal workers are at the mercy of unscrupulous employers, who can get away with paying them very low wages, exposing them to dangerous working conditions, lowering the wages for all farm workers.

Agricultural workers are indispensable members of the workforce. We need an agricultural policy that recognizes their contributions and rewards their work. Under our bill, 500,000 farm workers currently working in the United States, without employment authorization, would be able to adjust their status to legal permanent resident. Persons who work in agriculture for at least 90 days would be able to obtain temporary residency status and would be able to adjust their status to legal permanent residency after working 90 days in three out of the next four years in agriculture. Because agricultural work is seasonal and varies throughout the United States, workers would be permitted to change employers and accept non-agricultural work to supplement their incomes during this period.

These changes will benefit both workers and growers. It will benefit all farm workers by improving wages and working conditions. It will provide a means for foreign-born workers to become permanent residents. By obtaining legal status, workers will no longer be forced to endure substandard wages and working conditions for fear of being deported.

Agriculture is a time-sensitive industry. Growers must have an immediate, reliable and legal workforce at harvest time. Everyone is harmed when crops rot in the field for lack of a labor force. By these changes, growers will have access to dependable, hard-working employees and a workforce that will not be suddenly reduced by INS raids.

Our bill also keeps families together. Immediate family members would be granted legal status at the beginning, and they would be eligible for adjustment to permanent resident status after the worker completes the work requirement. This change will keep hard-working persons and their families together.

Our proposal also offers labor protections to agricultural workers that are long overdue. For example, farm workers could not be fired from agricultural employment except for just cause, and they would receive credit for any day lost because of on-the-job injuries.

Agriculture is a thriving industry, generating billions of dollars in revenue each year. Yet farm workers are among the lowest-paid members of the workforce. Three-quarters of all farm workers earn less than \$10,000 a year. Over three-fifths of farm worker households live in poverty. Only half of farm workers own a car, and even fewer own a home or even a trailer. To improve the wages and working conditions of all agricultural workers, we must give them the basic labor rights available to other U.S. workers.

Central to our bill is the belief that collective bargaining provides the best way to improve wages and working conditions, and stabilize the agricultural labor market. The bill creates a Federal right for farm workers to organize, provides incentives for H-2A employers to accept collective bargaining, establishes a streamlined application process for employers with collective bargaining agreements, and exempts H-2A employers with such agreements from increased H-2A user fees. The bill also prohibits the use of H-2A workers as strikebreakers. These procedures will secure improved wages and working conditions for all agricultural workers, and protect workers from unfair wages by maintaining wage standards.

The bill ends discrimination against H-2A workers by giving them, for the first time, the same labor protections as U.S. workers. It gives guest workers the same labor rights as U.S. workers, by ending the unfair exclusion of H-2A workers from coverage under the Migrant and Seasonal Agricultural Worker Protection Act. Coverage under that Act means that H-2A workers will have the right to bring a private action to enforce working arrangements with their employers, rather than depend on the Department of Labor to protect their rights.

The bill also protects U.S. workers by removing the incentive to discriminate against them by requiring the employers of H-2A workers to pay the equivalent FICA and FUTA taxes to a new fund. The money from the fund will be used to improve labor management practices to enhance the productivity of the existing labor force and to support demonstration projects to improve farm labor management, including projects on recruitment, workplace literacy and training, health and safe-

ty, and the development of labor-saving technology.

Last year, bipartisan negotiations between the House and Senate resulted in an agreement on migrant agricultural workers that both the agricultural employers and the farm workers supported. The compromise created an earned adjustment program for undocumented farm workers and a reformed H-2A temporary worker program. This compromise represented a positive step toward much needed reform. Unfortunately, efforts to enact this agreement failed but I hope we will succeed in this Congress.

I urge my colleagues to support the H-2A Reform and Agricultural Worker Adjustment Act of 2001. These reforms are long overdue, and will improve the lives and working conditions of dedicated, hard-working farm workers.

By Mr. LEAHY (for himself and Mr. HATCH):

S. 1315. A bill to make improvements in title 18, United States Code, and safeguard the integrity of the criminal justice system; to the Committee on the Judiciary.

Mr. LEAHY. Madam President, I am pleased to introduce today, with my good friend from Utah, Senator HATCH, the Judicial Improvement and Integrity Act of 2001. I would like to thank Senator HATCH for his co-sponsorship of this measure. This effort builds on other legislation that Senator HATCH and I have worked on together to improve the criminal justice system, including, in this Congress alone, the Drug Abuse Education, Prevention and Treatment Act, S. 304, and the Children's Confinement Conditions Improvement Act, S. 1174.

This bill would improve the criminal code and safeguard the integrity of the judicial system. It would protect witnesses who come forward to provide information on criminal activity to law enforcement officials; eliminate a loophole in the criminal contempt statute that allows some defendants to avoid serving prison sentences imposed by the Court; eliminate a loophole in the statute of limitations that makes some defendants immune from further prosecution if they get their plea agreements vacated; grant the government the clear right to appeal the dismissal of a part of a count of an indictment, such as a predicate act in a RICO count; insure that courts may impose appropriate terms of supervised release in drug cases; give the District Courts greater flexibility in fashioning appropriate conditions of release for certain elderly prisoners; and clarify the District Court's authority to revoke or modify a term of supervised release when the defendant willfully violates the obligation to pay restitution to the victims of the defendant's crime.

Section two of the bill would amend title 18, United States Code, Section 1512, which prohibits attempts to tamper with witnesses, victims and informants. The statute currently provides

that, if the offense involves murder or attempted murder, the maximum sentence is 20 years. If the defendant uses intimidation, physical force, threats or corrupt persuasion, the maximum is 10 years. The bill would increase the statutory maximum sentence for offenses involving the use or attempted use of physical force to 20 years. This change recognizes that the use or attempted use of physical force to tamper with a witness is closely related to attempted murder and that this fact should be reflected in the applicable penalty. For example, if the defendant severely beats the witness, causing serious bodily injury, the offense is arguably as serious as attempted murder, even if the government cannot prove that the defendant intended to kill the witness. It is therefore appropriate that the defendant face a potential 20-year sentence. The bill would also add a conspiracy provision that would make the maximum penalty for conspiring to tamper with a witness in violation of section 1512 or to retaliate against a witness in violation of title 18, United States Code, Section 1513 the same as that for the underlying substantive offense that was the object of the conspiracy. A similar provision was part of the Hatch-Leahy Juvenile Justice legislation, S. 254, which passed the Senate in 1999 but did not emerge from Conference.

The third section of the bill would close a loophole in title 18, United States Code, section 401, which contains penalties for criminal contempt of court. This statute provides that a court may punish contempt by a fine "or" imprisonment. Courts have held that this language permits the imposition of either a fine or a term of imprisonment, but not both. This limitation on sentencing is highly unusual, since virtually all criminal statutes permit both a fine and imprisonment. More importantly, it creates the potential for an enormous, unjust windfall for defendants in cases where the court fails to notice the peculiar language of the statute and mistakenly imposes both a fine and imprisonment. In such cases, the defendant can simply pay the fine and then appeal the prison sentence as illegal. Surprisingly, courts have held that, once the fine is paid, the case can no longer be remanded to the district court to have the sentence corrected because the defendant has served the sentence. Thus, the only option is to vacate the prison term and set defendant free. See *In re Bradley*, 318 U.S. 50 (1943). Courts have continued to follow this rule even after the passage of title 18, United States Code, section 3551(b) as part of the Sentencing Reform Act, which generally permits a court to impose a fine in addition to any other sentence. See *United States v. Versaglio*, 85 F.3d 943, 946-47 (2d Cir. 1996); *United States v. Holloway*, 991 F.2d 370, 373 (7th Cir. 1993).

It is time for Congress to correct this recurring problem. It is unjust to permit a defendant to go free without any

servicing time in prison simply because the judge made an obvious and easily-correctable mistake in imposing sentence. Moreover, there is no good reason to limit courts to only one sentencing option in criminal contempt cases. Allowing the imposition of both a fine and imprisonment should not result in harsher sentences; if anything, defendants may benefit because courts may choose to impose a fine and a shorter prison sentence instead of a longer prison sentence. The second section of our bill would therefore amend section 401 to allow the court to impose both a fine and imprisonment for criminal contempt. It would make similar changes on a handful of other statutes that contain language similar to section 401: sections 1705, 1916, 2234, and 2235, of title 18 and in section 636 of title 28 of the United States Code.

The fourth section of the bill would add a new provision extending the statute of limitations for counts that are dismissed pursuant to a plea bargain. This would also close a loophole that exists under current law, which is illustrated by *United States v. Podde*, 105 F.3d 813 (2d Cir. 1995). In that case, a defendant who was charged with fraud pled guilty to a lesser offense pursuant to a plea agreement, and the fraud charges were dismissed. Later, however, the defendant was able to get his guilty plea set aside based upon a new Supreme Court decision. The district court then granted the government's motion to reinstate the original fraud charges, and the defendant went to trial and was convicted. On appeal, however, the court of appeals vacated the defendant's conviction based upon the statute of limitations. The court ruled that the fraud indictment could not be reinstated because the statute of limitations for the fraud charges had expired before the defendant's guilty plea was vacated. The Third Circuit reached the same result on similar facts in *United States v. Midgley*, 142 F.3d 174, 178–80 (3d Cir. 1998). Under these decisions, the defendants could no longer be prosecuted for any offense, even though the government had brought the case within the limitations period and pursued it diligently. Our provision would prevent such unjust results in the future by allowing the government 60 days to move to reinstate the dismissed counts after the order vacating the defendant's guilty plea becomes final. This approach is similar to that of 18 U.S.C. § 3288, which gives the government a grace period to obtain a new indictment where counts are dismissed after the statute of limitations has expired.

The fifth section of the bill would amend title 18, United States Code, section 3731, which permits the United States to appeal certain orders of the District Court to the appropriate Court of Appeals. It would clarify that the government is allowed to appeal the dismissal of a part of a count, such as an overt act in a conspiracy count or a predicate act in a RICO count. This ap-

proach is consistent with the Supreme Court's observation that section 3731 permits "an appeal from an order dismissing only a portion of a count." *Sanabria v. United States*, 437 U.S. 54, 69 n.23 (1978). The majority of Federal circuits already interpret section 3731 to permit this where the portion of the count that is dismissed could itself constitute a "discrete basis of liability." See *United States v. Mobley*, 193 F.3d 492, 495, 7th Cir. 1999; *United States v. Levasseur*, 846 F.2d 786, 1st Cir. 1988. However, one federal circuit has held that section 3731 does not permit any government appeal from the dismissal of only part of a count. See *United States v. Louisiana Pacific Corporation*, 106 F.3d 345, 10th Cir. 1997. In other cases, appellate review of orders dismissing predicate acts or overt acts has been denied where the dismissed acts could not themselves have been charged in separate counts. See *United States v. Terry*, 5 F.3d 874, 5th Cir. 1993; *United States v. Tom*, 787 F.2d 65, 2d Cir. 1986. It is time to resolve these conflicting results definitively. The reach of section 3731 should clearly be extended to orders dismissing portions of counts. In some cases, the dismissal of an overt act or a predicate act may significantly impair the government's ability to prove its case. Defendants, of course, may get appellate review of the denial of a motion to dismiss part of a count after the trial if they are convicted. The government should also be able to appeal when such motions are granted, and it has no way of doing so other than through section 3731.

Section six of the bill would resolve a conflict in the circuits as to the permissible length of supervised release in controlled substance cases. Under 18 U.S.C. 3583(b), "[e]xcept as otherwise provided," the maximum authorized terms of supervised release are 5 years for Class A and B felonies, 3 years for Class C and D felonies, and 1 year for Class E felonies and certain misdemeanors. The drug trafficking offenses in 21 U.S.C. §§ 841 and 960 prescribe special supervised release terms, however, that are longer than those applicable generally under section 3583(b). Those longer terms, which may include lifetime supervised release, were enacted in 1986 in the same Act that inserted the introductory phrase "Except as otherwise provided" in section 3583(b). Because of this clear legislative history and intent, three courts of appeals have held that section 3583(b) does not limit the length of supervised release that may be imposed for a violation of 21 U.S.C. §§ 841 or 960 when a greater term is there provided. *United States v. LeMay*, 952 F.2d 995, 998 (8th Cir. 1991); *United States v. Eng*, 14 F.3d 165, 172–3 (2d Cir. 1994); *United States v. Garcia*, 112 F.3d 395 (9th Cir. 1997). Two courts of appeals, however, have reached the opposite result, holding that the length of a supervised release term that can be imposed for controlled substance cases is limited by 18 U.S.C. 3583(b). *United States v. Gracia*,

983 F.2d 625, 630 (5th Cir. 1993); *United States v. Kelly*, 974 F.2d 22, 24–5 (5th Cir. 1992); *United States v. Good*, 25 F.3d 218 (4th Cir. 1994). Although the issue has not arisen with frequency, the conflict is entrenched and should be dealt with definitively. Accordingly, the amendment would add the words "Notwithstanding section 3583 of title 18" to the title 21 controlled substance offenses in the parts of those statutes dealing with supervised release to make clear that the longer terms there prescribed control over the general provision in section 3583.

Section seven of the bill would confer express authority on District Courts under 18 U.S.C. § 3582(c)(1)(A), when exercising the power to reduce a term of imprisonment for extraordinary and compelling reasons, to impose a sentence of probation or supervised release with or without conditions. Such added flexibility is consistent with the purposes for which this statute was designed and will likely facilitate its use in appropriate cases. Under section 3582(c)(1)(A), a court is authorized, on motion of the Bureau of Prisons and consistent with the purposes of sentencing in 18 U.S.C. § 3553, to "reduce the term of imprisonment" upon a finding that "extraordinary and compelling reasons" warrant such a reduction. This limited authority has been generally utilized when a defendant sentenced to imprisonment becomes terminally ill or develops a permanently incapacitating illness not present at the time of sentencing. In such circumstances, the situation of a prisoner (e.g., one suffering from a contagious debilitating disease), may make a court reluctant simply to release the prisoner back into society unless another sentencing option such as home confinement as a condition of supervised release or probation can be imposed. Presently, however, it is doubtful whether a court can order such a sentence since section 3582(c)(1)(A) speaks only in terms of reducing "the term of imprisonment," not imposing in its stead a lesser type of sentence. Compare Fed. R. Crim. P. 35(b), which gives a court the power to "reduce a sentence" to reflect substantial assistance.

Finally, section eight would remedy a statutory ambiguity relating to restitution as a condition of supervised release. Under 18 U.S.C. § 3583(c) and (e), the court is authorized to consider various sentencing factors set forth in 18 U.S.C. § 3553 as a basis for imposing restitution as a condition of supervised release or for revoking or modifying the conditions of supervised release. Supervised release is among the purposes of sentencing enumerated in section 3553, in paragraph (a)(7), but is not among the factors enumerated in section 3583(c) and (e). However, 18 U.S.C. § 3583(c) also authorizes the court to impose any condition of supervised release that is an authorized condition of probation under 18 U.S.C. § 3563(b), and making restitution is among those conditions (see section 3564(b)(2)). Thus, it

appears clear that a court has authority to impose a restitution condition upon a term of supervised release. See, e.g., *United States v. Payan*, 992 F.2d 1387, 1395–96 (5th Cir. 1993). But the absence of a reference to section 3553(a)(7) in the revocation subsection of section 3583 raises a question whether, even though it is an authorized condition of supervised release, a court has authority to revoke or modify the term for the willful failure to make restitution. This amendment would provide a reference to section 3553(a)(7) in the supervised release statute and remove any ambiguity in this regard. Of course, even under the amended statute, a court could not revoke or modify the defendant's supervised release for failure to pay restitution unless the defendant had the resources to pay and willfully refused to do so. See *Bearden v. Georgia*, 461 U.S. 660 (1983); *Payan*, 992 F.2d at 1396–97.

For all of these reasons, I am pleased to introduce this legislation along with Senator HATCH, and I urge its swift enactment into law.

By Mr. MURKOWSKI:

S. 1318. 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.

Mr. MURKOWSKI. Madam President, I rise today, to introduce the Conservation and Reinvestment Act of 2001. The bill is identical to a bill I introduced at the start of the 106th Congress. This important legislation remedies a tremendous inequity in the distribution of revenues generated by offshore oil and gas production. It allocates a portion of those moneys to the 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.

By reinvesting revenues from offshore oil and gas production into a variety of important conservation, recreation and environmental programs, this bill will rededicate the Federal Government to a partnership with state and local governments to meet the demands of all Americans for outdoor experiences. In addition, it reaffirms the original promise of the Land Water Conservation Fund that a portion of the revenues obtained by the Federal Government from the development of our natural resources would be reinvested into the outdoor recreation and natural resource estate of the Nation.

Like last Congress, this bill is the start of a process. As many of us in this chamber remember, consideration of OCS revenue sharing legislation during the 106th Congress resulted in an outcome none of us could have anticipated, the creation of a 6 year budget category that dedicates appropriated funds for a variety of conservation programs. Enactment of the Conservation Spending Category was one of the great bipartisan achievements of the 106th Congress and was an important step in providing annual funding for a number of programs that protect our nation's natural and cultural legacy.

However, coastal impact assistance was not included. While the coastal States that support offshore oil and gas activities received some funding last year, they were specifically excluded from the Conservation Spending Category and no money has been appropriated this Congress.

This bill directs that 27 percent of the revenues generated from oil and natural gas production on the Outer Continental Shelf, or OCS, be returned to coastal States and communities. Offshore oil and gas production generates over \$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 and which bear the burdens of such activity.

This legislation remedies this disparity. States and communities that bear the responsibilities for and costs associated with offshore oil and gas production will finally receive some assistance from the revenues generated by this federal activity. This legislation would share revenues generated by OCS oil and gas activities with counties, parishes and boroughs, the local government 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. It 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.

This is a true investment in the future. This money will be used, day-in and day-out, to improve the quality of life of coastal State residents.

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.

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 will continue to result in new OCS production having an unparalleled record of excellence on environmental and safety issues. Additional technological advances will further improve resource recovery and will 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 will ALL States for these purposes. Title II of this bill provides a secure source of funding for the Land and Water Conservation Fund, LWCF. The LWCF was established over three decades ago to provide Federal money for State and Federal land acquisition and help meet recreation needs. Title III of this bill provides funding for State fish and wildlife conservation programs. The money would be distributed through the Pittman-Robertson program administered by the United States Fish and Wildlife Service. This money could be used for both game and non-game wildlife. With the inclusion of OCS revenues, the amount of money available for state fish and game programs would nearly double. States will be able to use these moneys to increase fish and wildlife populations and improve fish and wildlife habitat.

This bill is not perfect but it is a step to ensuring 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 to enjoy.

By Mr. LEAHY (for himself and Mr. HATCH):

S. 1319. A bill to authorize appropriations for the Department of Justice for fiscal year 2002, and for other purposes; to the Committee on the Judiciary.

Mr. LEAHY. Madam President, I am pleased to introduce the 21st Century Department of Justice Appropriations Authorization Act. I thank Senator HATCH, the Ranking Republican Member of the Judiciary Committee, for his hard work and support of this legislation.

The last time Congress properly authorized spending for the entire Department of Justice, "DOJ" or the

“Department”, was in 1979. Congress extended that authorization in 1980 and 1981. Since then, Congress has not passed nor has the President signed an authorization bill for the Department. In fact, there are a number of years where Congress failed to consider any Department authorization bill. This 21-year failure to properly reauthorize the Department has forced the appropriations committees in both houses to reauthorize and appropriate money.

We have ceded the authorization power to the appropriators for too long. Our bipartisan legislation is an attempt to reaffirm the authorizing authority and responsibility of the House and Senate Judiciary Committees. I commend Chairman SENSENBRENNER and Ranking Member CONYERS of the House Judiciary Committee for working in a bipartisan manner to pass similar legislation in the House of Representatives.

The “21st Century Department of Justice Appropriations Authorization Act,” is a comprehensive authorization of the Department based on H.R. 2215 as passed by the House of Representatives on July 23, 2001. Our bipartisan legislation contains four titles which authorize appropriations for the Department for fiscal year 2002, provide permanent enabling authorities which will allow the Department to efficiently carry out its mission, clarify and harmonize existing statutory authority, and repeal obsolete statutory authorities. The bill establishes certain reporting requirements and other mechanisms, such as DOJ Inspector General authority to investigate allegations of misconduct by employees of the Federal Bureau of Investigation (FBI), intended to better enable the Congress and the Department to oversee the operations of the Department. Finally, the bill creates a separate Violence Against Women Office to combat domestic violence.

Title I authorizes appropriations for the major components of the Department for fiscal year 2002. The authorization mirrors the President’s request regarding the Department except in two areas. First, the bill increased the President’s request for the DOJ Inspector General by \$10 million. This is necessary because the Committee is concerned about the severe downsizing of that office and the need for oversight, particularly of the FBI, at the Department. Second, the bill authorizes at least \$10 million for the investigation and prosecution of intellectual property crimes, including software counterfeiting crimes and crimes identified in the No Electronic Theft, NET, Act, Public Law 105-147. The American copyright industry is the largest exporter of goods from the United States, employing more than 7 million Americans, and these additional funds are needed to strengthen the resources available to DOJ and the FBI to investigate and prosecute cyberpiracy.

The bill does not contain an authorization for appropriations for several

unauthorized grant programs. Senator HATCH and I have decided to review each of these expired programs and authorize them as needed.

In addition, Title I authorizes \$9 million in FY 2002 to add an additional Assistant United States Attorney in each of the 94 U.S. Attorney Offices to implement part of the Administration’s Project Safe Neighborhoods proposal to reduce school gun violence across the nation. These prosecutors will assist in targeting juveniles who obtain weapons and commit violent crimes, as well as the adults who place firearms in the hands of juveniles.

Title II permanently establishes a clear set of authorities that the Department may rely on to use appropriated funds, including establishing permitted uses of appropriated funds by the Attorney General for Fees and Expenses of Witnesses, the FBI, the Immigration and Naturalization Service, the Federal Prison System, and the Detention Trustee. Title II also establishes new reporting requirements which are intended to enhance Congressional oversight of the Department, including new reporting requirements for information about the enforcement of existing laws, for information regarding the Office of Justice Programs, OJP, and the submission of other reports, required by existing law, to the House and Senate Judiciary Committees. Section 206(e) expands an existing reporting requirement regarding copyright infringement cases. Title II also establishes a counterterrorism fund and provides the Attorney General with additional authority to strengthen law enforcement operations.

Title III repeals outdated and open-ended statutes, requires the submission of an annual authorization bill to the House and Senate Judiciary Committees, and provides states with flexibility to use existing Truth-In-Sentencing and Violent Offender Incarceration Grants to account for juveniles being housed in adult prison facilities. Title III requires the Department to submit to Congress studies on untested rape examination kits, and the allocation of funds, personnel, and workloads for each office of U.S. Attorney and each division of the Department.

Section 305 requires the Attorney General and Director of the FBI to provide the House and Senate Judiciary Committees with a detailed report on the use of DCS 1000, also known as Carnivore, and other similar Internet surveillance systems. Many have raised legitimate privacy concerns with Carnivore. Congress needs to know the facts about Carnivore to find a way to balance the needs of law enforcement investigators with the privacy interests of all Americans.

In addition, Title III provides new oversight and reporting requirements for the FBI and other activities conducted by the Justice Department. Specifically, section 308 codifies the Attorney General’s order of July 11,

2001, which revised Department of Justice’s regulations concerning the Inspector General. The section insures that the Inspector General for the Department of Justice has the authority to decide whether a particular allegation of misconduct by Department of Justice personnel, including employees of the Federal Bureau of Investigation and the Drug Enforcement Administration, should be investigated by the Inspector General or by the internal affairs unit of the appropriate component of the Department of Justice.

Section 309 requires the Attorney General to submit a report and recommendation to the House and Senate Committees on the Judiciary not later than 90 days after enactment of this Act on whether there should be established an office of Inspector General for the FBI or an office of Deputy Inspector General for the FBI that would be responsible for supervising independent oversight of programs and operations of the FBI.

Title IV establishes a Violence Against Women Office (VAWO) within the Justice Department. The VAWO is headed by a Director, who is appointed by the President and confirmed by the Senate. In addition, Title IV enumerates duties and responsibilities of the Director, requires the Attorney General to ensure VAWO is adequately staffed and authorizes appropriations for the VAWO.

I look forward to working with Senator HATCH, Congressman SENSENBRENNER and Congressman CONYERS to bring the important business of re-authorizing the Department back before the Senate and House Judiciary Committees. Clearly, regular reauthorization of the Department should be part and parcel of the Committees’ traditional role in overseeing the Department’s activities. Swift passage into law of the “21st Century Department of Justice Appropriations Authorization Act” will be a significant step toward restoring our oversight role.

I ask unanimous consent that the text of the bill and a section-by-section analysis of the bill be printed in the RECORD.

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

S. 1319

*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 “21st Century Department of Justice Appropriations Authorization Act”.

(b) **TABLE OF CONTENTS.**—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

**TITLE I—AUTHORIZATION OF**

**APPROPRIATIONS FOR FISCAL YEAR 2002**

Sec. 101. Specific sums authorized to be appropriated.

Sec. 102. Appointment of additional Assistant United States Attorneys; reduction of certain litigation positions.

Sec. 103. Authorization for additional Assistant United States Attorneys for project safe neighborhoods.

## TITLE II—PERMANENT ENABLING PROVISIONS

- Sec. 201. Permanent authority.  
 Sec. 202. Permanent authority relating to enforcement of laws.  
 Sec. 203. Notifications and reports to be provided simultaneously to committees.  
 Sec. 204. Miscellaneous uses of funds; technical amendments.  
 Sec. 205. Technical and miscellaneous amendments to Department of Justice authorities; authority to transfer property of marginal value; recordkeeping; protection of the Attorney General.  
 Sec. 206. Oversight; waste, fraud, and abuse of appropriations.  
 Sec. 207. Enforcement of Federal criminal laws by Attorney General.  
 Sec. 208. Counterterrorism fund.  
 Sec. 209. Strengthening law enforcement in United States territories, commonwealths, and possessions.  
 Sec. 210. Additional authorities of the Attorney General.

## TITLE III—MISCELLANEOUS

- Sec. 301. Repealers.  
 Sec. 302. Technical amendments to title 18 of the United States Code.  
 Sec. 303. Required submission of proposed authorization of appropriations for the Department of Justice for fiscal year 2003.  
 Sec. 304. Study of untested rape examination kits.  
 Sec. 305. Report on DCS 1000 ("carnivore").  
 Sec. 306. Study of allocation of litigating attorneys.  
 Sec. 307. Use of truth-in-sentencing and violent offender incarceration grants.  
 Sec. 308. Authority of the Department of Justice Inspector General.  
 Sec. 309. Report on Inspector General and Deputy Inspector General for Federal Bureau of Investigation.

## TITLE IV—VIOLENCE AGAINST WOMEN

- Sec. 401. Short title.  
 Sec. 402. Establishment of Violence Against Women Office.

## TITLE I—AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 2002

## SEC. 101. SPECIFIC SUMS AUTHORIZED TO BE APPROPRIATED.

There are authorized to be appropriated for fiscal year 2002, to carry out the activities of the Department of Justice (including any bureau, office, board, division, commission, subdivision, unit, or other component thereof), the following sums:

- (1) GENERAL ADMINISTRATION.—For General Administration: \$93,433,000.  
 (2) ADMINISTRATIVE REVIEW AND APPEALS.—For Administrative Review and Appeals: \$178,499,000 for administration of pardon and clemency petitions and for immigration-related activities.  
 (3) OFFICE OF INSPECTOR GENERAL.—For the Office of Inspector General: \$55,000,000, which shall include for each such fiscal year, not to exceed \$10,000 to meet unforeseen emergencies of a confidential character.  
 (4) GENERAL LEGAL ACTIVITIES.—For General Legal Activities: \$566,822,000, which shall include for each such fiscal year—  
 (A) not less than \$4,000,000 for the investigation and prosecution of denaturalization and deportation cases involving alleged Nazi war criminals;  
 (B) not less than \$10,000,000 for the investigation and prosecution of intellectual property crimes, including software counterfeiting crimes and crimes identified in the

No Electronic Theft (NET) Act (Public Law 105-147); and

- (C) not to exceed \$20,000 to meet unforeseen emergencies of a confidential character.  
 (5) ANTITRUST DIVISION.—For the Antitrust Division: \$140,973,000.  
 (6) UNITED STATES ATTORNEYS.—For United States Attorneys: \$1,346,289,000.  
 (7) FEDERAL BUREAU OF INVESTIGATION.—For the Federal Bureau of Investigation: \$3,507,109,000, which shall include for each such fiscal year—  
 (A) not to exceed \$1,250,000 for construction, to remain available until expended; and  
 (B) not to exceed \$70,000 to meet unforeseen emergencies of a confidential character.  
 (8) UNITED STATES MARSHALS SERVICE.—For the United States Marshals Service: \$626,439,000, which shall include for each such fiscal year not to exceed \$6,621,000 for construction, to remain available until expended.  
 (9) FEDERAL PRISON SYSTEM.—For the Federal Prison System, including the National Institute of Corrections: \$4,662,710,000.  
 (10) FEDERAL PRISONER DETENTION.—For the support of United States prisoners in non-Federal institutions, as authorized by section 4013(a) of title 18 of the United States Code: \$724,682,000, to remain available until expended.  
 (11) DRUG ENFORCEMENT ADMINISTRATION.—For the Drug Enforcement Administration: \$1,480,929,000, which shall include not to exceed \$70,000 to meet unforeseen emergencies of a confidential character.  
 (12) IMMIGRATION AND NATURALIZATION SERVICE.—For the Immigration and Naturalization Service: \$3,516,411,000, which shall include—  
 (A) not to exceed \$2,737,341,000 for salaries and expenses of enforcement and border affairs (i.e., the Border Patrol, deportation, intelligence, investigations, and inspection programs, and the detention program);  
 (B) not to exceed \$650,660,000 for salaries and expenses of citizenship and benefits (i.e., programs not included under subparagraph (A));  
 (C) for each such fiscal year, not to exceed \$128,410,000 for construction, to remain available until expended; and  
 (D) not to exceed \$50,000 to meet unforeseen emergencies of a confidential character.  
 (13) FEES AND EXPENSES OF WITNESSES.—For Fees and Expenses of Witnesses: \$156,145,000 to remain available until expended, which shall include for each such fiscal year not to exceed \$6,000,000 for construction of protected witness safesites.  
 (14) INTERAGENCY CRIME AND DRUG ENFORCEMENT.—For Interagency Crime and Drug Enforcement: \$338,106,000, for expenses not otherwise provided for, for the investigation and prosecution of persons involved in organized crime drug trafficking, except that any funds obligated from appropriations authorized by this paragraph may be used under authorities available to the organizations reimbursed from such funds.  
 (15) FOREIGN CLAIMS SETTLEMENT COMMISSION.—For the Foreign Claims Settlement Commission: \$1,130,000.  
 (16) COMMUNITY RELATIONS SERVICE.—For the Community Relations Service: \$9,269,000.  
 (17) ASSETS FORFEITURE FUND.—For the Assets Forfeiture Fund: \$22,949,000 for expenses authorized by section 524 of title 28, United States Code.  
 (18) UNITED STATES PAROLE COMMISSION.—For the United States Parole Commission: \$10,862,000.  
 (19) FEDERAL DETENTION TRUSTEE.—For the necessary expenses of the Federal Detention Trustee: \$1,718,000.  
 (20) JOINT AUTOMATED BOOKING SYSTEM.—For expenses necessary for the operation of

the Joint Automated Booking System: \$15,957,000.

(21) NARROWBAND COMMUNICATIONS.—For the costs of conversion to narrowband communications, including the cost for operation and maintenance of Land Mobile Radio legacy systems: \$104,606,000.

(22) RADIATION EXPOSURE COMPENSATION.—For administrative expenses in accordance with the Radiation Exposure Compensation Act: \$1,996,000.

(23) COUNTERTERRORISM FUND.—For the Counterterrorism Fund for necessary expenses, as determined by the Attorney General: \$4,989,000.

(24) OFFICE OF JUSTICE PROGRAMS.—For administrative expenses not otherwise provided for, of the Office of Justice Programs: \$116,369,000.

## SEC. 102. APPOINTMENT OF ADDITIONAL ASSISTANT UNITED STATES ATTORNEYS; REDUCTION OF CERTAIN LITIGATION POSITIONS.

(a) APPOINTMENTS.—Not later than September 30, 2003, the Attorney General may exercise authority under section 542 of title 28, United States Code, to appoint 200 assistant United States attorneys in addition to the number of assistant United States attorneys serving on the date of the enactment of this Act.

(b) SELECTION OF APPOINTEES.—Individuals first appointed under subsection (a) may be appointed from among attorneys who are incumbents of 200 full-time litigation positions in divisions of the Department of Justice and whose official duty station is at the seat of Government.

(c) TERMINATION OF POSITIONS.—Each of the 200 litigation positions that become vacant by reason of an appointment made in accordance with subsections (a) and (b) shall be terminated at the time the vacancy arises.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

## SEC. 103. AUTHORIZATION FOR ADDITIONAL ASSISTANT UNITED STATES ATTORNEYS FOR PROJECT SAFE NEIGHBORHOODS.

(a) IN GENERAL.—The Attorney General shall establish a program for each United States Attorney to provide for coordination with State and local law enforcement officials in the identification and prosecution of violations of Federal firearms laws including school gun violence and juvenile gun offenses.

(b) AUTHORIZATION FOR HIRING 94 ADDITIONAL ASSISTANT UNITED STATES ATTORNEYS.—There are authorized to be appropriated to carry out this section \$9,000,000 for fiscal year 2002 to hire an additional Assistant United States Attorney in each United States Attorney Office.

## TITLE II—PERMANENT ENABLING PROVISIONS

## SEC. 201. PERMANENT AUTHORITY.

(a) IN GENERAL.—Chapter 31 of title 28, United States Code, is amended by adding at the end the following:

## "§ 530C. Authority to use available funds

"(a) IN GENERAL.—Except to the extent provided otherwise by law, the activities of the Department of Justice (including any bureau, office, board, division, commission, subdivision, unit, or other component thereof) may, in the reasonable discretion of the Attorney General, be carried out through any means, including—

"(1) through the Department's own personnel, acting within, from, or through the Department itself;

"(2) by sending or receiving details of personnel to other branches or agencies of the Federal Government, on a reimbursable, partially-reimbursable, or nonreimbursable basis;

“(3) through reimbursable agreements with other Federal agencies for work, materials, or equipment;

“(4) through contracts, grants, or cooperative agreements with non-Federal parties; and

“(5) as provided in subsection (b), in section 524, and in any other provision of law consistent herewith, including, without limitation, section 102(b) of Public Law 102-395 (106 Stat. 1838), as incorporated by section 815(d) of Public Law 104-132 (110 Stat. 1315).

“(b) PERMITTED USES.—

“(1) GENERAL PERMITTED USES.—Funds available to the Attorney General (i.e., all funds available to carry out the activities described in subsection (a)) may be used, without limitation, for the following:

“(A) The purchase, lease, maintenance, and operation of passenger motor vehicles, or police-type motor vehicles for law enforcement purposes, without regard to general purchase price limitation for the then-current fiscal year.

“(B) The purchase of insurance for motor vehicles, boats, and aircraft operated in official Government business in foreign countries.

“(C) Services of experts and consultants, including private counsel, as authorized by section 3109 of title 5, and at rates of pay for individuals not to exceed the maximum daily rate payable from time to time under section 5332 of title 5.

“(D) Official reception and representation expenses (i.e., official expenses of a social nature intended in whole or in predominant part to promote goodwill toward the Department or its missions, but excluding expenses of public tours of facilities of the Department of Justice), in accordance with distributions and procedures established, and rules issued, by the Attorney General, and expenses of public tours of facilities of the Department of Justice.

“(E) Unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General and accounted for solely on the certificate of the Attorney General.

“(F) Miscellaneous and emergency expenses authorized or approved by the Attorney General, the Deputy Attorney General, the Associate Attorney General, or the Assistant Attorney General for Administration.

“(G) In accordance with procedures established and rules issued by the Attorney General—

“(i) attendance at meetings and seminars;

“(ii) conferences and training; and

“(iii) advances of public moneys under section 3324 of title 31: *Provided*, That travel advances of such moneys to law enforcement personnel engaged in undercover activity shall be considered to be public money for purposes of section 3527 of title 31.

“(H) Contracting with individuals for personal services abroad, except that such individuals shall not be regarded as employees of the United States for the purpose of any law administered by the Office of Personnel Management.

“(I) Payment of interpreters and translators who are not citizens of the United States, in accordance with procedures established and rules issued by the Attorney General.

“(J) Expenses or allowances for uniforms as authorized by section 5901 of title 5, but without regard to the general purchase price limitation for the then-current fiscal year.

“(K) Expenses of—

“(i) primary and secondary schooling for dependents of personnel stationed outside the continental United States at cost not in excess of those authorized by the Department of Defense for the same area, when it is

determined by the Attorney General that schools available in the locality are unable to provide adequately for the education of such dependents; and

“(ii) transportation of those dependents between their place of residence and schools serving the area which those dependents would normally attend when the Attorney General, under such regulations as he may prescribe, determines that such schools are not accessible by public means of transportation.

“(2) SPECIFIC PERMITTED USES.—

“(A) AIRCRAFT AND BOATS.—Funds available to the Attorney General for United States Attorneys, for the Federal Bureau of Investigation, for the United States Marshals Service, for the Drug Enforcement Administration, and for the Immigration and Naturalization Service may be used for the purchase, lease, maintenance, and operation of aircraft and boats, for law enforcement purposes.

“(B) PURCHASE OF AMMUNITION AND FIREARMS; FIREARMS COMPETITIONS.—Funds available to the Attorney General for United States Attorneys, for the Federal Bureau of Investigation, for the United States Marshals Service, for the Drug Enforcement Administration, for the Federal Prison System, for the Office of the Inspector General, and for the Immigration and Naturalization Service may be used for—

“(i) the purchase of ammunition and firearms; and

“(ii) participation in firearms competitions.

“(C) CONSTRUCTION.—Funds available to the Attorney General for construction may be used for expenses of planning, designing, acquiring, building, constructing, activating, renovating, converting, expanding, extending, remodeling, equipping, repairing, or maintaining buildings or facilities, including the expenses of acquisition of sites therefor, and all necessary expenses incident or related thereto; but the foregoing shall not be construed to mean that funds generally available for salaries and expenses are not also available for certain incidental or minor construction, activation, remodeling, maintenance, and other related construction costs.

“(3) FEES AND EXPENSES OF WITNESSES.—Funds available to the Attorney General for fees and expenses of witnesses may be used for—

“(A) expenses, mileage, compensation, protection, and per diem in lieu of subsistence, of witnesses (including advances of public money) and as authorized by section 1821 or other law, except that no witness may be paid more than 1 attendance fee for any 1 calendar day;

“(B) fees and expenses of neutrals in alternative dispute resolution proceedings, where the Department of Justice is a party; and

“(C) construction of protected witness safesites.

“(4) FEDERAL BUREAU OF INVESTIGATION.—Funds available to the Attorney General for the Federal Bureau of Investigation for the detection, investigation, and prosecution of crimes against the United States may be used for the conduct of all its authorized activities.

“(5) IMMIGRATION AND NATURALIZATION SERVICE.—Funds available to the Attorney General for the Immigration and Naturalization Service may be used for—

“(A) acquisition of land as sites for enforcement fences, and construction incident to such fences;

“(B) cash advances to aliens for meals and lodging en route;

“(C) refunds of maintenance bills, immigration fines, and other items properly returnable, except deposits of aliens who be-

come public charges and deposits to secure payment of fines and passage money; and

“(D) expenses and allowances incurred in tracking lost persons, as required by public exigencies, in aid of State or local law enforcement agencies.

“(6) FEDERAL PRISON SYSTEM.—Funds available to the Attorney General for the Federal Prison System may be used for—

“(A) inmate medical services and inmate legal services, within the Federal prison system;

“(B) the purchase and exchange of farm products and livestock;

“(C) the acquisition of land as provided in section 4010 of title 18; and

“(D) the construction of buildings and facilities for penal and correctional institutions (including prison camps), by contract or force account, including the payment of United States prisoners for their work performed in any such construction;

except that no funds may be used to distribute or make available to a prisoner any commercially published information or material that is sexually explicit or features nudity.

“(7) DETENTION TRUSTEE.—Funds available to the Attorney General for the Detention Trustee may be used for all the activities of such Trustee in the exercise of all power and functions authorized by law relating to the detention of Federal prisoners in non-Federal institutions or otherwise in the custody of the United States Marshals Service and to the detention of aliens in the custody of the Immigration and Naturalization Service, including the overseeing of construction of detention facilities or for housing related to such detention, the management of funds appropriated to the Department for the exercise of detention functions, and the direction of the United States Marshals Service and Immigration Service with respect to the exercise of detention policy setting and operations for the Department of Justice.

“(C) RELATED PROVISIONS.—

“(1) LIMITATION OF COMPENSATION OF INDIVIDUALS EMPLOYED AS ATTORNEYS.—No funds available to the Attorney General may be used to pay compensation for services provided by an individual employed as an attorney (other than an individual employed to provide services as a foreign attorney in special cases) unless such individual is duly licensed and authorized to practice as an attorney under the law of a State, a territory of the United States, or the District of Columbia.

“(2) REIMBURSEMENTS PAID TO GOVERNMENTAL ENTITIES.—Funds available to the Attorney General that are paid as reimbursement to a governmental unit of the Department of Justice, to another Federal entity, or to a unit of State or local government, may be used under authorities available to the unit or entity receiving such reimbursement.”

(b) CONFORMING AMENDMENT.—The table of sections of chapter 31 of title 28, United States Code, is amended by adding at the end the following:

“530C. Authority to use available funds.”

**SEC. 202. PERMANENT AUTHORITY RELATING TO ENFORCEMENT OF LAWS.**

(a) IN GENERAL.—Chapter 31 of title 28, United States Code (as amended by section 201), is amended by adding at the end the following:

**“§ 530D. Report on enforcement of laws**

“(a) REPORT.—

“(1) IN GENERAL.—The Attorney General shall submit to the Congress a report of any instance in which the Attorney General or any officer of the Department of Justice—

“(A) establishes or implements a formal or informal policy to refrain—

“(i) from enforcing, applying, or administering any provision of any Federal statute, rule, regulation, program, policy, or other law whose enforcement, application, or administration is within the responsibility of the Attorney General or such officer on the grounds that such provision is unconstitutional; or

“(ii) within any judicial jurisdiction of or within the United States, from adhering to, enforcing, applying, or complying with, any standing rule of decision (binding upon courts of, or inferior to those of, that jurisdiction) established by a final decision of any court of, or superior to those of, that jurisdiction, respecting the interpretation, construction, or application of the Constitution or of any statute, rule, regulation, program, policy, or other law whose enforcement, application, or administration is within the responsibility of the Attorney General or such officer;

“(B) determines—

“(i) to contest affirmatively, in any judicial, administrative, or other proceeding, the constitutionality of any provision of any Federal statute, rule, regulation, program, policy, or other law; or

“(ii) to refrain from defending or asserting, in any judicial, administrative, or other proceeding, the constitutionality of any provision of any Federal statute, rule, regulation, program, policy, or other law, or not to appeal or request review of any judicial, administrative, or other determination adversely affecting the constitutionality of any such provision; or

“(C) approves (other than in circumstances in which a report is submitted to the Joint Committee on Taxation, pursuant to section 6405 of the Internal Revenue Code of 1986) the settlement or compromise (other than in bankruptcy) of any claim, suit, or other action—

“(i) against the United States (including any agency or instrumentality thereof) for a sum that exceeds, or is likely to exceed, \$2,000,000; or

“(ii) by the United States (including any agency or instrumentality thereof) pursuant to an agreement, consent decree, or order (or pursuant to any modification of an agreement, consent decree, or order) that provides injunctive or other nonmonetary relief that exceeds, or is likely to exceed, 3 years in duration.

“(2) SUBMISSION OF REPORT TO THE CONGRESS.—For the purposes of paragraph (1), a report shall be considered to be submitted to the Congress if the report is submitted to—

“(A) the majority leader and minority leader of the Senate;

“(B) the Speaker, majority leader, and minority leader of the House of Representatives;

“(C) the chairman and ranking minority member of the Committee on the Judiciary of the House of Representatives and the chairman and ranking minority member of the Committee on the Judiciary of the Senate; and

“(D) the Senate Legal Counsel and the General Counsel of the House of Representatives.

“(b) DEADLINE.—A report shall be submitted—

“(1) under subsection (a)(1)(A), not later than 30 days after the establishment or implementation of each policy;

“(2) under subsection (a)(1)(B), within such time as will reasonably enable the House of Representatives and the Senate to take action, separately or jointly, to intervene in timely fashion in the proceeding, but in no event later than 30 days after the making of each determination; and

“(3) under subsection (a)(1)(C), not later than 30 days after the conclusion of each fis-

cal-year quarter, with respect to all approvals occurring in such quarter.

“(c) CONTENTS.—A report required by subsection (a) shall—

“(1) specify the date of the establishment or implementation of the policy described in subsection (a)(1)(A), of the making of the determination described in subsection (a)(1)(B), or of each approval described in subsection (a)(1)(C);

“(2) include a complete and detailed statement of the relevant issues and background (including a complete and detailed statement of the reasons for the policy or determination, and the identity of the officer responsible for establishing or implementing such policy, making such determination, or approving such settlement or compromise), except that—

“(A) such details may be omitted as may be absolutely necessary to prevent improper disclosure of national-security- or classified information, or of any information subject to the deliberative-process-, executive-, attorney-work-product-, or attorney-client privileges, if the fact of each such omission (and the precise ground or grounds therefor) is clearly noted in the statement: Provided, That this subparagraph shall not be construed to deny to the Congress (including any House, Committee, or agency thereof) any such omitted details (or related information) that it lawfully may seek, subsequent to the submission of the report; and

“(B) the requirements of this paragraph shall be deemed satisfied—

“(i) in the case of an approval described in subsection (a)(1)(C)(i), if an unredacted copy of the entire settlement agreement and consent decree or order (if any) is provided, along with a statement indicating the legal and factual basis or bases for the settlement or compromise (if not apparent on the face of documents provided); and

“(ii) in the case of an approval described in subsection (a)(1)(C)(ii), if an unredacted copy of the entire settlement agreement and consent decree or order (if any) is provided, along with a statement indicating the injunctive or other nonmonetary relief (if not apparent on the face of documents provided); and

“(3) in the case of a determination described in subsection (a)(1)(B) or an approval described in subsection (a)(1)(C), indicate the nature, tribunal, identifying information, and status of the proceeding, suit, or action.

“(d) DECLARATION.—In the case of a determination described in subsection (a)(1)(B), the representative of the United States participating in the proceeding shall make a clear declaration in the proceeding that any position expressed as to the constitutionality of the provision involved is the position of the executive branch of the Federal Government (or, as applicable, of the President or of any executive agency or military department).

“(e) APPLICABILITY TO THE PRESIDENT AND TO EXECUTIVE AGENCIES AND MILITARY DEPARTMENTS.—The reporting, declaration, and other provisions of this section relating to the Attorney General and other officers of the Department of Justice shall apply to the President, to the head of each executive agency or military department (as defined, respectively, in sections 105 and 102 of title 5, United States Code) that establishes or implements a policy described in subsection (a)(1)(A) or is authorized to conduct litigation, and to the officers of such executive agency.”

(b) CONFORMING AMENDMENTS.—

(1) The table of sections for chapter 31 of title 28, United States Code (as amended by section 201), is amended by adding at the end the following:

“530D. Report on enforcement of laws.”

(2) Section 712 of Public Law 95-521 (92 Stat. 1883) is amended by striking subsection (b).

(3) Not later than 30 days after the date of the enactment of this Act, the President shall advise the head of each executive agency or military department (as defined, respectively, in sections 105 and 102 of title 5, United States Code) of the enactment of this section.

(4)(A) Not later than 90 days after the date of the enactment of this Act, the Attorney General (and, as applicable, the President, and the head of any executive agency or military department described in subsection (e) of section 530D of title 28, United States Code, as added by subsection (a)) shall submit to Congress a report (in accordance with subsections (a), (c), and (e) of such section) on—

(i) all policies of which the Attorney General and applicable official are aware described in subsection (a)(1)(A) of such section that were established or implemented before the date of the enactment of this Act and were in effect on such date; and

(ii) all determinations of which the Attorney General and applicable official are aware described in subsection (a)(1)(B) of such section that were made before the date of the enactment of this Act and were in effect on such date.

(B) If a determination described in subparagraph (A)(ii) relates to any judicial, administrative, or other proceeding that is pending in the 90-day period beginning on the date of the enactment of this Act, with respect to any such determination, then the report required by this paragraph shall be submitted within such time as will reasonably enable the House of Representatives and the Senate to take action, separately or jointly, to intervene in timely fashion in the proceeding, but not later than 30 days after the date of the enactment of this Act.

#### SEC. 203. NOTIFICATIONS AND REPORTS TO BE PROVIDED SIMULTANEOUSLY TO COMMITTEES.

If the Attorney General or any officer of the Department of Justice (including any bureau, office, board, division, commission, subdivision, unit, or other component thereof) is required by any Act (which shall be understood to include any request or direction contained in any report of a committee of the Congress relating to an appropriations Act or in any statement of managers accompanying any conference report agreed to by the Congress) to provide a notice or report to any committee or subcommittee of the Congress (other than both the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate), then such Act shall be deemed to require that a copy of such notice or report be provided simultaneously to the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate.

#### SEC. 204. MISCELLANEOUS USES OF FUNDS; TECHNICAL AMENDMENTS.

(a) BUREAU OF JUSTICE ASSISTANCE GRANT PROGRAMS.—Title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3711 et seq.) is amended—

(1) in section 504(a) by striking “502” and inserting “501(b)”;

(2) in section 506(a)(1) by striking “participating”;

(3) in section 510(a)(3) by striking “502” and inserting “501(b)”;

(4) in section 510 by adding at the end the following:

“(d) No grants or contracts under subsection (b) may be made, entered into, or used, directly or indirectly, to provide any security enhancements or any equipment to

any non-governmental entity that is not engaged in law enforcement or law enforcement support, criminal or juvenile justice, or delinquency prevention.”; and

(5) in section 511 by striking “503” and inserting “501(b)”.

(b) ATTORNEYS SPECIALLY RETAINED BY THE ATTORNEY GENERAL.—The 3d sentence of section 515(b) of title 28, United States Code, is amended by striking “at not more than \$12,000”.

**SEC. 205. TECHNICAL AND MISCELLANEOUS AMENDMENTS TO DEPARTMENT OF JUSTICE AUTHORITIES; AUTHORITY TO TRANSFER PROPERTY OF MARGINAL VALUE; RECORDKEEPING; PROTECTION OF THE ATTORNEY GENERAL.**

(a) Section 524 of title 28, United States Code, is amended—

(1) in subsection (a) by inserting “to the Attorney General” after “available”;

(2) in paragraph (c)(1)—

(A) by striking the semicolon at the end of the 1st subparagraph (I) and inserting a period;

(B) by striking the 2d subparagraph (I); and

(C) by striking “fund” in the 3d sentence following the 2d subparagraph (I) and inserting “Fund”;

(3) in paragraph (c)(2)—

(A) by striking “for information” each place it appears; and

(B) by striking “\$250,000” the 2d and 3d places it appears and inserting “\$500,000”;

(4) in paragraph (c)(3) by striking “(F)” and inserting “(G)”;

(5) in paragraph (c)(5) by striking “Fund which” and inserting “Fund, that”;

(6) in subsection (c)(9)(B)—

(A) by striking “year 1997” and inserting “years 2002 and 2003”;

(B) by striking “Such transfer shall not” and inserting “Each such transfer shall be subject to satisfaction by the recipient involved of any outstanding lien against the property transferred, but no such transfer shall”.

(b) Section 522 of title 28, United States Code, is amended by inserting “(a)” before “The”, and by inserting at the end the following:

“(b) With respect to any data, records, or other information acquired, collected, classified, preserved, or published by the Attorney General for any statistical, research, or other aggregate reporting purpose beginning not later than 1 year after the date of enactment of 21st Century Department of Justice Appropriations Authorization Act and continuing thereafter, and notwithstanding any other provision of law, the same criteria shall be used (and shall be required to be used, as applicable) to classify or categorize offenders and victims (in the criminal context), and to classify or categorize actors and acted upon (in the noncriminal context).”.

(c) Section 534(a)(3) of title 28, United States Code, is amended by adding “and” after the semicolon.

(d) Section 509(3) of title 28, United States Code, is amended by striking the 2d period.

(e) Section 533 of title 28, United States Code, is amended—

(1) by redesignating paragraph (3) as paragraph (4); and

(2) by adding after paragraph (2) a new paragraph as follows:

“(3) to assist in the protection of the person of the Attorney General.”.

(f) Hereafter, no compensation or reimbursement paid pursuant to section 501(a) of Public Law 99-603 (100 Stat. 3443) or section 241(i) of the Act of June 27, 1952 (ch. 477) shall be subject to section 6503(d) of title 31, United States Code, and no funds available to the Attorney General may be used to pay any assessment made pursuant to such sec-

tion 6503 with respect to any such compensation or reimbursement.

(g) Section 108 of Public Law 103-121 (107 Stat. 1164) is amended by replacing “three” with “six”, by replacing “only” with “, first”, and by replacing “litigation.” with “litigation, and, thereafter, for financial systems, and other personnel, administrative, and litigation expenses of debt collection activities.”.

**SEC. 206. OVERSIGHT; WASTE, FRAUD, AND ABUSE OF APPROPRIATIONS.**

(a) Section 529 of title 28, United States Code, is amended by inserting “(a)” before “Beginning”, and by adding at the end the following:

“(b) Notwithstanding any provision of law limiting the amount of management or administrative expenses, the Attorney General shall, not later than May 2, 2003, and of every year thereafter, prepare and provide to the Committees on the Judiciary and Appropriations of each House of the Congress using funds available for the underlying programs—

“(1) a report identifying and describing every grant, cooperative agreement, or programmatic services contract that was made, entered into, awarded, or extended, in the immediately preceding fiscal year, by or on behalf of the Office of Justice Programs (including any component or unit thereof, and the Office of Community Oriented Policing Services), and including, without limitation, for each such grant, cooperative agreement, or contract: the term, the dollar amount or value, a complete and detailed description of its specific purpose or purposes, the names of all parties, the names of each unsuccessful applicant or bidder (and a complete and detailed description of the specific purpose or purposes proposed of the application or bid), except that such description may be summary with respect to each application or bid having a total value of less than \$350,000; and

“(2) a report identifying and reviewing every grant, cooperative agreement, or programmatic services contract made, entered into, awarded, or extended after October 1, 2002, by or on behalf of the Office of Justice Programs (including any component or unit thereof, and the Office of Community Oriented Policing Services) that was closed out or that otherwise ended in the immediately preceding fiscal year (or even if not yet closed out, was terminated or otherwise ended in the fiscal year that ended 2 years before the end of such immediately preceding fiscal year), and including, without limitation, for each such grant, cooperative agreement, or contract: a complete and detailed description of how the appropriated funds involved actually were spent, complete and detailed statistics relating to its performance, its specific purpose or purposes, and its effectiveness, and a written declaration by each non-Federal grantee and each non-Federal party to such agreement or to such contract, that—

“(A) the appropriated funds were spent for such purpose or purposes, and only such purpose or purposes;

“(B) the terms of the grant, cooperative agreement, or contract were complied with; and

“(C) all documentation necessary for conducting a full and proper audit under generally accepted accounting principles, and any (additional) documentation that may have been required under the grant, cooperative agreement, or contract, have been kept in orderly fashion and will be preserved for not less than 3 years from the date of such close out, termination, or end;

except that the requirement of this paragraph shall be deemed satisfied with respect to any such description, statistics, or dec-

laration if such non-Federal grantee or such non-Federal party shall have failed to provide the same to the Attorney General, and the Attorney General notes the fact of such failure and the name of such grantee or such party in the report.”.

(b) Section 1913 of title 18, United States Code, is amended by striking “to favor” and inserting “a jurisdiction, or an official of any government, to favor, adopt,” by inserting “, law, ratification, policy,” after “legislation” every place it appears, by striking “by Congress” the 2d place it appears, by inserting “or such official” before “, through the proper”, by inserting “, measure,” before “or resolution”, by striking “Members of Congress on the request of any Member” and inserting “any such Member or official, at his request,” by striking “for legislation” and inserting “for any legislation”.

(c) Section 1516(a) of title 18, United States Code, is amended by inserting “, entity, or program” after “person”, and by inserting “grant, or cooperative agreement,” after “subcontract”.

(d) Section 112 of title I of section 101(b) of division A of Public Law 105-277 (112 Stat. 2681-67) is amended by striking “fiscal year” and all that follows through “Justice—”, and inserting “any fiscal year the Attorney General—”.

(e) Section 2320(f) of title 18, United States Code, is amended—

(1) by striking “title 18” each place it appears and inserting “this title”; and

(2) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively;

(3) by inserting “(1)” after “(f)”; and

(4) by adding at the end the following:

“(2) The report under paragraph (1), with respect to criminal infringement of copyright, shall include the following:

“(A) The number of infringement cases involving specific types of works, such as audiovisual works, sound recordings, business software, video games, books, and other types of works.

“(B) The number of infringement cases involving an online element.

“(C) The number and dollar amounts of fines assessed in specific categories of dollar amounts, such as up to \$500, from \$500 to \$1,000, from \$1,000 to \$5,000, from \$5,000 to \$10,000, and categories above \$10,000.

“(D) The amount of restitution awarded.

“(E) Whether the sentences imposed were served.”.

**SEC. 207. ENFORCEMENT OF FEDERAL CRIMINAL LAWS BY ATTORNEY GENERAL.**

Section 535 of title 28, United States Code, is amended in subsections (a) and (b), by replacing “title 18” with “Federal criminal law”, and in subsection (b), by replacing “or complaint” with “matter, or complaint witnessed, discovered, or”, and by inserting “or the witness, discoverer, or recipient, as appropriate,” after “agency.”.

**SEC. 208. COUNTERTERRORISM FUND.**

(a) ESTABLISHMENT; AVAILABILITY.—There is hereby established in the Treasury of the United States a separate fund to be known as the “Counterterrorism Fund”, amounts in which shall remain available without fiscal year limitation—

(1) to reimburse any Department of Justice component for any costs incurred in connection with—

(A) reestablishing the operational capability of an office or facility that has been damaged or destroyed as the result of any domestic or international terrorism incident;

(B) providing support to counter, investigate, or prosecute domestic or international terrorism, including, without limitation, paying rewards in connection with these activities; and

(C) conducting terrorism threat assessments of Federal agencies and their facilities; and

(2) to reimburse any department or agency of the Federal Government for any costs incurred in connection with detaining in foreign countries individuals accused of acts of terrorism that violate the laws of the United States.

(b) NO EFFECT ON PRIOR APPROPRIATIONS.—The amendment made by subsection (a) shall not affect the amount or availability of any appropriation to the Counterterrorism Fund made before the date of enactment of this Act.

**SEC. 209. STRENGTHENING LAW ENFORCEMENT IN UNITED STATES TERRITORIES, COMMONWEALTHS, AND POSSESSIONS.**

(a) EXTENDED ASSIGNMENT INCENTIVE.—Chapter 57 of title 5, United States Code, is amended—

(1) in subchapter IV, by inserting at the end the following:

**“§ 5757. Extended assignment incentive**

“(a) The head of an Executive agency may pay an extended assignment incentive to an employee if—

“(1) the employee has completed at least 2 years of continuous service in 1 or more civil service positions located in a territory or possession of the United States, the Commonwealth of Puerto Rico, or the Commonwealth of the Northern Mariana Islands;

“(2) the agency determines that replacing the employee with another employee possessing the required qualifications and experience would be difficult; and

“(3) the agency determines it is in the best interest of the Government to encourage the employee to complete a specified additional period of employment with the agency in the territory or possession, the Commonwealth of Puerto Rico or Commonwealth of the Northern Mariana Islands, except that the total amount of service performed in a particular territory, commonwealth, or possession under 1 or more agreements established under this section may not exceed 5 years.

“(b) The sum of extended assignment incentive payments for a service period may not exceed the greater of—

“(1) an amount equal to 25 percent of the annual rate of basic pay of the employee at the beginning of the service period, times the number of years in the service period; or

“(2) \$15,000 per year in the service period.

“(c)(1) Payment of an extended assignment incentive shall be contingent upon the employee entering into a written agreement with the agency specifying the period of service and other terms and conditions under which the extended assignment incentive is payable.

“(2) The agreement shall set forth the method of payment, including any use of an initial lump-sum payment, installment payments, or a final lump-sum payment upon completion of the entire period of service.

“(3) The agreement shall describe the conditions under which the extended assignment incentive may be canceled prior to the completion of agreed-upon service period and the effect of the cancellation. The agreement shall require that if, at the time of cancellation of the incentive, the employee has received incentive payments which exceed the amount which bears the same relationship to the total amount to be paid under the agreement as the completed service period bears to the agreed-upon service period, the employee shall repay that excess amount, at a minimum, except that an employee who is involuntarily reassigned to a position stationed outside the territory, commonwealth, or possession or involuntarily separated (not for cause on charges of misconduct, delin-

quency, or inefficiency) may not be required to repay any excess amounts.

“(d) An agency may not put an extended assignment incentive into effect during a period in which the employee is fulfilling a recruitment or relocation bonus service agreement under section 5753 or for which an employee is receiving a retention allowance under section 5754.

“(e) Extended assignment incentive payments may not be considered part of the basic pay of an employee.

“(f) The Office of Personnel Management may prescribe regulations for the administration of this section, including regulations on an employee's entitlement to retain or receive incentive payments when an agreement is canceled. Neither this section nor implementing regulations may impair any agency's independent authority to administratively determine compensation for a class of its employees.”; and

(2) in the analysis by adding at the end the following:

“§ 5757. Extended assignment incentive.”.

(b) CONFORMING AMENDMENT.—Section 5307(a)(2)(B) of title 5, United States Code, is amended by striking “or 5755” and inserting “5755, or 5757”.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the first applicable pay period beginning on or after 6 months after the date of enactment of this Act.

(d) REPORT.—No later than 3 years after the effective date of this section, the Office of Personnel Management, after consultation with affected agencies, shall submit a report to Congress assessing the effectiveness of the extended assignment incentive authority as a human resources management tool and making recommendations for any changes necessary to improve the effectiveness of the incentive authority. Each agency shall maintain such records and report such information, including the number and size of incentive offers made and accepted or declined by geographic location and occupation, in such format and at such times as the Office of Personnel Management may prescribe, for use in preparing the report.

**SEC. 210. ADDITIONAL AUTHORITIES OF THE ATTORNEY GENERAL.**

(a) FBI DANGER PAY.—Section 151 of the Foreign Relations Act, fiscal years 1990 and 1991 (5 U.S.C. 5928 note) is amended by inserting “or Federal Bureau of Investigation” after “Drug Enforcement Administration”.

(b) FOREIGN REIMBURSEMENTS.—For fiscal year 2002 and thereafter, whenever the Federal Bureau of Investigation participates in a cooperative project to improve law enforcement or national security operations or services with a friendly foreign country on a cost-sharing basis, any reimbursements or contributions received from that foreign country to meet its share of the project may be credited to appropriate current appropriations accounts of the Federal Bureau of Investigation. The amount of a reimbursement or contribution credited shall be available only for payment of the share of the project expenses allocated to the participating foreign country.

(c) RAILROAD POLICE TRAINING FEES.—For fiscal year 2002 and thereafter, the Attorney General is authorized to establish and collect a fee to defray the costs of railroad police officers participating in a Federal Bureau of Investigation law enforcement training program authorized by Public Law 106-110, and to credit such fees to the appropriation account “Federal Bureau of Investigation, Salaries and Expenses”, to be available until expended for salaries and expenses incurred in providing such services.

(d) WARRANTY WORK.—In instances where the Attorney General determines that law

enforcement-, security-, or mission-related considerations mitigate against obtaining maintenance or repair services from private sector entities for equipment under warranty, the Attorney General is authorized to seek reimbursement from such entities for warranty work performed at Department of Justice facilities, and to credit any payment made for such work to any appropriation charged therefor.

**TITLE III—MISCELLANEOUS**

**SEC. 301. REPEALERS.**

(a) OPEN-ENDED AUTHORIZATION OF APPROPRIATIONS FOR NATIONAL INSTITUTE OF CORRECTIONS.—Chapter 319 of title 18, United States Code, is amended by striking section 4353.

(b) OPEN-ENDED AUTHORIZATION OF APPROPRIATIONS FOR UNITED STATES MARSHALS SERVICE.—Section 561 of title 28, United States Code, is amended by striking subsection (i).

**SEC. 302. TECHNICAL AMENDMENTS TO TITLE 18 OF THE UNITED STATES CODE.**

Title 18 of the United States Code is amended—

(1) in section 4041 by striking “at a salary of \$10,000 a year”;

(2) in section 4013—

(A) in subsection (a)—

(i) by replacing “the support of United States prisoners” with “Federal prisoner detention”;

(ii) in paragraph (2) by adding “and” after “hire”;

(iii) in paragraph (3) by replacing “entities; and” with “entities.”; and

(iv) in paragraph (4) by inserting “The Attorney General, in support of Federal prisoner detainees in non-Federal institutions, is authorized to make payments, from funds appropriated for State and local law enforcement assistance, for” before “entering”; and

(B) by redesignating—

(i) subsections (b) and (c) as subsections (c) and (d); and

(ii) paragraph (a)(4) as subsection (b), and subparagraphs (A), (B), and (C), of such paragraph (a)(4) as paragraphs (1), (2), and (3) of such subsection (b); and

(3) in section 209(a)—

(A) by striking “or makes” and inserting “makes”; and

(B) by striking “supplements the salary of, any” and inserting “supplements, the salary of any”.

**SEC. 303. REQUIRED SUBMISSION OF PROPOSED AUTHORIZATION OF APPROPRIATIONS FOR THE DEPARTMENT OF JUSTICE FOR FISCAL YEAR 2003.**

When the President submits to the Congress the budget of the United States Government for fiscal year 2003, the President shall simultaneously submit to the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate such proposed legislation authorizing appropriations for the Department of Justice for fiscal year 2003 as the President may judge necessary and expedient.

**SEC. 304. STUDY OF UNTESTED RAPE EXAMINATION KITS.**

The Attorney General shall conduct a study to assess and report to Congress the number of untested rape examination kits that currently exist nationwide and shall submit to the Congress a report containing a summary of the results of such study. For the purpose of carrying out such study, the Attorney General shall attempt to collect information from all law enforcement jurisdictions in the United States.

**SEC. 305. REPORT ON DCS 1000 (“CARNIVORE”).**

Not later than 30 days after the end of fiscal years 2001 and 2002, the Attorney General and the Director of the Federal Bureau of Investigation shall provide to the Committees

on the Judiciary of the House of Representatives and the Senate a report detailing—

(1) the number of orders or extensions applied for to authorize the use of DCS 1000 (or any similar system or device);

(2) the fact that the order or extension was granted as applied for, was modified, or was denied;

(3) the kind of order applied for and the specific statutory authority relied on to use DCS 1000 (or any similar system or device);

(4) the court that authorized each use of DCS 1000 (or any similar system or device);

(5) the period of interceptions authorized by the order, and the number and duration of any extensions of the order;

(6) the offense specified in the order or application, or extension of an order;

(7) the Department of Justice official or officials who approved each use of DCS 1000 (or any similar system or device);

(8) the criteria used by the Department of Justice officials to review requests to use DCS 1000 (or any similar system or device);

(9) a complete description of the process used to submit, review, and approve requests to use DCS 1000 (or any similar system or device); and

(10) any information intercepted that was not authorized by the court to be intercepted.

#### SEC. 306. STUDY OF ALLOCATION OF LITIGATING ATTORNEYS.

Not later than 180 days after the date of the enactment of this Act, the Attorney General shall submit a report to the chairman and ranking minority member of the Committees on the Judiciary of the House of Representatives and Committee on the Judiciary of the Senate, detailing the distribution or allocation of appropriated funds, attorneys and other personnel, per-attorney workloads, and number of cases opened and closed, for each Office of United States Attorney and each division of the Department of Justice except the Justice Management Division.

#### SEC. 307. USE OF TRUTH-IN-SENTENCING AND VIOLENT OFFENDER INCARCERATION GRANTS.

Section 20105(b) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 13705(b)) is amended to read as follows:

“(b) USE OF TRUTH-IN-SENTENCING AND VIOLENT OFFENDER INCARCERATION GRANTS.—Funds provided under section 20103 or 20104 may be applied to the cost of—

“(1) altering existing correctional facilities to provide separate facilities for juveniles under the jurisdiction of an adult criminal court who are detained or are serving sentences in adult prisons or jails;

“(2) providing correctional staff who are responsible for supervising juveniles who are detained or serving sentences under the jurisdiction of an adult criminal court with orientation and ongoing training regarding the unique needs of such offenders; and

“(3) providing ombudsmen to monitor the treatment of juveniles who are detained or serving sentences under the jurisdiction of an adult criminal court in adult facilities, consistent with guidelines issued by the Assistant Attorney General.

#### SEC. 308. AUTHORITY OF THE DEPARTMENT OF JUSTICE INSPECTOR GENERAL.

Section 8E of the Inspector General Act of 1978 (5 U.S.C. App) is amended—

(1) in subsection (b), by striking paragraphs (2) and (3) and inserting the following:

“(2) except as specified in subsection (a) and paragraph (3), may investigate allegations of criminal wrongdoing or administrative misconduct by an employee of the Department of Justice, or may, in the Inspector General’s discretion, refer such allegations

to the Office of Professional Responsibility or the internal affairs office of the appropriate component of the Department of Justice; and

“(3) shall refer to the Counsel, Office of Professional Responsibility of the Department of Justice, allegations of misconduct involving Department attorneys, investigators or law enforcement personnel, where the allegations relate to the exercise of an attorney’s authority to investigate, litigate, or provide legal advice, except that no such referral shall be made if the attorney is employed in the Office of Professional Responsibility.”; and

(2) by inserting at the end the following:

“(d) The Attorney General shall insure by regulation that any component of the Department of Justice receiving a nonfrivolous allegation of criminal wrongdoing or administrative misconduct by an employee of the Department shall report such information to the Inspector General.”.

#### SEC. 309. REPORT ON INSPECTOR GENERAL AND DEPUTY INSPECTOR GENERAL FOR FEDERAL BUREAU OF INVESTIGATION.

Not later than 90 days after the date of enactment of this Act, the Attorney General shall submit a report and recommendation to the chairman and ranking member of the Committee on the Judiciary of the Senate and the Committee of the Judiciary on the House of Representatives concerning—

(1) whether there should be established, within the Department of Justice, a separate Office of the Inspector General for the Federal Bureau of Investigation that shall be responsible for supervising independent oversight of programs and operations of the Federal Bureau of Investigation; and

(2) whether there should be established, within the Office of the Inspector General for the Department of Justice, an Office of Deputy Inspector General for the Federal Bureau of Investigation that shall be responsible for supervising independent oversight of programs and operations of the Federal Bureau of Investigation.

#### TITLE IV—VIOLENCE AGAINST WOMEN

##### SEC. 401. SHORT TITLE.

This title may be cited as the “Violence Against Women Office Act”.

##### SEC. 402. ESTABLISHMENT OF VIOLENCE AGAINST WOMEN OFFICE.

Part T of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796gg et seq.) is amended—

(1) in section 2002(d)(3)—

(A) by striking “section 2005” and inserting “section 2009”; and

(B) by striking “section 2006” and inserting “section 2010”;

(2) by redesignating sections 2002 through 2006 as sections 2006 through 2010, respectively; and

(3) by inserting after section 2001 the following:

##### “SEC. 2002. ESTABLISHMENT OF VIOLENCE AGAINST WOMEN OFFICE.

“(a) OFFICE.—There is hereby established within the Department of Justice, under the general authority of the Attorney General, a Violence Against Women Office (in this title referred to as the ‘Office’).

“(b) DIRECTOR.—The Office shall be headed by a Director (in this title referred to as the ‘Director’), who shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall report to the Attorney General through the Assistant Attorney General, and shall make reports to the Deputy Attorney General as the Director deems necessary to fulfill the mission of the Office. The Director shall have final authority for all grants, cooperative agreements, and contracts awarded by the

Office. The Director shall not engage in any employment other than that of serving as the Director, nor shall the Director hold any office in, or act in any capacity for, any organization, agency, or institution with which the Office makes any contract or other arrangement under this title.

##### “SEC. 2003. DUTIES AND FUNCTIONS OF DIRECTOR OF VIOLENCE AGAINST WOMEN OFFICE.

“(a) IN GENERAL.—The Director shall have the following duties:

“(1) Serving as special counsel to the Attorney General on the subject of violence against women.

“(2) Maintaining liaison with the judicial branches of the Federal and State Governments on matters relating to violence against women.

“(3) Providing information to the President, the Congress, the judiciary, State and local governments, and the general public on matters relating to violence against women.

“(4) Serving, at the request of the Attorney General or Assistant Attorney General, as the representative of the Department of Justice on domestic task forces, committees, or commissions addressing policy or issues relating to violence against women.

“(5) Serving, at the request of the President, acting through the Attorney General, as the representative of the United States Government on human rights and economic justice matters related to violence against women in international forums, including, but not limited to, the United Nations.

“(6) Carrying out the functions of the Department of Justice under the Violence Against Women Act of 1994 (title IV of Public Law 103-322) and the amendments made by that Act, and other functions of the Department of Justice on matters relating to violence against women, including with respect to those functions—

“(A) the development of policy, protocols, and guidelines;

“(B) the development and management of grant programs and other programs, and the provision of technical assistance under such programs; and

“(C) the award and termination of grants, cooperative agreements, and contracts.

“(7) Providing technical assistance, coordination, and support to—

“(A) other elements of the Department of Justice, in efforts to develop policy and to enforce Federal laws relating to violence against women, including the litigation of civil and criminal actions relating to enforcing such laws;

“(B) other Federal, State, and tribal agencies, in efforts to develop policy, provide technical assistance, and improve coordination among agencies carrying out efforts to eliminate violence against women, including Indian or indigenous women; and

“(C) grantees, in efforts to combat violence against women and to provide support and assistance to victims of such violence.

“(8) Exercising such other powers and functions as may be vested in the Director pursuant to this title or by delegation of the Attorney General or Assistant Attorney General.

“(9) Establishing such rules, regulations, guidelines, and procedures as are necessary to carry out any function of the Office.

##### “SEC. 2004. STAFF OF VIOLENCE AGAINST WOMEN OFFICE.

“The Attorney General shall ensure that the Director has adequate staff to support the Director in carrying out the Director’s responsibilities under this title.

##### “SEC. 2005. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated such sums as are necessary to carry out this title.”.

*Section 1. Short title and table of contents*

Section 1 provides that the short title of the Act shall be the "21st Century Department of Justice Appropriations Authorization Act." It also contains a table of contents.

**TITLE I—AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 2002**

*Section 101. Specific sums authorized to be appropriated*

Section 101 authorizes appropriations to carry out the work of the various components of the Department of Justice for fiscal year 2002. The structure of Title I mirrors the organization of the annual Commerce-Justice-State, CJS, appropriations bill and the President's budget request. The bill authorizes the appropriations of amounts requested by the President in most accounts. The accounts, and the activities and components that each would fund, are as follows:

*General Administration*—\$93,433,000—For the leadership offices of the Department, including the offices of the Attorney General and Deputy Attorney General, and the Justice Management Division, Executive Support program, Intelligence Policy, Office of Professional Responsibility, and General Administration.

*Administrative Review and Appeals*—\$178,499,000—For the Executive Office for Immigration Review and the Office of the Pardon Attorney.

*Office of Inspector General*—\$55,000,000—For the investigation of allegations of violations of criminal and civil statutes, regulations, and ethical standards by Department employees, and for the new position of Deputy Inspector General to oversee the Federal Bureau of Investigation. This amount is \$10 million above the President's Request. The IG's office has been severely downsized over the last several years from approximately 460 to 360 full-time equivalents. Oversight is a priority and this level of funding should get the IG back on the path of meeting the audit and oversight needs of the Department. The Committee expects that the OIG will substantially increase its oversight of the FBI, INS, and the Department's grant programs.

*General Legal Activities*—\$566,822,000—For the conduct of the legal activities of the Department. This includes the office of Solicitor General, Tax Division, Criminal Division, Civil Division, Environment and Natural Resources Division, Civil Rights Division, Office of Legal Counsel, Interpol, Legal Activities Office Automation, and Office of Dispute Resolution. The authorization includes not less than \$4,000,000 to augment the investigation and prosecution of denaturalization and deportation cases involving alleged Nazi war criminals and not less than \$10,000,000 to augment the investigation and prosecution of intellectual property crimes, including software counterfeiting crimes and crimes identified in the No Electronic Theft (NET) Act (Public Law 105-147).

*Antitrust Division*—\$140,973,000—For decreasing anti-competitive behavior among U.S. businesses and increasing the competitiveness of the national and international business environment.

*United States Attorneys*—\$1,346,289,000—For the 93 U.S. Attorneys and their offices and the Executive Office of U.S. Attorneys. The U.S. Attorneys represent the United States in the vast majority of criminal and civil cases handled by the Justice Department.

*Federal Bureau of Investigation*—\$3,507,109,000—For the detection, investigation, and prosecution of crimes against the United States. The FBI also plays a primary role in the protection of the United States from foreign intelligence activities and in-

vestigating and preventing acts of terrorism against the United States.

*United States Marshals Service*—\$626,439,000—To protect the Federal courts and its personnel and to ensure the effective operation of the federal judicial system, of which no more than \$6,621,000 may be used for construction.

*Federal Prison System*—\$4,662,710,000—For the administration, operation, and maintenance of federal penal and correctional institutions.

*Federal Prison Detention*—\$724,682,000—For the support of United States prisoners in non-federal institutions, as authorized by 18 U.S.C. §4013(a).

*Drug Enforcement Agency*—\$1,480,929,000—To enforce the controlled substance laws and regulations of the United States and to recommend and support non-enforcement programs aimed at reducing the availability of illicit controlled substances on the domestic and international markets.

*Immigration and Naturalization Service*—\$3,516,411,000—For the administration and enforcement of the laws relating to immigration, naturalization, and alien registration, of which no more than \$2,737,341,000 for salaries and expenses and border affairs, no more than \$650,660,000 for salaries and expenses of citizenship and benefits, and no more than \$128,410,000 for construction.

*Fees and Expenses of Witnesses*—\$156,145,000—For fees and expenses associated with providing witness testimony on behalf of the United States, expert witnesses, and private counsel for government employees who have been sued, charged, or subpoenaed for actions taken while performing their official duties.

*Interagency Crime and Drug Enforcement*—\$338,106,000—For the detection, investigation, and prosecution of individuals involved in organized crime drug trafficking.

*Foreign Claims Settlement Commission*—\$1,130,000—To adjudicate claims of U.S. nationals against foreign governments under jurisdiction conferred by the International Claims Settlement Act of 1949, as amended, and other authorizing legislation;

*Community Relations Service (CRS)*—\$9,269,000—To assist communities in preventing violence and resolving conflicts arising from racial and ethnic tensions and to develop the capacity of such communities to address these conflicts without external assistance. CRS activities are conducted in accordance with Title X of the Civil Rights Act of 1964.

*Assets Forfeiture Fund*—\$22,949,000—To provide a stable source of resources to cover the costs of the asset seizure and forfeiture program, including the costs of seizing, evaluating, inventorying, maintaining, protecting, advertizing, forfeiting, and disposing of property.

*United States Parole Commission*—\$10,862,000—For the activities of the U.S. Parole Commission. The Commission has jurisdiction over all Federal prisoners eligible for parole, wherever confined, and continuing jurisdiction over those who are released on parole or as if on parole.

*Federal Detention Trustee*—\$1,718,000—For necessary expenses to exercise all power and functions authorized by law relating to the detention of Federal prisoners in non-federal institutions or otherwise in the custody of the United States Marshall Service; and the detention of aliens in the custody of the Immigration and Naturalization Service.

*Joint Automated Booking System*—\$15,957,000—For expenses necessary for the nationwide deployment of a Joint Automated Booking System including automated capability to transmit fingerprint and image data.

*Narrowband Communications*—\$104,606,000—For the costs of conversion to narrowband

communications, including the cost for operation and maintenance of Land Mobile Radio legacy systems.

*Radiation Exposure Compensation*—\$1,996,000—For necessary administrative expenses in accordance with the Radiation Exposure Compensation Act.

*Counterterrorism Fund*—\$4,989,000—For the reimbursement of: 1. the costs incurred in re-establishing the operational capability of an office or facility which has been damaged or destroyed as a result of any domestic or international terrorist incident and 2. the costs of providing support to counter, investigate or prosecute domestic or international terrorism, including payment of rewards in connection with these activities.

*Office of Justice Programs*—\$116,369,000—For necessary administrative expenses of the Office of Justice Programs.

*Section 102. Appointment of additional Assistant United States Attorneys and reduction of certain litigation positions*

This section authorizes the Attorney General to transfer 200 additional Assistant U.S. Attorneys from among the six litigating divisions at the Justice Department's headquarters, Main Justice, in Washington, D.C. to the various U.S. Attorneys offices around the country. Vacant positions resulting from transfers pursuant to this section will be terminated. This section is intended to raise the productivity of Washington-based lawyers, who litigate criminal and civil cases across the Nation for the Justice Department, by moving them to the field. Litigating attorneys for the government are most effective in the Federal judicial district where their cases are pending. The transfer authorization is discretionary to prevent ongoing litigation from being adversely affected.

*Section 103. Authorization of additional Assistant United States Attorneys for Project Safe Neighborhoods*

This section authorizes an additional Assistant United States Attorney in each of the 94 U.S. Attorney Offices to implement part of the Administration's Project Safe Neighborhoods proposal to reduce school gun violence across the nation. These prosecutors will assist in targeting juveniles who obtain weapons and commit violent crimes, as well as the adults who place firearms in the hands of juveniles.

**TITLE II—PERMANENT ENABLING PROVISIONS**  
*Section 201. Permanent authority*

Section 201 amends Chapter 31 of Title 28, United States Code, by creating a new section, "530C". This section details permitted uses of available funds by the Attorney General to carry out the activities of the Justice Department. General permitted uses of available funds include: payment for motor vehicles, boats, and aircraft; payment for service of experts and consultants, and payment for private counsel; payment for official reception and representation expenses and public tours; payment of unforeseen emergencies of a confidential character; payment of miscellaneous and emergency expenses; payment of certain travel and attendance expenses; payment of contracts for personal services abroad; payment of interpreters and translators; and payment for uniforms.

Specific permitted uses of available funds include: payment for aircraft and boats; payment for ammunition, firearms, and firearm competitions; and payment for construction of certain facilities.

The use of funds appropriated for Fees and Expenses of Witnesses is limited to certain expenses and the construction of witness safesites. The use of funds appropriated for the Federal Bureau of Investigation is limited to the detection, investigation, and

prosecution of crimes against the United States. The use of funds appropriated for the Immigration and Naturalization Service is limited to general Immigration and Naturalization Service activities. The use of appropriated funds for the Federal Prison System is limited to general function of the Federal Prison System. The use of appropriated funds for the Detention Trustee is limited to the functions authorized by law relating the detention of Federal prisoners in non-Federal institutions or otherwise in the custody of the United States Marshals Service and for the detention of aliens in the custody of the INS.

The Attorney General is prohibited from compensating employed attorneys who are not duly licensed and authorized to practice under the law of a State, U.S. territory, or the District of Columbia. And reimbursement payments to governmental units of the Department of Justice, other Federal entities, or State or local governments are limited to uses permitted by the authority permitting such reimbursement payment.

*Section 202. Permanent authority relating to the enforcement of laws*

Section 202 amends Chapter 31 of Title 28, United States Code, by creating a new section, "530D" relating to reporting on the enforcement of laws. This section directs the Attorney General to report to Congress in any case in which the Attorney General, the President, head of executive agency, or military department:

1. establishes a policy to refrain from enforcing any provision of a Federal statute, rule regulation, program, policy, or other law within the responsibility of the Attorney General;

2. refrains from adhering to, enforcing, applying, or complying with any other judicial determination or other statute, rule, regulation, program, or policy within the responsibility of the Attorney General;

3. decides to contest in any judicial, administrative, or other proceeding, the constitutionality of any provision of any Federal statute, rule, regulation, program, policy, or other law;

4. refrains from defending or asserting, in any judicial, administrative, or other proceeding, the constitutionality of any provision of any Federal statute, rule, regulation, program, policy, or other law, or not to appeal or request review of any judicial, administrative, or other determination adversely affecting the constitutionality of any such provision; or

5. when the Attorney General approves the settlement or compromise of any claim, suit or other action against the United States for more than \$2,000,000 or for injunctive relief against the government that is likely to exceed three years.

Each report, which is subject to certain time and content requirements, must be submitted to the Majority and Minority Leaders of the Senate, the Speaker of the House, House Majority Leader, House Minority Leader, and the Chairman and ranking minority member of the Senate and House Committees on the Judiciary, the Senate Legal Counsel and the General Counsel of the House of Representatives. Section 202 also includes a number of conforming amendments.

*Section 203. Notifications and reports to be provided simultaneously to committees*

Section 203 requires the Attorney General or other officer of the Department of Justice to simultaneously submit copies of any notice or report, which is required by law to be submitted to other Committees or Subcommittees of Congress, to the House and Senate Judiciary Committees.

*Section 204. Miscellaneous uses of funds; technical amendments*

Section 204 provides technical amendments to the Bureau of Justice Assistance grant programs in title I of the Omnibus Crime Control and Safe Streets Act of 1968. It also makes minor amendments to the amount available to compensate attorneys specially retained by the Attorney General.

*Section 205. Technical amendment; authority to transfer property of marginal value.*

Section 205 makes technical amendments to section 524(c) of title 28, United States Code, clarifies the Attorney General's authority to transfer property of marginal value, and requires the use of standard criteria for the purpose of categorizing offenders, victims, actors, and those acted upon in any data, records, or other information acquired, collected, classified, preserved, or published by the Attorney General for any statistical, research, or other aggregate reporting purpose. This section also makes several clerical and technical amendments to title 28, United States Code. In addition, this section adds authority to ensure that no inference is created that the government is liable for interest on certain retroactive payments made by the Department of Justice and to improve financial systems and debt-collection activities.

*Section 206. Oversight; waste, fraud, and abuse of appropriations*

Section 206 amends Section 529 of Title 28, United States Code, to require the Attorney General to submit an annual report to the House and Senate Committees on the Judiciary detailing: every grant, cooperative agreement, or programmatic services contract that was made, entered into, awarded, or extended in the immediately preceding fiscal year by or on behalf of the Office of Justice Programs; and a report on every grant, cooperative agreement, or programmatic services contract made, entered into, awarded, or extended by or on behalf of the Office of Justice Programs that was terminated or that otherwise ended in the immediately preceding fiscal year.

In addition, Section 206 amends the Anti-Lobbying Act to expand its coverage to all legislative activity at the federal and state level and establishes a new reporting requirement on the enforcement and prosecution of copyright infringements, along with a number of conforming amendments.

*Section 207. Enforcement of the federal criminal laws by Attorney General*

Section 207 provides clarifying amendments to title 28, United States Code, relating to the enforcement of federal criminal law.

*Section 208. Counterterrorism fund*

Section 208 establishes a counterterrorism fund in the Treasury of the United States, without effecting prior appropriations, to reimburse Justice Department components for any costs incurred in connection with:

1. reestablishing the operational capability of an office or facility that has been damaged as the result of any domestic or international terrorism incident;

2. providing support to counter, investigate, or prosecute domestic or international terrorism, including paying rewards in connection with these activities;

3. conducting terrorism threat assessments of Federal agencies; and

4. for costs incurred in connection with detaining individuals in foreign countries who are accused of acts of terrorism in violation of United States law.

*Section 209. Strengthening law enforcement in United States Territories, Commonwealths, and Possessions.*

Section 209 allows the payment of a retention bonus and other extended assignment

incentives to retain law enforcement personnel in U.S. Territories, Commonwealths and Possessions. This new authority is needed to continue the fight against drug and crime problems in these areas.

*Section 210. Additional authorities of the Attorney General.*

Section 210 provides special "danger pay" allowances for FBI agents in hazardous duty locations outside the United States, as is provided for agents of the Drug Enforcement Administration. The section also permits the FBI to enter into cooperative projects with foreign countries to improve law enforcement or intelligence operations and to charge a fee for training of railroad police officers. In addition, the section authorizes the Attorney General to seek reimbursement of warranty work performed at Department of Justice facilities. The Administration requested these provisions in its budget submission for FY 2002.

TITLE III—MISCELLANEOUS

*Section 301. Repealers.*

Section 301 repeals open-ended authorizations of appropriations for the National Institute of Corrections and the United States Marshals Service.

*Section 302. Technical amendments to title 18 of the United States Code*

Section 302 makes several minor clarifying amendments to title 18, United States Code. Section 302(3) moves a comma that became the focus of a statutory construction question in *Crandon v. United States*.

*Section 303. Required submission of proposed authorization of appropriations for the Department of Justice for fiscal year 2003.*

Section 303 requires the President to submit a Department of Justice authorization bill for FY 2003 to the House and Senate Committees on the Judiciary when the President submits his FY 2003 budget. This authorization bill should contain any recommended additions, changes or modifications to existing authorities that may be necessary to carry out the functions of the Department. Any such addition, change, or modification should be accompanied by a description of the change and the justification for the change.

*Section 304. Study of untested rape examination kits.*

Section 304 requires the Attorney General to conduct a study and assessment of untested rape examination kits that currently exist nationwide, including information from all law enforcement jurisdictions. The Attorney General is required to submit a report of this study and assessment to the Congress.

*Section 305. Report on DCS 1000 ("Carnivore")*

Section 305 requires the Attorney General and Director of the Federal Bureau of Investigation to submit a timely report to the House and Senate Committees on the Judiciary detailing: 1. the number of orders or extensions applied for to authorize the use of DCS 1000 (or any similar system or device); 2. the fact that the order or extension was granted as applied for, was modified, or was denied; 3. the kind of order applied for and the specific statutory authority relied on to use DCS 1000 (or any similar system or device); 4. the court that authorized each use of DCS 1000 (or any similar system or device); 5. the period of interceptions authorized by the order, and the number and duration of any extensions of the order; 6. the offense specified in the order or application, or extension of an order; 7. the Department of Justice official or officials who approved each use of DCS 1000 (or any similar system or device); 8. the criteria used by the Department of Justice officials to review requests to use DCS

1000 (or any similar system or device); 9. a complete description of the process used to submit, review, and approve requests to use DCS 1000 (or any similar system or device); and 10. any information intercepted that was not authorized by the court to be intercepted.

*Section 306. Study of allocation of litigating attorneys.*

Section 306 requires the Attorney General to report to Congress within 180 days of enactment of this bill on the allocation of funds, attorneys, and other personnel, per-attorney workloads, and number of cases opened and closed for each office of U.S. Attorney and each division of the Department of Justice.

*Section 307. Use of Truth-In-Sentencing and Violent Offender Incarceration Grants.*

Section 307 provides states with flexibility to use existing Truth-In-Sentencing and Violent Offender Incarceration Grants to account for juveniles being housed in adult prison facilities.

*Section 308. Authority of the Department of Justice Inspector General.*

Section 308 codifies the Attorney General's order of July 11, 2001, which revised Department of Justice's regulations concerning the Inspector General. The section insures that the Inspector General for the Department of Justice has the authority to decide whether a particular allegation of misconduct by Department of Justice personnel, including employees of the Federal Bureau of Investigation and the Drug Enforcement Administration, should be investigated by the Inspector General or by the internal affairs unit of the appropriate component of the Department of Justice. Consistent with the Attorney General's order, the one exception is that allegations of misconduct that relate to the exercise of an attorney's authority to investigate, litigate, or provide legal advice should be referred to the Office of Professional Responsibility of the Department of Justice.

*Section 309. Report on Inspector General and Deputy Inspector General for Federal Bureau of Investigation.*

Section 309 requires the Attorney General to submit a report and recommendation to the House and Senate Committees on the Judiciary not later than 90 days after enactment of this Act on whether there should be established an office of Inspector General for the FBI or an office of Deputy Inspector General for the FBI that shall be responsible for supervising independent oversight of programs and operations of the FBI.

TITLE IV—VIOLENCE AGAINST WOMEN

*Section 401. Short title.*

Section 401 establishes the "Violence Against Women Office Act" as the short title.

*Section 402. Establishment of Violence Against Women Office.*

Section 402 establishes a Violence Against Women Office, VAWO, within the Department of Justice, headed by a presidentially appointed and Senate confirmed Director. The Director is vested with authority for all grants, cooperative agreements, and contracts awarded by the VAWO. In addition, the Director is prohibited from other employment during service as Director or affiliation with organizations that may create a conflict of interest.

This section enumerates the following duties of the Director: 1. serving as special counsel to the Attorney General on violence against women; 2. maintaining a liaison with the judicial branches of Federal and State Governments; 3. providing information to

the President, the Congress, the judiciary, State and local government, and to the general public; 4. serving as a representative of the Justice Department on domestic task forces, committees, or commissions; 5. serving as a representative of the United States Government on human rights and economic justice matters at international forums; 6. carrying out the functions of the Justice Department under the Violence Against Women Act of 1994 and other matters relating to violence against women, including developing policy, the development and management of grant and other programs, and the award and termination of grants; 7. providing technical assistance, coordination, support to other elements of the Justice Department, other Federal, State, and Tribal agencies, and to grantees; exercising other powers delegated by the Attorney General or Assistant Attorney General; 8. and establishing rules, regulations, guidelines and necessary procedures to carry out the functions of VAWO.

This section requires the Attorney General to ensure that VAWO receives adequate staff to support the Director in carrying out the responsibilities of the VAWO Act.

This section also authorizes such sums as are necessary to carry out the VAWO Act.

Mr. HATCH. Madam President, I rise in support of the 21st Century Department of Justice Appropriations Authorization Act, which Senator LEAHY and I have introduced today. Senator LEAHY and I have been working for several years to pass a Department of Justice reauthorization bill, and I can say that it is once again a major priority of the Judiciary Committee this session. I want to emphasize to my colleagues how important it is that the Senate consider and pass this legislation to reauthorize the Department of Justice this year.

It is simply inexcusable that over two decades have lapsed since Congress has passed a general authorization bill for the Department of Justice. It is in my view a matter of significant concern when any major cabinet department goes for such a long period of time without congressional reauthorization. Absence of reauthorization encourages administrative drift and permits important policy decisions to be made ad hoc through the adoption of appropriations bills or special purpose legislation. Moreover, our failure to reauthorize has also placed the undue burden on the appropriations committees in both houses to act as both authorizers and appropriators. This legislation will end the piecemeal funding of important programs and responsibilities which affect the day-to-day lives of all Americans.

The Department of Justice's main duty is to provide justice to all Americans, certainly of central importance to our national life. It has the primary responsibility for the enforcement of our Nation's laws. Through its divisions and agencies including the FBI and DEA, it investigates and prosecutes violations of Federal criminal laws, protects the civil rights of our citizens, enforces the antitrust laws, and represents every department and agency of the United States government in litigation. Increasingly, its mission is international as well, pro-

tecting the interests of the United States and its people from growing threats of trans-national crime and international terrorism. Additionally, among the Department's key duties is providing much needed assistance and advice to State and local law enforcement.

The vast importance of the Department's role is demonstrated by the growth of its budget in the last two decades. In FY 1979, the Department of Justice's budget was just \$2.538 billion. In contrast, the Department of Justice's budget now exceeds \$24 billion and it employs more than 125,000 people. Such a vast department requires Congress' full attention. Yet, it is fair to say that Congress has been less than vigilant in its job of overseeing the Department of Justice. Let me be clear that I am not advocating that we micro-manage the Department of Justice. I have full confidence in Attorney General Ashcroft and the thousands of employees who competently manage the Department daily. However, we cannot continue to neglect our responsibility to oversee closely this Department that so profoundly affects the lives of all Americans.

The authorizations contained in the 1979 reauthorization act, the last Justice Department authorization bill that Congress passed, are hopelessly out of date and have been amended, patched, and tweaked by Congress every year since. The lack of a comprehensive authorization has needlessly increased the administrative burden on the Department of Justice by causing them to perform operations inefficiently or to delay implementation of programs until specific authorization is legislated. This bill authorizes and consolidates a host of appropriations authorities and makes them permanent. These authorities are essential to the administration of the Department of Justice and accomplishment of its mission.

I want to take a moment to highlight some of the more important provisions of this bill. Title I of the bill authorizes appropriations for the major components of the Department for FY 2002. Among these authorizations are funding for the Drug Enforcement Administration to combat the trafficking of illegal drugs, the Immigration and Nationalization Service to enforce our country's immigration laws, and the Federal Bureau of Investigation to protect against cybercrime and terrorism. The authorization levels reflect the President's budget in all but two areas. First, the bill increases the President's request for the Department's Inspector General by \$10 million. This increase is warranted because the IG's office has been cut severely over the last several years and the need for effective oversight, particularly over the FBI, is essential. Second, the bill increases by \$10 million the request for the Computer Crime and Intellectual Property Section within the Department. With the number and severity of computer

crimes growing dramatically each year, this increase will enhance the Department's ability to investigate and prosecute computer related crimes, such as software counterfeiting crimes and denial of service attacks.

Additionally, this bill codifies the Attorney General's recent order that extended the authority of the Inspector General's Office to oversee the programs and operations of the FBI and to investigate allegations of wrongdoing within the Bureau. The bill also directs the Attorney General to submit a report and recommendation to Congress to determine whether to establish an Office of Inspector General for the FBI or an office of Deputy Inspector General for the FBI, which would be responsible for supervising independent oversight of the programs and operations of the FBI. While I am confident that the FBI's new Director, Robert Mueller, has the knowledge and ability to correct some of the bureaucratic and managerial problems the FBI has experienced, I agree with the Attorney General that FBI should be subject to the oversight of the IG. I look forward to the Attorney General's report, and I am sure it will provide guidance as to whether additional measures are warranted to ensure the effective operation of the Bureau.

Finally, the bill establishes a Violence Against Women Office, VAWO, within the Justice Department, which will be headed by a presidentially appointed and Senate confirmed Director. The bill enumerates the duties and responsibilities of the Director and requires the Attorney General to ensure that the Office is staffed adequately. The Director, in part, will serve as a special counsel to the Attorney General on issues related to violence against women, provide information to the President, the Congress, State and local governments, and the general public, and maintain a liaison with the judicial branches of federal and State governments. Establishing this office bespeaks our commitment to reducing violent crimes against women.

This bill is a step in the right direction. It will undoubtedly revive Congress's role and interest in overseeing the Department of Justice. The Judiciary Committee has redoubled its efforts and plans to vote the Department of Justice reauthorization bill out of Committee soon after we return from the August recess. It is a highly important and overdue piece of legislation that deserves our immediate attention, and I am confident that it will receive the support of my colleagues and be enacted this year.

By Mr. KOHL (for himself and Mr. CORZINE):

S. 1320. a bill to change the date for regularly scheduled Federal elections and establish polling place hours; to the Committee on Rules and Administration.

Mr. KOHL. Madam President, today I am introducing the Weekend Voting

Act of 2001. This legislation will change the day for congressional and presidential elections from the first Tuesday in November to the first weekend in November. This legislation is virtually identical to legislation that I first proposed in 1997 in the 105th Congress.

Earlier this week, the National Commission on Federal Election Reform presented its recommendations to the President on how to improve the administration of elections in our country. These recommendations, coming on the heels of the contested Presidential election of last year, lay out some strong ideas for how we can strengthen our election system at a time when Congress may very well take action in this area. As a cosponsor of election reform legislation, I am hopeful that we can pass real election reform this year.

One of the recommendations the National Commission made to the President is that we move Election Day to a national holiday, in particular Veterans Day. As might have been expected, this proposal has not been well received by veterans groups who rightly consider this a diminishment of their service and the day that historically has been designated to honor that service. While I agree with the Commission's goal of moving election day to a non-working day, I believe we can achieve all the benefits of holiday voting without offending our veterans by moving our elections to the weekend.

My proposal for weekend voting would call for the polls to be open the same hours across the continental United States, addressing the challenge of keeping results on one side of the country, or even a State, from influencing voting in places where polls are still open. Moving elections to the weekend will expand the pool of buildings available for polling stations and people available to work at the polls, addressing the critical shortage of poll workers. Weekend voting also has the potential to increase voter turnout by giving all voters ample opportunity to get to the polls without creating a national holiday.

Under this bill, polls would be open nationwide for a uniform period of time from Saturday, 6 p.m. eastern time to Sunday, 6 p.m. eastern time. Polls in other time zones would also open and close at this time. Election officials would be permitted to close polls during the overnight hours if they determine it would be inefficient to keep them open. Because the polls are open from Saturday to Sunday, they also would not interfere with religious observances.

Amidst all the discussion about election reform, there is growing support for uniform polling hours. The free-wheeling atmosphere surrounding election night last November, with the networks calling the outcome of elections in states when polling places were still open in many places, and in some cases even in the very states being called,

cannot be repeated. While it is difficult to determine the impact this information has on voter turnout, there is no question that it contributes to the popular sentiment that voting doesn't matter. At the end of the day, as we assess how to make our elections better, we are not only seeking to make voting more equitable, we are also looking for ways to engage Americans in our democracy.

I come from the business world, where you had a perfect gauge of what the public thought of you and your products. If you turned a profit, you knew the public liked your product—if you didn't, you knew you needed to make changes. If customers weren't showing up when your store was open, you knew you had to change your store hours.

In essence, it's time for the American democracy to change its store hours. Since the mid-19th century, election day has been on the first Tuesday of November. Ironically, this date was selected because it was convenient for voters. Tuesdays were traditionally court day, and land-owning voters were often coming to town anyway.

Just as the original selection of our national voting day was done for voter convenience, we must adapt to the changes in our society to make voting easier for the regular family. Sixty percent of all households have two working adults. Since most polls in the United States are open only 12 hours, from 7 a.m. to 7 p.m., voters often have only one or two hours to vote. As we saw in this last election, even with our relatively low voter turnout, long lines in many polling places kept some waiting even longer than one or two hours. If voters have children, and are dropping them off at day care, or if they have a long work commute, there is just not enough time in a workday to vote.

We can do better by offering more flexible voting hours for all Americans, especially working families.

Since I introduced my weekend voting legislation in 1997, a number of States have been experimenting with novel ways to increase voter turnout and satisfaction. Oregon conducted the first presidential elections completely by mail, resulting in impressive increases in voter turnout. Texas has implemented an early voting plan which also resulted in increased turnout. And California has relaxed restrictions on absentee voting, and even had weekend voting in some localities. Although there are security concerns that need to be ironed out, Internet voting has tremendous potential to transform the way we vote. In Arizona's Democratic primary 46 percent of all votes came via the Internet. The Defense Department coordinated a pilot program with several U.S. counties and the Federal Voting Assistance Program to have overseas voters, primarily military voters, cast their votes via the Internet. It is becoming increasingly clear that these new models can increase

voter turnout, and voters are much more pleased with the additional convenience and ease with voting.

For decades we've seen a gradual decline in voter turnout. In 1952, about 63 percent of eligible voters came out to vote—that number dropped to 49 percent in the 1996 election. We saw a minor increase in this past election with voter turnout at 51 percent of eligible voters, however, not a significant increase given the closeness of the election. Non-Presidential year voter turnout is even more abysmal.

Analysts point to a variety of reasons for this drop off. Certainly, common sense suggests that the general decline in voter confidence in government institutions is one logical reason. However, I'd like to point out, one survey of voters and nonvoters suggested that both groups are equally disgruntled with government.

Thus, we must explore ways to make our electoral process more user friendly. We must adjust our institutions to the needs of the American public of the 21st century. Our democracy has always had the amazing capacity to adapt to the challenges thrown before it, and we must continue to do so if our country is to grow and thrive.

Of 44 democracies surveyed, 29 of them allow their citizens to vote on holidays or the weekends. And in nearly every one of these nations, voter turnout surpasses our country's poor performance. We can do better. That is why I am proposing that we consider weekend voting.

I recognize a change of this magnitude may take some time. But the many questions raised by our last election have given us a unique opportunity to reassess all aspects of voting in America. We finally have the momentum to accomplish real reform. How much lower should our citizens' confidence plummet before we adapt and create a more 'consumer-friendly' polling system? How much more should voting turnout decline before we realize we need a change?

The Weekend Voting Act will not solve all of this democracy's problems, but it is a commonsense approach for adapting this grand democratic experiment of the 18th century to the American family's lifestyle of the 21st century.

By Mr. INHOFE (for himself and Mr. NICKLES):

S. 1321. A bill to authorize the construction of a Native American Cultural Center and Museum in Oklahoma City, Oklahoma; to the Committee on Indian Affairs.

Mr. INHOFE. Madam President, as many people may be aware, my state of Oklahoma has well over a quarter of a million American Indians. Even Oklahoma derives its name from the Choctaw words, "okla" meaning people and "humma" meaning red. Today, I am pleased to introduce, along with my colleague, Senator NICKLES, a bill that will provide a grant to help fund the

construction and development of the Native American Cultural Center and Museum, which will be centrally located along the North Canadian River at the southeast corner of Interstate 35 and Interstate 40, in Oklahoma City. This project marks the culmination of years of dreaming and planning by many people, including state Senator Kelly Haney, who is recognized worldwide for his Indian art.

The Native American Cultural Center will provide people from all over the world with an extensive picture of American Indians from the earliest civilization in North America, to their current role in today's society. Through art, music and dance, visitors will be able to see the wide array of lifestyles, customs and language of American Indians come alive as they walk through the various displays. The Center will include a 300-seat theater, a museum store, a 40,000 square-foot amphitheater, a festival market place, and artist and dance exhibits. As an affiliate of the Smithsonian Institution, it will share and showcase artifacts from one of the world's most renowned museums. An internationally acclaimed team of architects, planners, engineers, and technical consultants, who have participated in projects from the National Holocaust Museum to films such as Jurassic Park, have come together to create a complex that features the distinct characteristics of all of Oklahoma's tribes.

By bringing economic development and cultural diversity to Oklahoma, the Native American Cultural Center and Museum will not only benefit the people of Oklahoma, but the nation as a whole. This important project will serve as a reminder of the rich heritage of the first Americans as well as a symbol of hope and progress for the future.

Mr. NICKLES. Madam President, today I am pleased to introduce legislation with Senator INHOFE that will bring a long-overdue Native American Cultural Center to Oklahoma.

For many years there has been a desire among Oklahomans to develop a facility to chronicle the history of the 39 tribes that currently reside in Oklahoma. Oklahoma is fortunate to have the second largest Native American population in the country.

Senator INHOFE and I are introducing legislation today that will do just that. The Cultural Center will celebrate the influential role that Native Americans played in our country's history. The Center will also provide a common ground to meet and discuss the issues and concerns that continue to plague our Indian communities. The Cultural Center is a partnership with the Oklahoma Historical Society to become a member of the Smithsonian Affiliations Program.

It is important to note that the Center will assist in communicating the history and culture of all Native Americans, not just Oklahomans.

This project is strongly supported in Oklahoma. In fact, two-thirds of the

funds for the Center will come from the State of Oklahoma and private donations, a maximum of one-third coming from the Federal Government.

I look forward to the opening of a state-of-the-art Native American Cultural Center and Museum in Oklahoma.

I want to thank Senator INHOFE for his hard work and I ask the support of my colleagues for this important project.

By Mr. KERRY:

S. 1323. A bill entitled the "SBIR and STTR Foreign Patent Protection Act of 2001"; to the Committee on Small Business and Entrepreneurship.

Mr. KERRY. Madam President, today I am introducing a bill to establish a five-year pilot program at the Small Business Administration to help protect the intellectual property of companies that are trying to export promising technology they have developed through the Small Business Administration's Small Business Innovation Research, SBIR, and Small Business Technology Transfer, STTR, programs. This week is a particularly appropriate time to introduce this legislation because 211 years ago, in 1790, the very first U.S. patent was issued. It was issued to Mr. Samuel Hopkins of Pennsylvania and signed by President George Washington himself.

A lot has changed in the past two centuries, but the need to protect intellectual property remains as important as ever. Our forefathers had the wisdom to guarantee "inventors the exclusive right to their respective . . . discoveries" in the United States. Today, the need for foreign patent protection is equally critical for international sales.

These small businesses need help because protecting the intellectual property of the technology they export requires them to file for foreign patents, and the costs associated with filing such patents are often prohibitively expensive. We know this because it has been documented through outside research and testimony before the Senate Committee on Small Business and Entrepreneurship. For example, Mr. Clifford Hoyt, who is vice president and chief technology officer of Cambridge Research and Instrumentation, testified on June 21st, as part of the Committee's hearing on reauthorization of the STTR program, that "patent protection in Europe is \$20,000." Information from the American Intellectual Property Law Association's, AIPLA, spring meeting shows that the costs of foreign patents range from \$7,200 in Canada to \$27,200 in Japan. Those costs include fees for filing, examination, translation and attorneys.

Interestingly enough, foreign patent protection costs are not just an obstacle for small businesses; they also affect our universities. Let me quote Dr. Anthony Pirri, who is director of technology transfer for Northeastern University in Boston and also testified at the STTR hearing: "For universities

like Northeastern with limited resources, the patent expense burden is large. It is especially large because many of our technologies have international significance and require us to patent, do foreign filings. Therefore, anything you can do to help in that world would be very desirable."

This problem was first identified in 1996 through a research study financed by the SBA's Office of Advocacy entitled "Foreign Patenting Behavior in Small and Large Firms." That study found that "technology-based small businesses were filing fewer patents overseas than large businesses for similar innovative products primarily due to a lack of funds to obtain foreign patents."

Foreign patent protection is important to eventual commercialization. However, if technologies of small businesses aren't protected, large foreign-owned firms can replicate the product and benefit directly from a U.S. Federally funded research effort.

I am obviously concerned about this. To help small innovative companies overcome such barriers, and to maximize our investment in the SBIR and STTR technologies, the Small Business Administration, SBA, should be authorized to provide grants to underwrite the costs of initial foreign patent applications filed by SBIR and STTR companies. Ultimately, the goal is for the grant fund to be self-sustaining, generating revenue from a percentage of the relevant technology's export sales and/or licensing fees.

Here's how the grants would work: The SBA would be authorized to award grants of up to \$25,000 to companies seeking foreign patent protection for their technology or product developed under the SBIR and STTR programs. Each company would be limited to one grant and, in order to be eligible for the grant, it must have already filed for patent protection in the United States. Both of these provisions are designed to ensure, to the extent possible, that companies apply for their most promising technology and therefore return money to the grant fund. By giving the companies only one shot at a grant to protect and make money from their SBIR or STTR technologies, it forces them to select the one most likely to succeed and have sales. At the same time, requiring companies to have already filed for patent protection in the United States prior to seeking a foreign patent grant is a gauge of the company's confidence in the commercial potential of its technology. It also demonstrates the company's commitment to protecting that technology.

The bill establishes the program at \$2.5 million in the first year and increases that amount gradually over four years to \$10 million annually.

In FY2003, the bill authorizes \$2.5 million, in order to fund 100 grants of \$25,000.

In FY2004, the bill authorizes \$5 million, in order to fund 200 grants of \$25,000.

In FY2005, the bill authorizes \$7.5 million, in order to fund 300 grants of \$25,000.

In FY2006 and FY2007, the bill authorizes \$10 million a year, in order to fund 400 grants of \$25,000.

As I said earlier, ultimately the goal is for this to be a self-sustaining grant fund. To realize that money, in return for the grants, each recipient would be obligated to pay between three percent and five percent of its related export sales or licensing fees to the fund, to be known as the "SBIR and STTR Foreign Patent Protection Grant Fund." To maintain a reasonable incentive for the small businesses, the total amount would be capped at four times the amount of the grant, which for a \$25,000 grant would be \$100,000.

I have talked about many of the needs and merits of this legislation, but in closing I would like to add that increased, successful exports by our innovative small businesses could mean a lot to the U.S. economy overall. We have seen the balance of trade deficits rise steadily for many years. According to the U.S. Census Bureau's Foreign Trade Division, in last year alone our country's trade balance deficit was \$436 billion. The first four months of 2001 are slightly worse. We should be doing everything that we can to improve upon our exports, and small businesses can play an important role in that arena.

I hope that my colleagues will join me in sponsoring this bill. This pilot, if enacted and implemented properly, has the potential to greatly benefit small businesses, protect their innovations and promote their exports.

I thank the President and 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. 1323

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "SBIR and STTR Foreign Patent Protection Act of 2001".

#### SEC. 2. FINDINGS.

The Congress finds that—

(1) small business concerns represent approximately 96 percent of all exporters of goods;

(2) there has been dynamic growth in the number of small business concerns exporting goods, and the dollar value of their exports;

(3) despite such growth, small business concerns encounter problems in obtaining financing for exports;

(4) growth in United States exports will depend primarily on technology innovation, making the protection of intellectual property in the global market of special national interest;

(5) the costs of filing for initial patent protection in foreign markets can be prohibitive for small business concerns involved in the Small Business Innovation Research Program (referred to in this section as "SBIR") and the Small Business Technology Transfer Program (referred to in this section as "STTR"), representing an insurmountable barrier to obtaining the protection needed to pursue the international markets;

(6) to overcome such barriers and to maximize the Federal investment in the SBIR and

STTR programs, the Small Business Administration should be authorized to provide grants to be used to underwrite the costs of initial foreign patent applications by SBIR and STTR awardees; and

(7) a program established to provide such grants should, over time, become self-funding.

#### SEC. 3. ESTABLISHMENT OF GRANT PILOT PROGRAM.

Section 9 of the Small Business Act (15 U.S.C. 638) is amended by adding at the end the following:

"(w) FOREIGN PATENT PROTECTION GRANT PILOT PROGRAM.—

"(1) GRANTS AUTHORIZED.—The Administrator shall make grants from the Fund established under paragraph (6) for the purpose of assisting SBIR and STTR awardees in seeking foreign patent protection in accordance with this subsection.

"(2) NUMBER OF GRANTS.—The Administrator shall make grants under this subsection to not more than—

"(A) a total of 100 SBIR and STTR awardees in fiscal year 2003;

"(B) a total of 200 SBIR and STTR awardees in fiscal year 2004;

"(C) a total of 300 SBIR and STTR awardees in fiscal year 2005; and

"(D) a total of 400 SBIR and STTR awardees in each of fiscal years 2006 and 2007.

"(3) GRANT PURPOSES.—Grants made under this subsection shall be used by awardees to underwrite costs associated with initial foreign patent applications for technologies or products developed under the SBIR or STTR program, and for which an application for United States patent protection has already been filed.

"(4) CONSIDERATIONS.—In awarding grants under this subsection, the Administrator shall consider—

"(A) the size and financial need of the applicant;

"(B) the potential foreign market for the technology;

"(C) the time frames for filing foreign patent applications; and

"(D) such other factors as the Administrator deems relevant.

"(5) GRANT AMOUNTS.—The amount of a grant made to any SBIR or STTR awardee under this subsection may not exceed \$25,000, and no awardee may receive more than 1 grant under this subsection.

"(6) ESTABLISHMENT OF REVOLVING FUND.—There is established in the Treasury of the United States a revolving fund, which shall be—

"(A) known as the 'SBIR and STTR Foreign Patent Protection Grant Fund' (referred to in this subsection as the 'Fund');

"(B) administered by the Office of Technology of the Administration; and

"(C) used solely to fund grants under this subsection and to pay the costs to the Administration of administering those grants.

"(7) ROYALTY FEES.—

"(A) IN GENERAL.—Each recipient of a grant under this subsection shall pay a fee to the Administration, to be deposited into the Fund, based on the export sales receipts or licensing fees, if any, from the product or technology that is the subject of the foreign patent petition.

"(B) ANNUAL INSTALLMENTS BASED ON RECEIPTS.—The fee required under subparagraph (A)—

"(i) shall be paid to the Administration in annual installments, based on the export sales receipts or licensing fees described in subparagraph (A) that are collected by the grant recipient in that calendar year;

“(ii) shall not be required to be paid in any calendar year in which no export sales receipts or licensing fees described in subparagraph (A) are collected by the grant recipient; and

“(iii) shall not exceed, in total, the lesser of—

“(I) an amount between 3 percent and 5 percent, as determined by the Administrator, of the total export sales receipts and licensing fees referred to in subparagraph (A); or

“(II) 4 times the amount of the grant received.

“(8) ADMINISTRATIVE PROVISIONS.—Not later than 180 days after the date of enactment of this subsection, the Administrator shall—

“(A) issue such regulations as are necessary to carry out this subsection; and

“(B) establish appropriate application and other administrative procedures, as the Administrator deems necessary.

“(9) REPORT.—The Administrator shall, on January 31, 2006, submit a report to the Congress on the grants authorized by this subsection, which report shall include—

“(A) the number of grant recipients under this subsection since the date of enactment of this subsection;

“(B) the number of such grant recipients that have made foreign sales (or granted licenses to make foreign sales) of technologies or products developed under the SBIR or STTR program;

“(C) the total amount of fees paid into the Fund by recipients of grants under this subsection in accordance with paragraph (7);

“(D) recommendations for any adjustment in the percentages specified in paragraph (7)(B)(iii)(I) or the amount specified in paragraph (7)(B)(iii)(II) necessary to reduce to zero the cost to the Administration of making grants under this subsection; and

“(E) any recommendations of the Administrator regarding whether authorization for grants under this subsection should be extended, and any necessary legislation related to such an extension.

“(10) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Fund, to remain available until expended—

“(A) \$2,500,000 for fiscal years 2003;

“(B) \$5,000,000 for fiscal year 2004;

“(C) \$7,500,000 for fiscal year 2005; and

“(D) \$10,000,000 for each of fiscal years 2006 and 2007.”.

By Mr. LIEBERMAN:

S. 1324. A bill to provide relief from the alternative minimum tax with respect to incentive stock options exercised during 2000; to the Committee on Finance.

Mr. LIEBERMAN. Madam President, today I am introducing a second proposal with regard to the perverse impact of the Alternative Minimum Tax, AMT, on Incentive Stock Options, ISOs. I previously introduced a bill, S. 1142, addressing this issue going forward and today I am introducing a bill to provide relief to the victims of this perverse tax who filed returns and paid taxes this past April. As I will explain, they were hit by the tax equivalent of the perfect storm.

The argument for reform of the AMT as applied to ISOs is overwhelming. An employee who receives ISOs is taxed on the phantom paper gains the tax code deems to exist when he or she exercises an option, and is required to pay the AMT tax on these “gains” even if the “gains” do not, in fact, exist. This

means the taxpayer may have no gains, no profits or assets, with which to pay the AMT and might even have to borrow funds to pay the tax, go into default on his or her AMT liability, or even declare bankruptcy.

This Kafkaesque situation is unfair. It is not fair to impose tax on “income” or “gains” unless the income or gains exist. With the AMT tax on ISOs, it is not relevant if the “gains” exist in a financial sense. That they exist on paper is sufficient to trigger the tax.

In terms of providing relief to taxpayers hit with the AMT on ISOs in their filing for 2000 taxes, let me make a series of points.

First, there have been victims of the AMT/ISO tax going back before 2000. But, there were an unprecedented number of victims this last year due to a convergence of events.

Over the last decade, more and more companies have adopted broad-based stock option plans where all or almost all employees are granted ISOs, rather than only senior management.

In addition, the internet and telecommunications boom spawned an unprecedented number of start-up companies over the last few years.

These start-ups overwhelmingly favor the use of ISOs as a means of attracting and motivating employees, and many of these companies grant options to most, if not all of their employees.

Then, as we all know, the stock market, especially the technology-driven NASDAQ, posted record highs in the spring of 2000, and then collapsed over the next 12 months, astounding even seasoned professionals. Many of the high-flying technology companies saw their stock value drop 80 percent to 90 percent during this period.

As a result, the relatively unknown AMT caught many employees by surprise. Other employees were aware of the AMT but thought they could claim a full credit for the AMT once they sold the stock acquired by exercise of ISOs. Some were unable to sell before year-end, in order to eliminate the AMT hit, by trading restrictions. Others were naive in thinking that the value of the shares they held would rebound in 2001, in time to sell the stock and pay their AMT liability for 2000.

In short, in tax year 2000 we saw the tax equivalent of the perfect storm.

Second, the imposition of AMT on individuals discourages the very behavior that Congress wanted to encourage with the creation of ISOs. In 1984, the Senate Finance Committee noted the goal of ISOs to “encourage employee ownership of the stock on an employer’s business” by allowing for “the deferral of tax until an employee disposes of the stock received through the exercise of an employee stock option”. To encourage individuals to hold shares with the promise of capital gains tax rates is the goal, but it is a goal that is defeated when the AMT is imposed at the time they exercise an option even if the “gains” are never realized.

The taxpayers who held their shares and realized gain are the ones who deserve relief. They fell into a trap which the tax code created through its perverse and confusing structure.

Third, the trap was one that many of these employees did not understand. They rightly assumed that the AMT was directed at taxing the wealthy and could not possibly affect them. This is a case where the complexity of the tax and the contradictory incentives it provides for ISOs lured the victims into the trap.

Fourth, we are likely to see a major debate on AMT reform, but this is a broader debate about the fundamentals of the tax code, not a tax trap like we have with ISOs. An increasing number of taxpayers find themselves paying the AMT because they have large state tax deductions or large numbers of personal exemptions. The AMT is likely to snare 1.5 million taxpayers this year and nearly 36 million by 2010. The AMT they may pay may be infuriating, but it would normally not substantially increase their overall tax liability. The AMT paid because of ISOs can be hundreds of thousands or even millions of dollars and can be devastating. It can cause a tax liability that is many times the taxpayer’s total income. This is a problem that needs to be addressed not, now when we finally take up broad-based AMT reform.

Let me be clear about the cost and budget implications of my bill. The Joint Tax Committee on Taxation has found that my proposal would reduce government tax revenues by \$1.3 billion over ten years. This is substantially less expensive than the cost of my earlier bill, which was estimated to cost \$12.412 billion over ten years. I will not propose to enact my bill unless this sum is financed and will have no impact on the Federal budget.

The budget situation we face will not make it easy to enact these reforms. The massive tax cut of \$1.3 trillion was financed from the surpluses. We are now finding that it was, as I and others feared, way too large and leaves us no room to take up additional tax measures. In fact, just last week we saw reports of a memo leaked where Republicans predicting that the Congressional Budget Office deficit/budget updates in August would find that we have zero available surplus beyond the Social Security and Medicare trust funds in fiscal year 2002 and that Congress may have to dip into those trust funds by nearly \$41 billion in fiscal year 2003. If this is true, it would leave no additional non-trust fund surplus dollars available for other uses, such as growth tax incentives, fixing the ISO/AMT problem, education, energy or defense, in fiscal year 2002. The fiscal year 2002 budget resolution bars Congress from spending any money in either the Social Security or Medicare Part A trust funds for any purpose other than Medicare or Social Security.

I recount this here because it means that we must find a revenue or spending offset to finance our ISO/AMT proposal, or any other growth tax incentive. We cannot use the surplus. This raises a substantial barrier to enactment of this proposal and it is a barrier that we could have easily avoided had we enacted a tax cut we could afford.

I am pleased that today Rep. RICHARD NEAL, TOM DAVIS, ZOE LOFGREN, and JERRY WELLER are introducing the same bill in the other body. Earlier, Representative LOFGREN introduced H.R. 1487, a bipartisan bill that has given a great deal of visibility to this issue. I look forward to working with my distinguished House colleagues to remedy this inequity in the tax code, both for victims in 2000 and going forward.

Finally, let me note that I have proposed in S. 1134 to provide a special capital gains tax rate, in fact to set a zero tax rate, for stock purchased by employees in stock option plans, by investors in Initial Public Offerings, and similar purchases of company treasury stock. This zero rate would be effective, however, only if the shares are held for at least three years, so the AMT gamble with ISOs would be even more dramatic. During the first year of that holding period, the AMT would have to be paid and during the remaining period the value of the stock could well dive from the exercise price creating an even more invidious trap.

We need to fix the ISO/AMT problem so that capital gains incentives for entrepreneurs will work as intended and provide the boost to economic growth.

We need also to focus on the victims of the 2000 perfect storm.

I ask that two documents be printed at this point in the RECORD, an explanation of my bill and a comparison of incentive and nonstatutory stock options. Both have been prepared by professionals with accounting firms.

**INCENTIVE STOCK OPTIONS AND THE ALTERNATIVE MINIMUM TAX—AN EXPLANATION OF THE LIEBERMAN-NEAL-DAVIS-LOFGREN-WELLER PROPOSAL**

Issue: The difference between the exercise price and the fair market value at the time of exercise, the "spread", of stock obtained with an incentive stock option, "ISO", is a tax preference for purposes of the individual alternative minimum tax, "AMT". If the ISO

preference causes a taxpayer to pay the AMT for the year of exercise, there may be a tax credit carryforward that is available to offset regular tax in a future year. However, if the stock declines significantly in value between the date of exercise and the date of its sale, there may not be sufficient regular income in any future year to utilize the AMT credit. As a result, a taxpayer may pay significant permanent AMT for what was intended to be only a "timing" preference. This problem is particularly acute for individuals who exercised incentive stock options in 2000, prior to the significant decline in the stock values of many companies.

Example: In January, 2000, a sales manager for Silicon Valley Company exercises options for 15,000 shares of stock with an exercise price of \$5 per share, the fair market of the stock when the options were granted in 1997. At the date of exercise, the stock is trading at \$125 per share. The spread gives rise to an AMT tax preference of \$1.8 million and generates a net AMT liability for 2000 of approximately \$500,000.00, over and above the manager's tax liability on her \$60,000 annual salary. Since ISO stock retained for at least a year from the date of exercise is eligible for capital gains treatment, manager does not immediately sell her ISO shares. In April 2001, the company and the stock market have setbacks and the stock again trades at \$5 per share.

Under current law, the amount of AMT credit that the manager can use annually is limited to approximately \$5,000, her expected regular tax over her AMT tax. As a result, it would take roughly 100 years for the AMT credits to be fully utilized.

Lieberman/Neal/Davis/Lofgren/Weller Proposal: Limits the amount of the AMT preference resulting from the exercise of an incentive stock option in 2000 to an amount based on the fair market value of the stock as of April 15, 2001, or, if such stock is sold or exchanged on or before that date, to the amount realized on such sale or exchange.

Example: Under the same facts as above, a sales manager who acquired stock through the exercise of an incentive stock option would use the \$5 per share April 15, 2001 fair market value of the stock to calculate the AMT preference amount. If the manager has already filed her 2000 tax return, she would file an amended return for the 2000 tax year to reflect the revised AMT preference amount of \$0.00, the revised April 15, 2001 fair market value of \$5.00 per share equals the original \$5.00 per share exercise price.

**COMPARISON OF INCENTIVE AND NONSTATUTORY STOCK OPTIONS**

The following is a broad overview of the basic tax concepts that apply to U.S. taxpayers who receive stock options granted by U.S. companies, for services rendered. It does not address the tax consequences for non-

U.S. taxpayers or the company issuing the options. This outline assumes that the stock received upon exercise is not restricted within the meaning of IRC section 83. If there are restrictions on the stock received upon exercise, the tax consequences will differ significantly from that described in this outline.

**TERMS**

**Grant Date**—This is the date the stock options are granted to you by the company. This date generally is reset if the terms of the stock option are changed; e.g. exercise price is lowered.

**Exercise Price**—This is the price you have to pay to purchase a share of stock under the terms of the option agreement.

**Vesting Date**—This is the date that you earn the right to exercise your options. For example, your shares may vest over four years, starting after one year. In this case, on each anniversary of the grant date you earn the right to exercise one fourth of your options.

**Exercise Date**—This is the day you exercise your stock options by paying the exercise price to purchase the shares in which you are vested.

**Fair Market Value**—This is the true value of the stock at any given date, usually determined by the price at which the stock is trading for on an established exchange. For a private company, the fair market value should be determined by an independent third party appraisal. If the company does not have an outside appraisal performed, the Board should establish the value using appropriate methods and current information.

**Spread on Exercise Date**—This is the difference between the exercise price (what you pay for the stock) and the fair market value (what the stock is worth) at the time you exercise your stock options. This is often referred to as the bargain element.

**Sale Date**—This is the day you sell the shares of stock you had previously purchased on the exercise date.

**Spread on Sale Date**—This is the difference between the exercise price (what you paid for the stock) and the fair market value (what the stock is worth) on the day you sell your shares.

**Incentive Stock Options (ISOs)**—These are stock options that qualify for special tax treatment by meeting a number of special rules, the details of which are not included in this memo. One of the key requirements is that the exercise price is at least equal to the fair market value at the date of grant. ISOs are contrasted with Nonstatutory Stock Options in the following table.

**Nonstatutory Stock Options (NSOs; also referred to as NQOs, as in nonqualified)**—These are stock options that do not meet all the rules for ISOs. They are less tax favored, but generally more flexible.

**COMPARISON OF TAX CONSEQUENCES—INCENTIVE STOCK OPTION VS. NONSTATUTORY STOCK OPTIONS**

Event	Incentive stock options	Nonstatutory stock options
Grant Date: For example, you are granted the right to purchase 1,000 shares at \$1.50 per share vesting over 4 years.	The grant of an incentive stock option is not a taxable event	The grant of a nonstatutory stock option is almost always not a taxable event. For this comparison, we'll assume it is not a taxable event.
Vesting Date: For example, after one year you have the right to purchase 250 shares.	Vesting is not a taxable event	Vesting is not a taxable event.
Exercise Date: For example, you pay \$1,500 and purchase all 1,000 shares when they are worth \$13.50 each, i.e. \$13,500 for a spread of \$12,000. (This discussion assumes the shares received upon exercise are not restricted under tax law).	ISOs: The exercise of ISOs is not a taxable event for regular tax. However, the spread or bargain element is a tax preference item for the alternative minimum tax (AMT), unless you exercise and sell your ISO stock within the same year, in which case AMT does not apply.	NSOs: The spread at exercise (\$12 per share) is compensation income, reportable on your W-2 and subject to income and payroll tax withholding. You get tax basis in the stock equal to the Fair Market Value on the exercise date, i.e. \$13.50 per share. AMT does not apply to NSOs.
Sale Date: For example, you hold the shares for a while and then sell them for \$15.00 each; i.e. you sell the stock for \$15,000 that had cost \$1,500, for a gain of \$13,500.	If you meet the holding rules below, the entire spread (\$13,500) on the date of sale is taxed as a capital gain. Regardless of how long you hold the stock, you get a credit for any alternative minimum tax you may have paid upon exercise, but you may not be able to use it all in any given year.	The difference between the sale price, i.e. \$15.00 and tax basis of \$13.50 is a capital gain. (You already paid tax on the \$12 per share spread at exercise.) For sales after 12/31/97, you must hold the shares for more than one year to get long term capital gain treatment. You could also have loss, if so, it would be a capital loss.
Special ISO Holding Rule	You must hold your ISO shares for more than one year from the date of exercise and two years from the grant date before you sell them; in order to have the entire spread taxed as a capital gain. Meeting these holding periods converts the spread (i.e. the bargain element on the date of exercise) from ordinary income to long term capital gains, taxed at a lower rate.	An earlier sale turns the tax treatment of an ISO into that of an NSO. The spread on exercise date (or the spread on sale, if less) is taxed as compensation, reportable on your W-2, but only in the year of sale. If the sale occurs in a year after the year of exercise, you still are subject to alternative minimum tax in the year of exercise (based on the spread at exercise).

By Mr. MURKOWSKI:

S. 1325. A bill to ratify an agreement between the Aleut Corporation and the United States of America to exchange land rights received under the Alaska Native Claims Settlement Act for certain land interests on Adak Island, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. MURKOWSKI. Madam President, I rise today to introduce legislation which will facilitate and promote the successful commercial reuse of the former Naval Air Facility on Adak Island, AK. At the same time, this legislation will allow the Aleut people of Alaska to reclaim the island and to make use of its modern infrastructure and important location.

The legislation I introduce today is very similar to a bill I introduced nearly four years ago in the 105th Congress. It ratifies an agreement between the Aleut Corporation, an Alaska Native Regional Corporation, the Department of the Interior and the Department of the Navy. In 1997, The Aleut Corporation, the U.S. Navy and the Interior Department were still in the process of negotiating and structuring the Agreement to provide for the fair and responsible transfer of the former military facility. I am pleased to tell you that "The Agreement Concerning the Conveyance of Property at the Adak Naval Complex, Adak AK" was signed last September. Thus, the time is now appropriate for Congress to consider the Agreement and ratify its provisions to allow for final transfer.

The bill and the Agreement also further the conservation of important wildlife habitat within the Aleutian Islands region of Alaska. A portion of Adak is within the Aleutian Islands subunit of the Alaska Maritime National Wildlife Refuge. The Agreement facilitates the Department of the Interior's continued management and protection of the Refuge lands on Adak and even adds some of the Navy lands to the Refuge. More importantly, in exchange for the developed Navy lands, which are not suitable for the Refuge but are commercially useful, the Aleut Corporation will convey environmentally sensitive lands it holds elsewhere in the Refuge to the Department of the Interior. Thus, not only are the former military lands put to productive use, but the Refuge gains valuable new habitat.

For many years the Navy has played an important role in Alaska's Aleutian Chain. Its presence was first established during World War II with the selection and development of the island because of Adak's ability to support a major airfield and its natural and protected deep water port. The Navy's presence contributed greatly to the defense of our Pacific coast during World War II and throughout the Cold War. Through the Navy's presence, Adak became the largest development in the Aleutians as well as Alaska's sixth largest community. With the end of the Cold War our defense needs changed,

however, and Adak was selected for closure during the last base closure round.

Those very same features that made Adak strategically important for defense purposes also make it important for commercial purposes. Adak is a natural stepping stone to Asia and is at the crossroads of air and sea trade between North America, Europe and Asia. With the ability to use Adak commercially, the Aleut people, through The Aleut Corporation, can establish it as an important intercontinental location with sufficient enterprise to provide year round jobs for the Aleut people. These goals are consistent with the promises and the Alaska Native Claims Settlement Act, the legislation that created the corporation.

This rebirth of Adak is already well underway. The local Aleut residents assumed responsibility for the operation of the Island from the Navy last October and there are a number of new commercial enterprises and endeavors. At the same time a new community has begun to take shape. Just last month the new City of Adak was established as a result of a public referendum and it is now in the process of taking over responsibility for the docks, utilities, roads and other public facilities.

The Agreement resolves a number of important issues related to the transfer of this former military base and the establishment of the new community on Adak, including responsibility for environmental remediation, institutional controls, indemnification, required public access and reservation of lands for government use. The environmental remediation work of the Navy is still ongoing and will continue to an extent for several more years. However, all the interested parties agree that a final transfer can occur within the next twelve months. Hence the need for this legislation.

This bill furthers our Nation's objective of conversion of closed defense facilities into successful commercial reuse, it benefits the Aleut people and restores them to their ancestral lands and it benefits the National Wildlife Refuge System. I believe everyone will agree that such legislation is important and worthy of our support.

By Mr. LUGAR:

S. 1326. a bill to extend and improve working lands and other conservation programs administered by the Secretary of Agriculture; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. LUGAR. Madam President, I rise today to introduce the Working Lands Conservation Act. The bill is intended to achieve two major goals: first, to assist our farmers and ranchers in meeting short-term environmental challenges, such as water and air quality concerns and the regulation of animal feeding operations; and, secondly, to enhance the long-term quality of our environment and sustainability of our natural resources.

As some of my colleagues may recall, the Senate Agriculture Committee has a long history of bipartisan cooperation on conservation. From the Conservation Reserve, to the Wetlands Reserve, to the Environmental Quality Incentives Program, we have conscientiously sought to do what is best for our Nation's environment. We have laid aside partisan differences when it has come to conservation and our natural resources are better because of our joint efforts.

In that spirit, my bill joins those of several of my colleagues and represents a foundation for our work on the conservation title of the farm bill. Senator HARKIN has introduced the Conservation Security Act—an innovative idea that would reward good conservation farmers for their environmental efforts and thus foster conservation and environmental improvements.

Senators CRAIG, FEINSTEIN, and THOMAS have introduced a Grasslands Reserve Act that would protect and restore one million acres of our fragile grasslands while allowing the owners to maintain economic use of the land. Senators HUTCHINSON and LINCOLN have a bill that reauthorizes and expands the Wetlands Reserve Program.

Senator CRAPO has introduced a bill, of which I am a cosponsor, that covers many of the items in the conservation title of the current farm bill. I know he has put much thought into his bill and I look forward to working with him and my other colleagues as we fashion the conservation title of the new farm bill.

While there are many valid approaches on how we should foster improvements in our environment, this bill invests in our working lands—the land we use to grow our food, our fiber; the land we depend upon for sustenance. This working land cropland, pasture, rangeland, and private forests, makes up some 70 percent of the land areas of the contiguous 48 States. How this land is managed has profound effects on our economy and environment. The farm bill we are cross developing is one of the most important pieces of environmental and natural resource legislation this Congress will address. It is essential that the conservation title be a major component of the legislation we develop together.

Since 1985, the last time Congress made a major investment in conservation as part of a farm bill, we have spent most of our conservation dollars through programs that set aside productive cropland as a primary means of achieving our environmental goals. These efforts are certainly worthwhile and I support continuing them. Indeed the preeminent land-idling program we have, the Conservation Reserve, was introduced on my farm in Indiana and I continue to support it.

But we cannot land-leave our way to environment performance. The folly of this, solely from a resource conservation standpoint—is evident from the situation we now see after fifteen years

of extensive land idling through the Conservation Reserve. After having set aside up to 36.4 million acres at one point, State water quality reports today will name nonpoint source pollution as the Nation's biggest water quality challenge and agriculture as the biggest culprit, primarily due to sediment, nutrient loadings, and pathogens. While the Conservation Reserve has many benefits, particularly wildlife habitat in the Great Plains, it is obvious that large-scale land-idling schemes will not solve all of the problems associated with water and air quality. Yet these are the environmental challenges that confront most farmers today, and the ones most likely to result in costly new regulation for our farmers and ranchers. How we deal with these environmental challenges will affect the commercial viability of farming and ranching over the next decade.

A quick review of how we are spending our voluntary conservation dollars will show just how much ground we have to make up. In 1985, 97 cents of every financial assistance dollar from the U.S. Department of Agriculture went to working lands; three cents went to land retirement. Today, the situation is nearly reversed with some 85 cents going toward land retirement, primarily through the Conservation Reserve, and only 15 cents going toward working lands. This over-reliance on removing land from production comes at the expense of caring for working lands, and, given the contemporary environmental issues facing landowners, this imbalance must be addressed during our reauthorization of the farm bill.

For our working lands to continue to be productive, and to ensure that agriculture can tend to its environmental concerns, I believe that the overarching goal of the new conservation title should be to emphasize conservation on working agricultural lands. Much as President Theodore Roosevelt championed public land conservation early in the last century, today we must champion the care of our working lands.

Bringing conservation programs up to levels needed to address priority issues will require new funding. If you exclude the short-term emergency funding, the budget resolution provides an additional \$66.15 billion for agriculture above the baseline. I believe that a significant portion of this new spending should be devoted to conservation. My bill increases mandatory conservation spending by approximately \$2 billion per year. This amount would effectively double our investment in voluntary, incentive-based conservation programs. And, because of the funding provided by the budget resolution, we can enhance our working lands programs without cutting or diminishing our existing land retirement programs.

To focus on working lands, our first order of business is to strengthen the

Environmental Quality Incentives Program. EQIP, as it is called, offers financial, technical and educational assistance to farmers and ranchers and is generally seen as the workhorse conservation program for working lands. Congress created EQIP in 1996 by merging four other conservation programs and provided \$200 million a year in mandatory spending. Today, requests for EQIP assistance far outstrip available funds and analyses show there is a demonstrated need for an additional \$1.2 billion per year to address the anticipated needs of the livestock industry alone. My bill established national priorities for EQIP, makes several needed reforms to the program such as shortening the length of the contract and removing discriminatory size restrictions, and provides \$1.5 billion a year to be phased-in over a three year period.

In addition, my bill provides more flexibility and financial incentives within EQIP to create partnerships at the state and local level, partnerships that are essential to meeting the environmental challenges agriculture faces. My bill establishes a grants section within EQIP to leverage federal funds with funding from non-federal entities and encourages states to develop plans that bring together multiple Federal, State, and local programs to create coordinated conservation initiatives to address critical environmental challenges. There is already good experience on this score through the Conservation Reserve Enhancement Program and the continuous signup program for buffer practices.

My bill expands this concept by making private and other non-federal entities eligible for a special \$100 million matching grant program within EQIP. The grant program would create cooperative federal/non-federal ventures that would spur conservation on private lands through market-based initiatives. Under my proposal, non-federal entities would bid to have their projects approved and then combine their funds with federal money to stimulate more use of market-based solutions in areas such as water quality or carbon credit trading. For example, drinking water suppliers facing the necessity, and cost, of building new treatment facilities might find it less expensive to pay upstream farmers and ranchers to voluntarily make reductions in pollutant discharges, thereby obviating the need for new treatment facilities. Taken together, these provisions will spark creative and innovative approaches to conservation that work better for farmers, ranchers, communities, and the environment.

Reforming, adequately funding, and focusing the Environmental Quality Incentives Program on national environmental issues will dramatically accelerate the amount of conservation on our landscape. But it will also require that we resolve one of the key problems we face today—the lack of qualified technical assistance to help our

farmers and ranchers plan, design, install, and maintain conservation practices. Insufficient annual appropriations for USDA's Natural Resources Conservation Service over the past decade have caused a steady decline in real terms in the number of field staff available to give landowners technical advice. At the same time, demand for technical assistance has ballooned as producers grapple with conservation challenges.

My bill ensures that technical assistance will be available to implement conservation by reforming the so-called section 11 Cap in the Commodity Credit Corporation Charter Act. The Commodity Credit Corporation is allowed to reimburse agencies for work they do for the various programs under the Corporation, but the section 11 cap limits total reimbursements to no more than \$36.2 million annually. The cap was put on by Congress to control computer purchases by the Department of Agriculture, but it has also had the unintended side effect of limiting technical assistance reimbursement for conservation programs. To resolve the problem, my bill exempts conservation technical assistance reimbursements from the cap.

Reforming the section 11 Cap will help solve part of the problem, but my bill also looks to the private and non-profit sector to help fill the technical assistance gap. Crop advisors, farm managers, private agronomists and engineers, conservation district professionals, and other qualified individuals could help fill the technical assistance gap for many landowners who are willing to pay for their services. My bill creates a fee-based certification program within USDA to increase the number of technical assistance providers and provides for the use of incentive payments to help farmers and ranchers pay for qualified technical assistance for nutrient management plans. In all cases, work done by third parties would have to meet the technical standards of the Natural Resources Conservation Service.

Maintaining the confidentiality of producer information contained in USDA files is vital to voluntary private lands conservation. Farmers and ranchers must be confident that their private business information will not be compromised if they participate in a conservation program. Farmers and ranchers are increasingly concerned about this issue as both government agencies and non-governmental entities have attempted to secure USDA data for regulatory purposes. In order to maintain the trust that exists between producers and USDA, my bill includes provisions to protect the confidentiality of the information farmers and ranchers disclose when developing and implementing conservation plans without affecting current Freedom of Information Act procedures.

Strengthening EQIP and our technical assistance capabilities are the two most important priorities my bill

addresses. But there are other programs that add important features to a comprehensive conservation program that my bill reauthorizes and funds.

My bill reauthorizes and increase funding for the Wildlife Habitat Incentives program. Created in the 1996 farm bill, this program provides technical and financial assistance to landowners that agree to develop wildlife habitat. The program was originally funded at \$50 million over the seven year life of the 1996 farm bill. My bill increases the funding level to \$50 million per year, devoting an aggregate of one-half billion dollars to wildlife habitat over the life of the bill.

Similarly, my bill reauthorizes, amends, and increase funding for the Farmland Protection Program. This voluntary program, also created in the 1996 farm bill, assist state and local programs purchase development rights on farms and helps farmers on the urban-rural interface stay in farming. The program has been lauded for its assistance to communities wishing to preserve agriculture, open space, wildlife habitat and other environmental benefits. My bill expands participation in the program to non-profit organizations, allows grassland easements, and increases funding to \$65 million per year.

My bill preserves the Conservation Reserve Program at its current level of 36.4 million acres. This leaves room for enrolling more than 2 million acres of additional land right now, as well as the acres that become available as existing contracts expire. The bill amends the program to create an incentive to increase the amount of hardwood trees entering the program and statutorily reserves 4 million acres for the continuous signup and for the Conservation Reserve Enhancement Program. Both the continuous signup and the Conservation Reserve Enhancement Program target high priority environmental concerns such as water quality.

My bill also makes a major new commitment to wetland restoration through the Wetlands Reserve Program by reauthorizing the program and adding 2.5 million acres to the enrollment authorization, more than doubling the rate of wetland restoration we have achieved since 1990. Of the new acreage, the bill targets 50,000 acres of wetland restoration a year to cooperative agreements with States for high priority environmental needs such as hypoxia, eutrophication, wildlife habitat, flooding, and groundwater recharge.

In the area of reform, within existing USDA conservation programs there are numerous overlaps and redundancies. My bill requires the Secretary of Agriculture to aggressively look at the entire range of USDA conservation programs to identify program overlaps, explore potential consolidations, develop ways to simplify and streamline program administration, and then report her recommendations to Congress.

As we continue the process of reauthorizing the farm bill, several funda-

mental choices lie before us and will require us to make decisions that will set the course of voluntary private lands conservation efforts for the next decade. The choices we make will determine the overall health of our environment. The Working Lands Conservation Act provides a solid basis for making those conservation decisions. The bill helps restore balance between working lands programs and land-iddling programs without cutting popular programs such as the Conservation Reserve. The focus of my conservation reforms is to assist farmers and ranchers to not only meet regulatory requirements, but to proactively resolve them before they enter a regulatory context. It increases the coherence of conservation policy, protects producer confidentiality, and assures that more technical assistance will be available to our farmers and ranchers.

As a Nation, we entrust the care of over 50 percent of our land to just two percent of our citizens—the farmers and ranchers who work the land and produce the food and fiber we demand. This bill recognizes that farmers and ranchers are much more than food and fiber producers. They are the most important natural resource managers in this Nation. My bill will give them the technical and financial tools they need to care for the land—and our environment, as they make a living from it. It recognizes that conservation is a shared responsibility; a partnership between farmers, ranchers, and the public. This bill strengthens those partnerships and ensures conservation will be a fundamental part of the mission of this Committee, Congress, and the Department of Agriculture.

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

S. 1326

*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 “Working Lands Conservation Act”.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

#### TITLE I—WORKING LANDS CONSERVATION PROGRAMS

Sec. 101. Environmental quality incentives program.

Sec. 102. Conservation reserve program.

Sec. 103. Wetlands reserve program.

Sec. 104. Farmland protection program.

Sec. 105. Wildlife Habitat Incentive Program.

#### TITLE II—MISCELLANEOUS REFORMS AND EXTENSIONS

Sec. 201. Privacy of personal information relating to natural resources conservation programs.

Sec. 202. Reform and consolidation of conservation programs.

Sec. 203. Certification of private providers of technical assistance.

Sec. 204. Extension of conservation authorities.

Sec. 205. Technical amendments.

Sec. 206. Effect of amendments.

#### TITLE I—WORKING LANDS CONSERVATION PROGRAMS

##### SEC. 101. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.

(a) IN GENERAL.—Chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) is amended to read as follows:

##### “CHAPTER 4—ENVIRONMENTAL QUALITY INCENTIVES PROGRAM

##### “SEC. 1240. PURPOSES.

“The purposes of the environmental quality incentives program established by this chapter are to promote agricultural production and environmental quality as compatible national goals, and to maximize environmental benefits per dollar expended, by—

“(1) assisting producers in complying with this title, the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), the Safe Drinking Water Act (42 U.S.C. 300f et seq.), the Clean Air Act (42 U.S.C. 7401 et seq.), and other Federal, State, and local environmental laws (including regulations);

“(2) avoiding, to the maximum extent practicable, the need for resource and regulatory programs by assisting producers in protecting soil, water, air, and related natural resources and meeting environmental quality criteria established by Federal, State, and local agencies;

“(3) providing flexible technical and financial assistance to producers to install and maintain conservation systems that enhance soil, water, related natural resources (including grazing land and wetland), and wildlife while sustaining production of food and fiber;

“(4) assisting producers to make beneficial, cost effective changes to cropping systems, grazing management, nutrient management associated with livestock, pest or irrigation management, or other practices on agricultural land;

“(5) facilitating partnerships and joint efforts among producers and governmental and nongovernmental organizations; and

“(6) consolidating and streamlining conservation planning and regulatory compliance processes to reduce administrative burdens on producers and the cost of achieving environmental goals.

##### “SEC. 1240A. DEFINITIONS.

“In this chapter:

“(1) COMPREHENSIVE NUTRIENT MANAGEMENT.—

“(A) IN GENERAL.—The term ‘comprehensive nutrient management’ means any combination of structural practices, land management practices, and management activities associated with crop or livestock production described in subparagraph (B) that collectively ensure that the goals of crop or livestock production and preservation of natural resources, especially the preservation and enhancement of water quality, are compatible.

“(B) ELEMENTS.—For the purpose of subparagraph (A), structural practices, land management practices, and management activities associated with livestock production are—

“(i) manure and wastewater handling and storage;

“(ii) land treatment practices;

“(iii) nutrient management;

“(iv) recordkeeping;

“(v) feed management; and

“(vi) other waste utilization options.

“(C) PRACTICE.—

“(i) PLANNING.—The development of a comprehensive nutrient management plan shall be a practice that is eligible for incentive payments and technical assistance under this chapter.

“(ii) IMPLEMENTATION.—The implementation of a comprehensive nutrient plan shall

be accomplished through structural and land management practices identified in the plan.

“(2) ELIGIBLE LAND.—The term ‘eligible land’ means agricultural land (including cropland, rangeland, pasture, and other land on which crops or livestock are produced), including agricultural land that the Secretary determines poses a serious threat to soil, water, or related resources by reason of the soil types, terrain, climatic, soil, topographic, flood, or saline characteristics, or other factors or natural hazards.

“(3) LAND MANAGEMENT PRACTICE.—The term ‘land management practice’ means a site-specific nutrient or manure management, integrated pest management, irrigation management, tillage or residue management, grazing management, air quality management, or other land management practice carried out on eligible land that the Secretary determines is needed to protect, in the most cost-effective manner, water, soil, or related resources from degradation.

“(4) LIVESTOCK.—The term ‘livestock’ means dairy cattle, beef cattle, laying hens, broilers, turkeys, swine, sheep, and such other animals as determined by the Secretary.

“(5) MAXIMIZE ENVIRONMENTAL BENEFITS PER DOLLAR EXPENDED.—

“(A) IN GENERAL.—The term ‘maximize environmental benefits per dollar expended’ means to maximize environmental benefits to the extent the Secretary determines is practicable and appropriate, taking into account the amount of funding made available to carry out this chapter.

“(B) LIMITATION.—The term ‘maximize environmental benefits per dollar expended’ does not require the Secretary—

“(i) to provide the least cost practice or technical assistance; or

“(ii) to require the development of a plan under section 1240E as part of an application for payments or technical assistance.

“(6) PRACTICE.—The term ‘practice’ means 1 or more structural practices, land management practices, and comprehensive nutrient management planning practices.

“(7) PRODUCER.—The term ‘producer’ means a person that is engaged in livestock or agricultural production, as determined by the Secretary.

“(8) STRUCTURAL PRACTICE.—The term ‘structural practice’ means—

“(A) the establishment on eligible land of a site-specific animal waste management facility, terrace, grassed waterway, contour grass strip, filterstrip, tailwater pit, permanent wildlife habitat, constructed wetland, or other structural practice that the Secretary determines is needed to protect, in the most cost-effective manner, water, soil, or related resources from degradation; and

“(B) the capping of abandoned wells on eligible land.

**“SEC. 1240B. ESTABLISHMENT AND ADMINISTRATION OF ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.**

“(a) ESTABLISHMENT.—

“(1) IN GENERAL.—During each of the 2003 through 2011 fiscal years, the Secretary shall provide technical assistance, cost-share payments, and incentive payments to producers, that enter into contracts with the Secretary, through an environmental quality incentives program in accordance with this chapter.

“(2) ELIGIBLE PRACTICES.—

“(A) STRUCTURAL PRACTICES.—A producer that implements a structural practice shall be eligible for any combination of technical assistance, cost-share payments, and education.

“(B) LAND MANAGEMENT PRACTICES.—A producer that performs a land management practice shall be eligible for any combination of technical assistance, incentive payments, and education.

“(C) COMPREHENSIVE NUTRIENT MANAGEMENT PLANNING.—A producer that develops a comprehensive nutrient management plan shall be eligible for any combination of technical assistance, incentive payments, and education.

“(3) EDUCATION.—The Secretary may provide conservation education at national, State, and local levels consistent with the purposes of the environmental quality incentives program to—

“(A) any producer that is eligible for assistance under this chapter; or

“(B) any producer that is engaged in the production of an agricultural commodity.

“(b) APPLICATION AND TERM.—A contract between a producer and the Secretary under this chapter may—

“(1) apply to 1 or more structural practices, land management practices, and comprehensive nutrient management planning practices;

“(2) have a term of not less than 3, nor more than 10, years, as determined appropriate by the Secretary, depending on the practice or practices that are the basis of the contract; and

“(3) in the case of a structural practice or comprehensive nutrient management planning practice, have a term of less than 3 years if the Secretary determines that a lesser term is consistent with the purposes of the program under this chapter.

“(c) APPLICATION AND EVALUATION.—

“(1) IN GENERAL.—The Secretary shall establish an application and evaluation process for awarding technical assistance, cost-share payments, and incentive payments to a producer in exchange for the performance of 1 or more practices that maximizes environmental benefits per dollar expended.

“(2) COMPARABLE ENVIRONMENTAL VALUE.—

“(A) IN GENERAL.—The Secretary shall establish a process for selecting applications for technical assistance, cost-share payments, and incentive payments when there are numerous applications for assistance for practices that would provide substantially the same level of environmental benefits.

“(B) CRITERIA.—The process under subparagraph (A) shall be based on—

“(i) a reasonable estimate of the projected cost of the proposals described in the applications; and

“(ii) the priorities established under this subtitle and other factors that maximize environmental benefits per dollar expended.

“(3) CONSENT OF OWNER.—If the producer making an offer to implement a structural practice is a tenant of the land involved in agricultural production, for the offer to be acceptable, the producer shall obtain the consent of the owner of the land with respect to the offer.

“(4) BIDDING DOWN.—If the Secretary determines that the environmental values of 2 or more applications for technical assistance, cost-share payments, or incentive payments are comparable, the Secretary shall not assign a higher priority to the application only because it would present the least cost to the program established under this chapter.

“(d) COST-SHARE PAYMENTS.—

“(1) IN GENERAL.—Except as provided in paragraph (2), the Federal share of cost-share payments to a producer proposing to implement 1 or more practices shall be not more than 75 percent of the projected cost of the practice, as determined by the Secretary.

“(2) EXCEPTIONS.—

“(A) LIMITED RESOURCE AND BEGINNING FARMERS; NATURAL DISASTERS.—The Secretary may increase the maximum Federal share under paragraph (1) to not more than 90 percent if the producer is a limited resource farmer or a beginning farmer or to address a natural disaster, as determined by the Secretary.

“(B) COST-SHARE ASSISTANCE FROM OTHER SOURCES.—Any cost-share payments received by a producer from a State or private organization or person for the implementation of 1 or more practices shall be in addition to the Federal share of cost-share payments provided to the producer under paragraph (1).

“(3) OTHER PAYMENTS.—A producer shall not be eligible for cost-share payments for practices on eligible land under this chapter if the producer receives cost-share payments or other benefits for the same practice on the same land under chapter 1 and this chapter.

“(e) INCENTIVE PAYMENTS.—The Secretary shall make incentive payments in an amount and at a rate determined by the Secretary to be necessary to encourage a producer to perform 1 or more practices.

“(f) TECHNICAL ASSISTANCE.—

“(1) IN GENERAL.—The Secretary shall allocate funding under this chapter for the provision of technical assistance according to the purpose and projected cost for which the technical assistance is provided for a fiscal year.

“(2) AMOUNT.—The allocated amount may vary according to—

“(A) the type of expertise required;

“(B) the quantity of time involved; and

“(C) other factors as determined appropriate by the Secretary.

“(3) LIMITATION.—Funding for technical assistance under this chapter shall not exceed the projected cost to the Secretary of the technical assistance provided for a fiscal year.

“(4) OTHER AUTHORITIES.—The receipt of technical assistance under this chapter shall not affect the eligibility of the producer to receive technical assistance under other authorities of law available to the Secretary.

“(5) NON-FEDERAL ASSISTANCE.—

“(A) IN GENERAL.—The Secretary may request the services of, and enter into a cooperative agreement with, a State water quality agency, State fish and wildlife agency, State forestry agency, or any other governmental or nongovernmental organization or person considered appropriate to assist in providing the technical assistance necessary to develop and implement conservation plans under the program.

“(B) PRIVATE SOURCES.—

“(i) IN GENERAL.—The Secretary shall ensure that the processes of writing and developing proposals and plans for contracts under this chapter, and of assisting in the implementation of practices covered by the contracts, are open to private persons, including—

“(I) agricultural producers;

“(II) representatives from agricultural cooperatives;

“(III) agricultural input retail dealers;

“(IV) certified crop advisers;

“(V) persons providing technical consulting services; and

“(VI) other persons, as determined appropriate by the Secretary.

“(ii) OTHER CONSERVATION PROGRAMS.—The requirements of this subparagraph shall also apply to each other conservation program of the Department of Agriculture.

“(6) INCENTIVE PAYMENTS FOR TECHNICAL ASSISTANCE.—

“(A) IN GENERAL.—A producer that is eligible to receive technical assistance for a practice involving the development of a comprehensive nutrient management plan may obtain an incentive payment that can be used to obtain technical assistance associated with the development of any component of the comprehensive nutrient management plan.

“(B) PURPOSE.—The purpose of the payment shall be to provide a producer the option of obtaining technical assistance for developing any component of a comprehensive nutrient management plan from a private person earlier than the producer would otherwise receive the technical assistance from the Secretary.

“(C) PAYMENT.—The incentive payment shall be—

“(i) in addition to cost-share or incentive payments that a producer would otherwise receive for structural practices and land management practices;

“(ii) used only to procure technical assistance from a private person that is necessary to develop any component of a comprehensive nutrient management plan; and

“(iii) in an amount determined appropriate by the Secretary, taking into account—

“(I) the extent and complexity of the technical assistance provided;

“(II) the costs that the Secretary would have incurred in providing the technical assistance; and

“(III) the costs incurred by the private provider in providing the technical assistance.

“(D) ELIGIBLE PRACTICES.—The Secretary may determine, on a case by case basis, whether the development of a comprehensive nutrient management plan is eligible for an incentive payment under this paragraph.

“(E) CERTIFICATION BY SECRETARY.—

“(i) IN GENERAL.—Only private persons that have been certified by the Secretary under section 16 of the Soil Conservation and Domestic Allotment Act shall be eligible to provide technical assistance under this subsection.

“(ii) QUALITY ASSURANCE.—The Secretary shall ensure that certified private providers are capable of providing technical assistance regarding comprehensive nutrient management in a manner that meets the specifications and guidelines of the Secretary and that meets the needs of producers under the environmental quality incentives program.

“(F) ADVANCE PAYMENT.—On the determination of the Secretary that the proposed comprehensive nutrient management of a producer is eligible for an incentive payment, the producer may receive a partial advance of the incentive payment in order to procure the services of a certified private provider.

“(G) FINAL PAYMENT.—The final installment of the incentive payment shall be payable to a producer on presentation to the Secretary of documentation that is satisfactory to the Secretary and that demonstrates—

“(i) completion of the technical assistance; and

“(ii) the actual cost of the technical assistance.

“(g) PARTNERSHIPS AND COOPERATION.—

“(1) PURPOSES.—The Secretary may designate special projects, as recommended by the State Conservationist, with advice from the State technical committee, to enhance technical and financial assistance provided to several producers within a specific area to address environmental issues affected by agricultural production with respect to—

“(A) meeting the purposes and requirements of—

“(i) the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) or comparable State laws in impaired or threatened watersheds;

“(ii) the Safe Drinking Water Act (42 U.S.C. 300f et seq.) or comparable State laws in watersheds providing water for drinking water supplies; or

“(iii) the Clean Air Act (42 U.S.C. 7401 et seq.) or comparable State laws; or

“(B) watersheds of special significance or other geographic areas of environmental sensitivity; or

“(C) enhancing the technical capacity of producers to facilitate community-based planning, implementation of special projects, and conservation education involving multiple producers within an area.

“(2) INCENTIVES.—To realize the objectives of the special projects under paragraph (1), the Secretary shall provide incentives to producers participating in the special projects to encourage partnerships and sharing of technical and financial resources among producers and among producers and governmental and nongovernmental organizations.

“(3) FUNDING.—

“(A) IN GENERAL.—The Secretary shall make available 5 percent of funds provided for each fiscal year under this chapter to carry out this subsection.

“(B) SPECIAL PROJECTS.—The purposes of the special projects under this subsection shall be to encourage—

“(i) producers to cooperate in the installation and maintenance of conservation systems that affect multiple agricultural operations;

“(ii) sharing of information and technical and financial resources; and

“(iii) cumulative environmental benefits across operations of producers.

“(4) FLEXIBILITY.—

“(A) IN GENERAL.—The Secretary may enter into agreements with States, local governmental and nongovernmental organizations, and persons to allow greater flexibility to adjust the application of eligibility criteria, approved practices, innovative conservation practices, and other elements of the programs described in subparagraph (B) to better reflect unique local circumstances and goals in a manner that is consistent with the purposes of this chapter.

“(B) APPLICABLE PROGRAMS.—Subparagraph (A) shall apply to—

“(i) the environmental quality incentives program established by this chapter;

“(ii) the program to establish conservation buffers announced on March 24, 1998 (63 Fed. Reg. 14109) or a successor program;

“(iii) the conservation reserve enhancement program announced on May 27, 1998 (63 Fed. Reg. 28965) or a successor program; and

“(iv) the wetlands reserve program established under subchapter C of chapter 1.

“(5) UNUSED FUNDING.—Any funds made available for a fiscal year under this subsection that are not obligated by June 1 of the fiscal year may be used to carry out other activities under this chapter during the fiscal year in which the funding becomes available.

“(h) MODIFICATION OR TERMINATION OF CONTRACTS.—

“(1) VOLUNTARY MODIFICATION OR TERMINATION.—The Secretary may modify or terminate a contract entered into with a producer under this chapter if—

“(A) the producer agrees to the modification or termination; and

“(B) the Secretary determines that the modification or termination is in the public interest.

“(2) INVOLUNTARY TERMINATION.—The Secretary may terminate a contract under this chapter if the Secretary determines that the producer violated the contract.

“SEC. 1240C. EVALUATION OF OFFERS AND PAYMENTS.

“In evaluating applications for technical assistance, cost-share payments, and incentive payments, the Secretary shall accord a higher priority to assistance and payments that—

“(1) maximize environmental benefits per dollar expended; and

“(2)(A) address national conservation priorities involving—

“(i) comprehensive nutrient management;

“(ii) water quality, particularly in impaired watersheds;

“(iii) soil erosion; or

“(iv) air quality;

“(B) are provided in conservation priority areas established under section 1230(c); or

“(C) are provided in special projects under section 1240B(g) with respect to which State or local governments have provided, or will provide, financial or technical assistance to producers for the same conservation or environmental purposes.

“SEC. 1240D. DUTIES OF PRODUCERS.

“To receive technical assistance, cost-share payments, or incentive payments under this chapter, a producer shall agree—

“(1) to implement an environmental quality incentives program plan that describes conservation and environmental goals to be achieved through 1 or more practices that are approved by the Secretary;

“(2) not to conduct any practices on the farm or ranch that would tend to defeat the purposes of this chapter;

“(3) on the violation of a term or condition of the contract at any time the producer has control of the land, to refund any cost-share or incentive payment received with interest, and forfeit any future payments under this chapter, as determined by the Secretary;

“(4) on the transfer of the right and interest of the producer in land subject to the contract, unless the transferee of the right and interest agrees with the Secretary to assume all obligations of the contract, to refund all cost-share payments and incentive payments received under this chapter, as determined by the Secretary;

“(5) to supply information as required by the Secretary to determine compliance with the environmental quality incentives program plan and requirements of the program; and

“(6) to comply with such additional provisions as the Secretary determines are necessary to carry out the environmental quality incentives program plan.

“SEC. 1240E. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM PLAN.

“(a) IN GENERAL.—To be eligible to receive technical assistance, cost-share payments, or incentive payments under the environmental quality incentives program, an owner or producer of a livestock or agricultural operation must submit to the Secretary for approval a plan of operations that incorporates practices covered under this chapter, and is based on such principles, as the Secretary considers necessary to carry out the program, including a description of the practices to be implemented and the objectives to be met by the implementation of the plan.

“(b) AVOIDANCE OF DUPLICATION.—The Secretary shall, to the maximum extent practicable, eliminate duplication of planning activities under the environmental quality incentives program and comparable conservation programs.

“SEC. 1240F. DUTIES OF THE SECRETARY.

“To the extent appropriate, the Secretary shall assist a producer in achieving the conservation and environmental goals of an environmental quality incentives program plan by—

“(1) providing technical assistance in developing and implementing the plan;

“(2) providing technical assistance, cost-share payments, or incentive payments for developing and implementing 1 or more practices, as appropriate;

“(3) providing the producer with information, education, and training to aid in implementation of the plan; and

“(4) encouraging the producer to obtain technical assistance, cost-share payments, or

grants from other Federal, State, local, or private sources.

**“SEC. 1240G. LIMITATION ON PAYMENTS.**

“(a) IN GENERAL.—Subject to subsection (b), the total amount of cost-share and incentive payments paid to a producer under this chapter may not exceed—

- “(1) \$50,000 for any fiscal year; or
- “(2) \$150,000 for any multiyear contract.

“(b) ADJUSTMENTS.—The Secretary may modify the payment limitations for producers under subsection (a), on a case-by-case basis, if the Secretary determines that a different limitation—

- “(1) is warranted in light of 1 or more practices for which the payment is made; and
- “(2) maximizes environmental benefits per dollar expended and is consistent with the purposes of this chapter.

**“SEC. 1240H. CONSERVATION INNOVATION GRANTS.**

“(a) IN GENERAL.—From funds made available to carry out this chapter, the Secretary shall use \$100,000,000 for each fiscal year to pay the Federal share of competitive grants that are intended to stimulate innovative approaches to leveraging Federal investment in environmental enhancement and protection, in conjunction with agricultural production, through the environmental quality incentives program.

“(b) USE.—The Secretary shall award grants under this section to governmental and nongovernmental organizations and persons, on a competitive basis, to carry out projects that—

“(1) involve producers that are eligible for payments or technical assistance under this chapter;

“(2) implement innovative projects, such as—

“(A) market-based pollution credit trading; and

“(B) provision of funds to promote adoption of best management practices; and

“(3) leverage funds made available to carry out this chapter with matching funds provided by State and local governments and private organizations to promote environmental enhancement and protection in conjunction with agricultural production.

“(c) FEDERAL SHARE.—The Federal share of a grant made to carry out a project under this section shall not exceed 50 percent of the cost of the project.

“(d) UNUSED FUNDING.—Any funds made available for a fiscal year under this section that are not obligated by June 1 of the fiscal year may be used to carry out other activities under this chapter during the fiscal year in which the funding becomes available.”

(b) FUNDING.—Section 1241(b) of the Food Security Act of 1985 (16 U.S.C. 3841(b)) is amended—

(1) in paragraph (1), by striking “\$130,000,000” and all that follows through “2002,” and inserting “\$650,000,000 for fiscal year 2003, \$1,000,000,000 for fiscal year 2004, and \$1,500,000,000 for each of fiscal years 2005 through 2011.”; and

(2) by striking paragraph (2) and inserting the following:

“(2) OBLIGATION OF FUNDS.—If a contract under the environmental quality incentives program is terminated prior to the date set out for the expiration for the contract and funds obligated for the contract are remaining, the remaining funds may be used to carry out any other contract under the program during the same fiscal year in which the original contract was terminated.”

(c) COOPERATION WITH OTHER GOVERNMENT AGENCIES.—Section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i) is amended in the last sentence by inserting “but excluding transfers and allotments for conservation technical assistance” after “activities”.

**SEC. 102. CONSERVATION RESERVE PROGRAM.**

(a) EXTENSION OF PROGRAM.—

(1) IN GENERAL.—Section 1231 of the Food Security Act of 1985 (16 U.S.C. 3831) is amended—

(A) in subsections (a), (b)(3), and (d), by striking “2002” each place it appears and inserting “2011”; and

(B) in subsection (h)(1), by striking “the 2001 and 2002” and inserting “each of the 2001 through 2011”.

(2) DUTIES OF OWNERS AND OPERATORS.—Section 1232(c) of the Food Security Act of 1985 (16 U.S.C. 3832(c)) is amended by striking “2002” and inserting “2011”.

(b) CONSERVATION BUFFERS AND CONSERVATION RESERVE ENHANCEMENT PROGRAM.—Section 1231(d) of the Food Security Act of 1985 (16 U.S.C. 3831(d)) is amended—

(1) by striking “2002” and inserting “2011”; and

(2) by inserting before the period at the end the following: “, of which not less than 4,000,000 acres shall be enrolled—

“(1) to establish conservation buffers as part of the program announced on March 24, 1998 (63 Fed. Reg. 14109) or a successor program; and

“(2) through the conservation reserve enhancement program announced on May 27, 1998 (63 Fed. Reg. 28965) or a successor program.”

(c) HARDWOOD TREES.—Section 1231(e)(2) of the Food Security Act of 1985 (16 U.S.C. 3831(e)(2)) is amended—

(1) by striking “In the” and inserting the following:

“(A) IN GENERAL.—In the”;

(2) by striking “The Secretary” and inserting the following:

“(B) EXISTING HARDWOOD TREE CONTRACTS.—The Secretary”; and

(3) by adding at the end the following:

“(C) EXTENSION OF HARDWOOD TREE CONTRACTS.—

“(i) IN GENERAL.—In the case of land devoted to hardwood trees under a contract entered into under this subchapter before the date of enactment of this subparagraph, on the request of the owner or operator of the land, the Secretary shall extend the contract for a term of 15 years.

“(ii) RENTAL PAYMENTS.—The amount of a rental payment for a contract extended under clause (i) shall be 50 percent of the rental payment that was applicable to the contract before the contract was extended.”

(d) HAYING AND GRAZING ON BUFFER STRIPS.—Section 1232(a)(7) of the Food Security Act of 1985 (16 U.S.C. 3832(a)(7)) is amended—

(1) by striking “except that the Secretary—” and inserting “except that—”;

(2) in subparagraph (A)—

(A) by striking “(A) may” and inserting “(A) the Secretary may”; and

(B) by striking “and” at the end;

(3) in subparagraph (B)—

(A) by striking “(B) shall” and inserting “(B) the Secretary shall”; and

(B) by striking the period at the end and inserting a semicolon;

(4) in subparagraph (C), by striking the period at the end and inserting “; and”; and

(5) by adding at the end the following:

“(D) for maintenance purposes, the Secretary shall permit harvesting or grazing or other commercial uses of forage, in a manner that is consistent with the purposes of this subchapter and a conservation plan approved by the Secretary, on acres enrolled—

“(i) to establish conservation buffers as part of the program announced on March 24, 1998 (63 Fed. Reg. 14109) or a successor program; and

“(ii) into the conservation reserve enhancement program announced on May 27,

1998 (63 Fed. Reg. 28965) or a successor program.”

(e) FUNDING.—Section 1241(a) of the Food Security Act of 1985 (16 U.S.C. 3841(a)) is amended—

(1) by striking “1996 through 2002” and inserting “2003 through 2011”; and

(2) in paragraph (1), by inserting “, including technical assistance” before the semicolon at the end.

**SEC. 103. WETLANDS RESERVE PROGRAM.**

(a) MAXIMUM ENROLLMENT.—Section 1237(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3837(b)(1)) is amended by striking “975,000 acres” and inserting “3,475,000 acres”.

(b) EXTENSION OF PROGRAM.—Section 1237(c) of the Food Security Act of 1985 (16 U.S.C. 3837(c)) is amended by striking “2002” and inserting “2011”.

(c) WETLANDS RESERVE ENHANCEMENT PROGRAM.—Section 1237 of the Food Security Act of 1985 (16 U.S.C. 3837) is amended by adding at the end the following:

“(h) WETLANDS RESERVE ENHANCEMENT PROGRAM.—

“(1) IN GENERAL.—The Secretary may enter into cooperative agreements with State or local governments, and with private organizations, to develop, on land that is enrolled, or is eligible to be enrolled, in the wetland reserve established under this subchapter, wetland restoration activities in watershed areas.

“(2) PURPOSE.—The purpose of the agreements shall be to address critical environmental issues, including hypoxia, eutrophication, wildlife habitat, flooding, and groundwater recharge.

“(3) LIMITATION.—The total number of acres that may be covered by agreements entered into under this subsection shall not exceed 50,000 acres for each calendar year.”

(d) MONITORING AND MAINTENANCE.—Section 1237(c)(a)(2) of the Food Security Act of 1985 (16 U.S.C. 3837(c)(a)(2)) is amended by striking “assistance” and inserting “assistance (including monitoring and maintenance)”.

(e) TECHNICAL ASSISTANCE.—Section 1241(a)(2) of the Food Security Act of 1985 (16 U.S.C. 3841(a)(2)) is amended by inserting “, including technical assistance” before the semicolon at the end.

**SEC. 104. FARMLAND PROTECTION PROGRAM.**

Section 388 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104-127) is amended to read as follows:

**“SEC. 388. FARMLAND PROTECTION PROGRAM.**

“(a) DEFINITION OF AGRICULTURAL LAND.—In this section, the term ‘agricultural land’ means land on a farm or ranch that is—

“(1) cropland;

“(2) rangeland or grassland;

“(3) pastureland; or

“(4) private forest land.

“(b) ESTABLISHMENT.—The Secretary of Agriculture shall establish and carry out a farmland protection program under which the Secretary shall purchase conservation easements or other interests in agricultural land with prime, unique, or other productive soil that is subject to a pending offer for the purpose of protecting topsoil by limiting nonagricultural uses of the land from—

“(1) any agency of any State or local government, or federally recognized Indian tribe, including farmland protection boards and land resource councils established under State law; and

“(2) any organization that—

“(A) is organized for, and at all times since the formation of the organization has been operated principally for, 1 or more of the conservation purposes specified in clauses (i), (ii), and (iii) of section 170(h)(4)(A) of the Internal Revenue Code of 1986;

“(B) is an organization described in section 501(c)(3) of that Code that is exempt from taxation under section 501(a) of that Code;

“(C) is described in section 509(a)(2) of that Code; or

“(D) is described in section 509(a)(3) of that Code and is controlled by an organization described in section 509(a)(2) of that Code.

“(c) CONSERVATION PLAN.—Any agricultural land for which a conservation easement or other interest is purchased under this section shall be subject to the requirements of a conservation plan that ensures that continued agricultural use of the agricultural land—

“(1) will not degrade the environment; and

“(2) in the case of cropland, will require the conversion of the agricultural land to less intensive uses, at the option of the Secretary.

“(d) FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available \$65,000,000 for each of fiscal years 2003 through 2011 for providing technical assistance and purchasing conservation easements under this section.”.

#### SEC. 105. WILDLIFE HABITAT INCENTIVE PROGRAM.

Section 387(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a(c)) is amended by striking “a total of \$50,000,000 shall be made available for fiscal years 1996 through 2002” and inserting “the Secretary shall make available \$50,000,000 for each of fiscal year 2003 through 2011”.

#### TITLE II—MISCELLANEOUS REFORMS AND EXTENSIONS

##### SEC. 201. PRIVACY OF PERSONAL INFORMATION RELATING TO NATURAL RESOURCES CONSERVATION PROGRAMS.

Subtitle E of title XII of the Food Security Act of 1985 (16 U.S.C. 3841 et seq.) is amended—

(1) by redesignating sections 1244 and 1245 (16 U.S.C. 3844, 3845) as sections 1245 and 1246, respectively; and

(2) by inserting after section 1243 (16 U.S.C. 3843) the following:

##### “SEC. 1244. PRIVACY OF PERSONAL INFORMATION RELATING TO NATURAL RESOURCES CONSERVATION PROGRAMS.

“(a) INFORMATION RECEIVED FOR TECHNICAL AND FINANCIAL ASSISTANCE.—Except as provided in subsection (c) and notwithstanding any other provision of law, information provided to, or developed by, the Secretary (including a contractor of the Secretary) for the purpose of providing technical or financial assistance to an owner or operator with respect to any natural resources conservation program administered by the Natural Resources Conservation Service or the Farm Service Agency—

“(1) shall not be considered to be public information; and

“(2) shall not be released to any person or Federal, State, local, or tribal agency outside the Department of Agriculture.

“(b) INVENTORY, MONITORING, AND SITE SPECIFIC INFORMATION.—Except as provided in subsection (c) and notwithstanding any other provision of law, in order to maintain the personal privacy, confidentiality, and cooperation of owners and operators, and to maintain the integrity of sample sites, the specific geographic locations of the National Resources Inventory of the Department of Agriculture data gathering sites and the information generated by those sites—

“(1) shall not be considered to be public information; and

“(2) shall not be released to any person or Federal, State, local, or tribal agency outside the Department of Agriculture.

“(c) EXCEPTIONS.—

“(1) RELEASE AND DISCLOSURE FOR ENFORCEMENT.—The Secretary may release or disclose to the Attorney General information covered by subsection (a) or (b) to the extent necessary to enforce the natural resources conservation programs referred to in subsection (a).

“(2) DISCLOSURE TO COOPERATING PERSONS AND AGENCIES.—

“(A) IN GENERAL.—The Secretary may release or disclose information covered by subsection (a) or (b) to a person or Federal, State, local, or tribal agency working in cooperation with the Secretary in providing technical and financial assistance described in subsection (a) or collecting information from National Resources Inventory data gathering sites.

“(B) USE OF INFORMATION.—The person or Federal, State, local, or tribal agency that receives information described in subparagraph (A) may release the information only for the purpose of assisting the Secretary—

“(i) in providing the requested technical or financial assistance; or

“(ii) in collecting information from National Resources Inventory data gathering sites.

“(3) STATISTICAL AND AGGREGATE INFORMATION.—Information covered by subsection (b) may be disclosed to the public if the information has been transformed into a statistical or aggregate form that does not allow the identification of any individual owner, operator, or specific data gathering site.

“(4) CONSENT OF OWNER OR OPERATOR.—

“(A) IN GENERAL.—An owner or operator may consent to the disclosure of information described in subsection (a) or (b).

“(B) CONDITION OF OTHER PROGRAMS.—The participation of the owner or operator in, and the receipt of any benefit by the owner or operator under, this title or any other program administered by the Secretary may not be conditioned on the owner or operator providing consent under this paragraph.

“(d) VIOLATIONS; PENALTIES.—Section 1770(c) shall apply with respect to the release of information collected in any manner or for any purpose prohibited by this section.”.

##### SEC. 202. REFORM AND CONSOLIDATION OF CONSERVATION PROGRAMS.

(a) IN GENERAL.—The Secretary of Agriculture shall develop a plan for—

(1) consolidating conservation programs administered by the Secretary that are targeted at agricultural land; and

(2) to the maximum extent practicable—

(A) designing forms that are applicable to all such conservation programs;

(B) reducing and consolidating paperwork requirements for such programs;

(C) developing universal classification systems for all information obtained on the forms that can be used by other agencies of the Department of Agriculture;

(D) ensuring that the information and classification systems developed under this paragraph can be shared with other agencies of the Department through computer technologies used by agencies; and

(E) developing 1 format for a conservation plan that can be applied to all conservation programs targeted at agricultural land.

(b) REPORT.—Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the plan developed under subsection (a), including any recommendations for implementation of the plan.

(c) NATIONAL CONSERVATION PLAN.—Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee

on Agriculture, Nutrition, and Forestry of the Senate a plan and estimated budget for implementing the appraisal of the soil, water, and related resources of the Nation contained in the National Conservation Program under section 5 of the Soil and Water Resources Conservation Act of 1977 (16 U.S.C. 2004) as the primary vehicle for managing conservation on agricultural land in the United States.

##### SEC. 203. CERTIFICATION OF PRIVATE PROVIDERS OF TECHNICAL ASSISTANCE.

The Soil Conservation and Domestic Allotment Act is amended by inserting after section 15 (16 U.S.C. 5900) the following:

##### “SEC. 16. CERTIFICATION OF PRIVATE PROVIDERS OF TECHNICAL ASSISTANCE.

“(a) ESTABLISHMENT.—The Secretary of Agriculture shall establish procedures for certifying private persons to provide technical assistance to agricultural producers and landowners participating in conservation programs administered by the Secretary.

“(b) STANDARDS.—The Secretary shall establish standards for the conduct of—

“(1) the certification process conducted by the Secretary; and

“(2) periodic recertification by the Secretary of private providers.

“(c) CERTIFICATION REQUIRED.—A private provider may not provide technical assistance under any conservation program administered by the Secretary without certification approved by the Secretary.

“(d) FEE.—In exchange for certification, a private provider shall pay a fee to the Secretary in an amount determined by the Secretary.

“(e) PROVIDER.—Except as provided in section 1240B(f)(6) of the Food Security Act of 1985 (7 U.S.C. 3839aa–f(6)), the Secretary shall determine under what individual cases and conservation programs technical assistance may be delivered by private providers or by the Secretary.

“(f) OTHER REQUIREMENTS.—The Secretary may establish other requirements as the Secretary determines are necessary to carry out this section.”.

##### SEC. 204. EXTENSION OF CONSERVATION AUTHORITIES.

(a) ECARP AUTHORITY.—Section 1230(a)(1) of the Food Security Act of 1985 (16 U.S.C. 3830(a)(1)) is amended by striking “2002” and inserting “2011”.

(b) CONSERVATION FARM OPTION.—Section 1240M(h)(6) of the Food Security Act of 1985 (16 U.S.C. 3839b(h)(6)) is amended by striking “fiscal year 2002” and inserting “each of fiscal years 2002 through 2011”.

(c) FLOOD RISK REDUCTION.—Section 385(a) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7334(a)) is amended by striking “2002” and inserting “2011”.

(d) RESOURCE CONSERVATION AND DEVELOPMENT PROGRAM.—Section 1538 of the Agriculture and Food Act of 1981 (16 U.S.C. 3461) is amended in the first sentence by striking “2002” and inserting “2011”.

(e) FORESTRY.—

(1) OFFICE OF INTERNATIONAL FORESTRY.—Section 2405(d) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 6704(d)) is amended by striking “2002” and inserting “2011”.

(2) FORESTRY INCENTIVES PROGRAM.—Section 4(j) of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2103(j)) is amended by striking “2002” and inserting “2011”.

##### SEC. 205. TECHNICAL AMENDMENTS.

(a) DELINEATION OF WETLANDS; EXEMPTIONS TO PROGRAM INELIGIBILITY.—

(1) REFERENCES TO PRODUCER.—Section 322(e) of the Federal Agriculture Improvement and Reform Act of 1996 (Public Law

104-127; 110 Stat. 991) is amended by inserting "each place it appears" before "and inserting".

(2) GOOD FAITH EXEMPTION.—Section 1222(h)(2) of the Food Security Act of 1985 (16 U.S.C. 3822(h)(2)) is amended by striking "to actively" and inserting "to be actively".

(3) DETERMINATIONS.—Section 1222(j) of the Food Security Act of 1985 (16 U.S.C. 3822(j)) is amended by striking "National" and inserting "Natural".

(b) WILDLIFE HABITAT INCENTIVE PROGRAM.—Section 387 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a) is amended in the section heading by striking "incentives" and inserting "incentive".

#### SEC. 206. EFFECT OF AMENDMENTS.

(a) IN GENERAL.—Except as otherwise specifically provided in this Act and notwithstanding any other provision of law, this Act and the amendments made by this Act shall not affect the authority of the Secretary of Agriculture to carry out a conservation program for any of the 1996 through 2002 fiscal or calendar years under a provision of law in effect immediately before the date of enactment of this Act.

(b) LIABILITY.—A provision of this Act or an amendment made by this Act shall not affect the liability of any person under any provision of law as in effect immediately before the date of enactment of this Act.

By Mr. MCCAIN (for himself, Mr. LOTT, and Mr. BURNS):

S. 1327. A bill to amend title 49, United States Code to provide emergency Secretarial authority to resolve airline labor disputes; to the Committee on Health, Education, Labor, and Pensions.

Madam President, I rise today to introduce the Airline Labor Dispute Resolution Act. This bill would give the Secretary of Transportation the authority to send airline labor disputes to binding arbitration in order to prevent labor actions that might cripple the national air transportation system. The intent of this bill is to fix a collective bargaining process that is not serving the unions, the airlines, or the traveling public. Senators LOTT and BURNS are joining me as original co-sponsors of this legislation.

The Commerce Committee held a hearing in April on the status of labor issues in the airline industry. The hearing made it clear to most everyone that the current process for resolving airline labor disputes is not working. While labor negotiations in the airline industry have been ongoing for years, things have begun to worsen. The trend towards larger airlines has given unions greater leverage, which appears to have contributed to a mind set that views any work stoppage as legitimate. Normally, even acrimonious labor negotiations are a part of the negotiating process with both sides using what leverage is available to them to reach the best deal. However, times have changed, and these acrimonious negotiations now adversely affect the American people.

As I have said before, I have no problems with the labor organizations exercising their legal rights. At the moment, strikes are a permitted action under applicable labor statutes, pro-

vided that specific steps have been taken to resolve the dispute. Increasingly, however, courts have found that airline labor unions have illegally resorted to self-help measures. In the past, United, American, Northwest and Delta have obtained court ordered relief from these alleged illegal job actions. In American's case, the court fined American's pilots over \$45 million for not adhering to an injunction.

These actions have affected millions of consumers. Middle America has too often been stranded as a result of this illegal union activity. According to published reports, United canceled over 23,000 flights last year as a result of its pilots' refusal to fly overtime, destroying carefully planned vacations and business trips. Northwest and Delta cancelled thousands of flights preemptively over the holiday seasons to combat alleged slowdowns by mechanics and failures to fly overtime by pilots, respectively. The pilots' sickout at American in 1999 left thousands of people stranded, some of whom have banded together to sue the pilots for damages.

The unions are not the only ones to blame for the current situation—airline management must also shoulder some of the responsibility. Airlines have skillfully used the existing process to draw out negotiations and leave employees bound for years to the terms of old agreements. As one witness at our hearing testified, airlines use the current procedures to prolong negotiations and avoid accountability at the bargaining table. Employees can become quite frustrated and have reportedly lost faith in the existing system. That is no excuse for illegal job actions, but it is another indication that the current process is broken. These matters should be resolved more quickly and with more certainty.

Those who seek to maintain the status quo will undoubtedly say that the current collective bargaining process is not perfect but works well enough. They will point out that several significant agreements were reached in the industry this year without any disruption to commercial air transportation. It is true that several unions and major airlines were able to avoid strikes this year. But that does not mean the process cannot or should not be improved. Air transportation has become an integral part of our economy and society, and each year our dependence upon it grows. If we do not act now to address the flaws in the system, we will pay a very high price in the future when the very threat of a disruption in air service may be devastating.

Because airlines are so important to the well being of the country, the traveling public can be held hostage by both sides in these disputes. With few large air carriers, a job action at a major airline can have a catastrophic effect on the aviation system and the consumer. The rest of the airlines would have a difficult time absorbing the excess passengers in the event of a

strike, and the system could come to a standstill. While management and labor are affected by this, both parties have contingencies planned in the event of work stoppages. The consumer is the one most affected by a job action.

The dispute resolution process in this bill is modeled on the process used by Major League Baseball to resolve contract disputes between individual players and teams. If binding arbitration is ordered by the Secretary, each side must make its last, best offer. A panel of five arbitrators would be chosen: three neutral persons and one each selected by the two sides. That panel would then choose one proposal or the other—it could not, for example, split the difference between the two proposals. This would naturally force each side to be as reasonable as possible, otherwise it would risk having to live by terms proposed by the other side. This system has worked well for baseball and can be adapted for the airline industry.

This bill would give much greater certainty to the public, the unions, and the airlines that contract disputes will get resolved without disruption to the nation. I urge my colleagues to join me in supporting this effort to improve the system for resolving labor-management disputes in the airline industry.

By Ms. LANDRIEU:

S. 1328. A bill entitled the "Conservation and Reinvestment Act"; to the Committee on Energy and Natural Resources.

Ms. LANDRIEU. Madam President, today I rise to introduce perhaps the most significant conservation effort ever considered by the Congress.

The Conservation and Reinvestment Act, CARA, is bipartisan landmark legislation that makes a multi-year commitment to conservation programs benefitting all 50 States. It reinvests revenues earned from the depletion of a nonrenewable asset, oil and gas reserves on the Outer Continent Shelf, for the protection and enhancement of our natural and cultural heritage, threatened coastal areas and wildlife. It also reinvests in our local communities and our children through enhanced outdoor recreational opportunities. By enacting CARA, we can ensure that this century begins with the most significant commitment of resources to conservation ever.

During the 106th Congress the House of Representatives passed almost identical legislation by an overwhelming vote of 315 to 102 and the Senate Committee on Energy and Natural Resources reported a version with the support of the Chairman and Ranking Member. In addition, a bipartisan group of 63 Senators sent a letter to Majority Leader LOTT and Minority Leader DASCHLE on September 19, 2000 requesting that CARA be brought to the floor of the Senate for consideration before the adjournment of the 106th Congress. Just last week the

House Committee on Resources reported the bill by a vote of 29 to 12 and it currently has two-hundred and thirty-nine co-sponsors. CARA is supported by Governors, Mayors and a coalition of over 5,000 organizations from throughout the country.

This legislation provides \$3.125 billion for eight distinct reinvestment programs including: Impact Assistance and Coastal Conservation for all coastal states and eligible local governments and to mitigate the various impacts of producing states that serve as the "platform" for the crucial development of federal offshore energy resources from the Outer Continental Shelf, restoring Congressional intent with respect to the Land and Water Conservation Fund, LWCF, by providing stable and annual funding for the state and federal side of the LWCF at its authorized \$900 million level while protecting the rights of private property rights owners; establishing a Wildlife Conservation and Restoration Fund at \$350 million through the successful program of Pittman-Robertson by reinvesting the development of non-renewable resources into a renewable resource of wildlife conservation and education; providing funding for the Urban Parks and Recreation Recovery program through matching grants to local governments to rehabilitate and develop recreation programs, sites and facilities enabling 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; providing funding for the Historic Preservation Fund through the programs of the Historic Preservation Act, including grants to the States, maintaining the National Register of Historic Places and administering numerous historic preservation programs and fully funding the Payment In-Lieu of Taxes (PILT) program.

The time has come to take the proceeds from a non-renewable resource for the purpose of reinvesting a portion of these revenues in the conservation and enhancement of our renewable resources. To continue to do otherwise, as we have over the last fifty years, is fiscally irresponsible.

By Mr. JEFFORDS (for himself, Mr. BINGAMAN, Mr. HATCH, Mr. GRASSLEY, Mr. DASCHLE, Mr. DURBIN, Mr. CHAFEE, and Mr. BOND):

S. 1329. A bill to amend the Internal Revenue Code of 1986 to provide a tax incentive for land sales for conservation purposes; to the Committee on Finance.

Mr. JEFFORDS. Madam President, together with Senators BINGAMAN, HATCH, GRASSLEY, DASCHLE, DURBIN, BOND, and CHAFEE, I am today introducing the Conservation Tax Incentives Act of 2001. As an incentive for voluntary conservation of environmentally significant land, this bill allows landowners to exclude from in-

come fifty percent of the gain they realize on sales, for conservation purposes, of land or easements in land. This proposal, included in President Bush's Budget Blueprint, was a central element in his environmental platform during the campaign. It is a sensible, modest tax proposal to help the environment and is supported by a wide range of groups, including the American Farm Bureau, the Association of State Foresters, Defenders of Wildlife, and the Nature Conservancy.

Landowners have a stake in the quality of life of their communities' environment. They also have a right to reap the economic benefits of their investments in land. Landowners able to make charitable contributions of land for conservation purposes can realize tax benefits that make it possible to achieve both their financial and conservation goals. For many taxpayers, however, in Vermont and elsewhere throughout the country, holdings in land represent a major financial asset they cannot afford to donate. Others may not have sufficient income to be able to take full advantage of the tax benefit of a charitable donation. For these landowners, a sale of the land for development may be the only viable way to realize the full economic return on their investment in land. We need new federal tax incentives to help these "land-rich, cash-poor" landowners protect their investments and at the same time achieve permanent conservation interests. This bill provides a market-based, voluntary land conservation incentive to help those who own and want to conserve environmentally sensitive land but cannot afford to give it away.

The need for this bill has never been more pressing. We are consuming land at an alarming pace. The pace of land development exceeds by far both the rate of population growth and the rate of open space conservation. In the United States, two acres of farmland per minute, about a million acres per year, are lost to development. Almost one-third of the species in the United States are extinct or under threat of extinction. Loss of open space not only threatens biodiversity, but also quality of life. It increases traffic congestion, and air and water pollution; it decreases opportunities for recreation; and it threatens productive agricultural land. Healthy communities are made up to complex systems of forests, productive soils, rivers, and other interdependent resources. Deforestation, the paving over of agricultural land, the filling-in of wetlands, and urban sprawl are consuming the landscape and straining the balance of wild and human habitat. The sustainability of a healthy quality of life is increasingly in jeopardy.

My bill's approach to these problems creates no new regulatory authority; it requires no appropriations; and it has no new attempts to define conservation. It creates a simple, voluntary incentive for private, market-rate sales

of land, or interests in land, to government agencies or qualified non-profit organizations. Incorporating definitions and concepts that already exist in the tax code, this bill provides substantial conservation benefits at a minimal cost—about \$66 million per year, as estimated by the Joint Committee on Taxation. Projections show that every year the bill could protect land valued at up to \$150 million.

In drafting the bill, we were careful to ensure that land acquired with this new tax incentive would truly serve conservation purposes. The only qualified purchasers are publicly supported conservation charitable organizations and governmental natural resource and environmental agencies; these entities have long and respected records of serving the public interest in acquiring and managing land for conservation purposes. The bill builds on that record of trust and responsible stewardship without imposing new and cumbersome requirements to ensure that the public interest is served.

In addition, the bill requires a statement by the conservation purchasers memorializing their intent to serve the specified conservation purposes. This language was crafted to protect the public's conservation investment and does not create a tax-driven land use restriction. In essence, we want to make sure that the intention to conserve land does not rob the land of the commercial value for which the landowner must be compensated. The required statement of the purchaser's intent should not be construed to impose restrictions on the property or covenants running with the land, which might result in an appraisal that could deny sellers the full value of their land. Property should be appraised at its unencumbered, full fair market value. Furthermore, the value of property in the hands of the purchasing conservation entity should be its full fair market value, regardless of the purchaser's intent of conservation and regardless of the required statement of intent. This principle is important, because it means that a land trust could serve as the original conservation purchaser and subsequently transfer the property to another cooperating conservation purchaser, such as a governmental agency, receiving the full fair market value on the subsequent transfer.

This bill has broad bipartisan support. In the 106th Congress, a majority of the Members of the Senate Finance Committee supported it as an element of the Community Renewal and New Markets Act. It is a modest, bipartisan, innovative proposal that should be a part of this year's environment and tax agenda, and I urge my colleagues to join me in support.

Mr. BINGAMAN. Madam President, I rise today to join my colleagues, Senators JEFFORDS and HATCH, as an original co-sponsor of the Conservation Tax Incentives Act of 2001. The great conservationist Aldo Leopold once stated, "That land is a community is the basic

concept of ecology, but that land is to be loved and respected is an extension of ethics." This legislation is in keeping with the conservation ethic so eloquently articulated by Mr. Leopold decades ago.

The bill that we are introducing today will greatly expand the benefits of our existing conservation land easement laws which will have an enormous impact on the preservation of our nation's forests, prairies, deserts and open space. This legislation will save millions of acres of our nation's land for future generations by reducing by 50 percent the tax on capital gains that would normally be owned on a sale provided the land or easements are sold to public or private conservation entities for conservation purposes. These types of sales of conservation and preservation organizations will enhance opportunities for recreation, maintain open space, help to retain lands in agricultural production, and preserve important habitat.

Whether it is riparian habitat in New Mexico, mixed grass prairie in the Midwest, open space in California and the foothills of the Rocky Mountains, or woodlands of the Southeast, this legislation would provide enhanced conservation through the voluntary actions of citizens. It would help to address the dramatic loss of farmland acreage to development. It would ensure that important habitat for wildlife is conserved. It would eliminate tax disincentive that keeps landowners who wish to see their land preserved from reaching their goal.

This bill will have positive impacts in New Mexico. The legislation will help landowners who wish to ensure that their lands remain in ranching in future decades or who want to preserve other open lands for future generations. The bill would provide a boost to the efforts of state and local government to stretch limited conservation dollars. And it will enhance the ability of local land conservation organizations to craft voluntary agreements with landowners to conserve lands.

I believe enactment of this legislation would have significant consequences for our nation's landscape for generations to come. I look forward to working with my colleagues to secure its passage.

By Mr. HARKIN (for himself and Mr. HATCH):

S. 1330. A bill to amend the Internal Revenue Code of 1986 to provide that amounts paid for foods for special dietary use, dietary supplements, or medical foods shall be treated as medical expenses; to the Committee on Finance.

Mr. HARKIN. Madam President, today I am introducing legislation, the Dietary Supplement Tax Fairness Act, on behalf of myself and my distinguished colleague Senator HATCH. This legislation will make the cost of dietary supplements, medical foods, and foods for special dietary when offered

as a health insurance plan tax deductible for employers and excluded from taxable income for employees. Unfortunately, today the tax code provides this sensible tax treatment for these products only if they are prescribed drugs.

Our current policy is unfair and is failing to take full advantage of the potential to improve health and hold down health care costs through preventive health care practices available to consumers. Many Americans are using these healthcare products to improve their health and to stay healthy and would like to be able to have access to these products in the form of an insurance benefit. Insurance companies and employers responding to this consumer demand have been frustrated by being unable to offer a benefit like this in a manner consistent with other health care practices which receive favorable consideration in the Internal Revenue Code. The White House Commission on Complementary and Alternative Health Care Policy has consistently heard in testimony of the need for greater insurance coverage of products like the ones in my legislation. Bringing the code up to date to recognize and allow for this important need for wellness and health promotion is an important step forward to overall sound healthcare policy.

I want to emphasize the importance our legislation places on quality. Consumers need and deserve to know that the products they are buying are of a high quality and consistency. With that in mind, the Dietary Supplement Health and Education Act of 1994 called on the Food and Drug Administration, FDA, to develop and implement Good Manufacturing Practice Standards, GMPs, for dietary supplements. Senator HATCH and I have repeatedly pushed the FDA to produce and implement these important consumer protections. After seven years, draft GMPs were published in the Federal Register but have not been finalized. I am hopeful that these final standards will be put in place without further delay. The legislation we are introducing requires that dietary supplement and other products meet good manufacturing practice standards in order to receive the improved tax treatment. This will offer a strong incentive to maintain and improve quality.

I urge my colleagues to review this legislation and I hope they will join us in support and join us in our effort to win its passage. 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. 1330

*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 shall be known as the "Dietary Supplement Tax Fairness Act of 2001."

**SECTION 2. FINDINGS.**

The Congress finds that—

(1) the inclusion of foods for special dietary use, dietary supplements, and medical foods in the deduction for medical expenses does not subject such items to regulation as drugs,

(2) the Internal Revenue Code of 1986 treats such items as allowable for the medical expense deduction, but only if such items are prescribed drugs,

(3) such items have been shown through research and historical use to be a valuable benefit to human health, in particular disease prevention and overall good health, and

(4) children with inborn errors of metabolism, metabolic disorders, and autism, and all individuals with diabetes, autoimmune disorders, and chronic inflammatory conditions, frequently require daily dietary interventions as well as medical interventions to manage their conditions and such dietary interventions often become a significant economic burden on such individuals.

**SEC. 3. AMOUNTS PAID FOR FOODS FOR SPECIAL DIETARY USE, DIETARY SUPPLEMENTS, OR MEDICAL FOODS TREATED AS MEDICAL EXPENSES.**

(a) IN GENERAL.—Paragraph (1) of section 213(d) of the Internal Revenue Code of 1986 (relating to medical, dental, etc., expenses) is amended by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively, and by inserting after subparagraph (B) the following new subparagraph:

"(C) for foods for special dietary use, dietary supplements (as defined in section 201 of the Federal Food, Drug, and Cosmetic Act), and medical foods,".

(b) SPECIAL RULE FOR INSURANCE COVERING FOODS FOR SPECIAL DIETARY USE, DIETARY SUPPLEMENTS, AND MEDICAL FOODS.—Subsection (d) of section 213 of the Internal Revenue Code of 1986 (relating to medical, dental, etc., expenses) is amended by adding at the end the following new paragraph:

"(12) SPECIAL RULE FOR INSURANCE COVERING FOODS FOR SPECIAL DIETARY USE, DIETARY SUPPLEMENTS, AND MEDICAL FOODS.—Amounts paid for insurance covering foods and supplements referred to in paragraph (1)(C) shall be treated as described in paragraph (1)(E) only if such foods and supplements comply with applicable good manufacturing practices prescribed by the Food and Drug Administration or with other comparable standards."

(c) CONFORMING AMENDMENTS.—

(1) Subparagraph (E) of section 213(d)(1) of the Internal Revenue Code of 1986, as redesignated by subsection (a), is amended by striking "subparagraphs (A) and (B)" and inserting "subparagraphs (A), (B), and (C)".

(2) The last sentence of section 213(d)(1) of such Code is amended by striking "subparagraph (D)" and inserting "subparagraph (E)".

(3) Paragraph (6) of section 213(d) of such Code is amended—

(A) by striking "and (C)" and inserting "(C), and (D)", and

(B) by striking "paragraph (1)(D)" in subparagraph (A) and inserting "paragraph (1)(E)".

(4) Paragraph (7) of section 213(d) of such Code is amended by striking "and (C)" and inserting "(C), and (D)".

(5) Sections 72(t)(2)(D)(i)(III) and 7702B(a)(4) of such Code are each amended by striking "section 213(d)(1)(D)" and inserting "section 213(d)(1)(E)".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

By Mr. TORRICELLI:

S. 1332. A bill to amend the Internal Revenue Code of 1986 to exclude certain

severance payment amounts from income; to the Committee on Finance.

Mr. TORRICELLI. Madam President, I rise to introduce a bill that is intended to provide tax relief for people who have lost their jobs due to the current economic slowdown and the fact that many corporations are now forced to downsize their workforces. The number of layoffs this calendar year is approaching an all-time high. There were over 770,000 job cuts during the first six (6) months of the year. U.S. employers cut 124,852 jobs during the month of June. The June figure increased 56 percent from May, 80,140, and marked the sixth time in seven months that job cuts exceeded 100,000. Last month the number was actually 624 percent, over June, 2000 when job cuts totaled just 17,241 which was a three (3) year record low.

I am introducing a bill which will provide tax relief to these displaced workers. This legislation will exclude the first \$5,000 of severance pay received by people who may be adjusting to an extended period of unemployment in an economy that is no longer bustling. This exclusion is available for any displaced worker whose overall severance payment does not exceed \$125,000.

Under present tax law, severance payments are included in gross income. However, severance pay is not intended to be included as part of a worker's wage. Rather, it is intended to be a supplement to assist them during unemployment. Displaced workers often lose nearly a third of their severance packages to taxes. The lump sums they receive in severance pay drives them up into a higher tax bracket that is not representative of their true income or standard of living.

Corporations are already allowed to write-off the severance packages they provide to laid off employees, yet the workers are often adversely effected. For good reasons this body has devoted much time and attention this session to determining how to return to American tax payers that which is rightfully theirs. Clearly, these displaced workers deserve what is truly fair tax treatment at a time when they could truly benefit from it.

The economic prosperity of the last decade benefitted most Americans. Unfortunately, many of the industries most adversely effected by the current economic cycle contributed greatly to our unprecedented growth. Therefore, it is inexcusable for our government to disregard the needs of these displaced workers. It is important that our government take steps to help these workers by removing the unfair tax burden that is placed upon them.

By Mr. JEFFORDS (for himself,  
Mr. LIEBERMAN, Ms. SNOWE, Mr.  
SCHUMER, Mr. KERRY):

S. 1333. A bill to enhance the benefits of the national electric system by encouraging and supporting State programs for renewable energy sources,

universal electric service, affordable electric service, and energy conservation and efficiency, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. JEFFORDS. Madam President, I rise today to introduce a bill to establish renewable energy targets for electricity sales, an electric systems benefit fund, and net metering programs to ensure a clean, sustainable energy future. I am pleased to be joined by Mr. LIEBERMAN, Ms. SNOWE, Mr. SCHUMER, and Mr. KERRY in introducing the "Renewable Energy and Energy Efficiency Investment Act of 2001".

This bill will help bring renewable energy sources and energy efficiency technologies from the minds of the American entrepreneur to the fields of the American farmer, to the hills where strong winds blow, and to the roofs of our homes. Investing in and utilizing these technologies offers tremendous benefits for the health of our citizens, environment and economy. It is time for our Nation to transition from smokestacks, coal power and smog to a future with windmills, solar power and blue skies.

Our Nation has vast, untapped resources than can power our homes and businesses using the heat of the earth, the brilliance of the sun and the strength of the wind. Unlike the limited fossil fuel resources, these sources of energy are forever replacing themselves. All we have to do is harness them.

Today, renewables are beginning to take hold. Wind power, for example, is the fastest growing form of energy in the world. Worldwide almost 4,000 megawatts of new wind energy capacity were added in the year 2000. Other forms of renewable energy, such as solar, biomass and geothermal, offer the same potential and the same benefits. These technologies provide high-tech jobs for U.S. workers. They help reduce acid rain and other forms of air pollution, including greenhouse gas emissions. They are not subject to supply changes that lead to large fluctuations in the price of fossil fuels and they help us reduce our dependence on foreign sources of fossil fuels.

There is perhaps no better time to push these technologies forward. Our Nation is focused on energy issues make it was in the last decade. We are at crossroads where we can begin to see the end of the path toward a clean, sustainable energy future. Renewable energy is the most important landmark on that path. Let me describe how this bill will make this happen.

First, our bill will put in place a Nation-wide wires charge to create an electric system benefit fund. This will help develop renewable energy sources, promote energy efficiency and assist low-income residents meet their energy needs.

Second, our legislation will make it cheaper and easier for consumers to install renewable energy sources in their homes, farms, and small business by simplifying the metering process.

Third, our bill has a comprehensive disclosure provision, giving consumers honest and verifiable information regarding their energy choices.

Finally, our bill will require the suppliers of electricity to include a minimum amount of renewable energy in the products that they sell. We start with 2.5 percent in the first year and work up to 20 percent by the year 2020. The Union of Concerned Scientists found that this program is achievable and will lead to tremendous reductions in air, water and other pollutants that turn our blue skies to grey. Energy Information Administration also found that this program would lead to an 18 percent decrease in the amount of carbon dioxide we release compared to the status quo and ease supply pressures on and prices of natural gas. All these benefits come at the same time that we establish our nation as a leader in developing and manufacturing the cutting edge technologies that will not only power our economy, but the economies of countries all over the world.

Our nation's future depends on having clean, reliable, and sustainable sources of energy. With this bill we can ensure that future becomes a reality. At the same time, we can capture the global market for renewable energy and we can increase our energy security. Most importantly, we can know that our children and grandchildren will thank us for giving them a clean, sustainable energy supply.

I ask that the bill be printed in the RECORD.

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

S. 1333

*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 "Renewable Energy and Energy Efficiency Investment Act of 2001".

#### SEC. 2. FINDINGS.

Congress finds that—

- (1) the generation of electricity is unique in its combined influence on the security, environmental quality, and economic efficiency of the United States;
- (2) the generation and sale of electricity has a direct and profound impact on interstate commerce;
- (3) the Federal Government and the States have a joint responsibility for the maintenance of public purpose programs affected by the national electric system;
- (4) notwithstanding the public's interest in and enthusiasm for programs that enhance the environment, encourage the efficient use of resources, and provide for affordable and universal service, the investments in those public purposes by existing means continues to decline;
- (5) the dependence of the United States on foreign sources of fossil fuels is contrary to our national security;
- (6) alternative, sustainable energy sources must be pursued;
- (7) consumers have a right to certain information in order to make objective choices on their electric service providers; and

(8) net metering of small systems for self-generation of electricity is in the public interest in order to encourage private investment in renewable energy resources, stimulate economic growth, and enhance the continued diversification of the energy resources used in the United States.

### SEC. 3. DEFINITIONS.

In this Act:

(1) ADMINISTRATOR.—The term “Administrator” means the Administrator of the Environmental Protection Agency.

(2) BIOMASS.—The term “biomass” means—

(A) organic material from a plant that is planted exclusively for the purpose of being used to produce electricity; and

(B) nonhazardous, cellulosic or agricultural animal waste material that is segregated from other waste materials and is derived from—

(i) a forest-related resource, including—

(I) mill and harvesting residue;

(II) precommercial thinnings;

(III) slash; and

(IV) brush;

(ii) an agricultural resource, including—

(I) orchard tree crops;

(II) vineyards;

(III) grain;

(IV) legumes;

(V) sugar; and

(VI) other crop by-products or residues;

(iii) miscellaneous waste such as—

(I) waste pallet;

(II) crate;

(III) dunnage; and

(IV) landscape or right-of-way tree trimmings, but not including—

(aa) municipal solid waste;

(bb) recyclable postconsumer wastepaper;

(cc) painted, treated, or pressurized wood;

(dd) wood contaminated with plastic or metals; or

(ee) tires; and

(iv) animal waste that is converted to a fuel rather than directly combusted, the residue of which is converted to biological fertilizer, oil, or activated carbon.

(3) BOARD.—The term “Board” means the National Electric System Benefits Board established under section 4.

(4) COMMISSION.—The term “Commission” means the Federal Energy Regulatory Commission.

(5) FUND.—The term “Fund” means the National Electric System Benefits Fund established by section 5.

(6) LANDFILL GAS.—The term “landfill gas” means gas generated from the decomposition of household solid waste, commercial solid waste, and industrial solid waste disposed of in a municipal solid waste landfill unit (as those terms are defined in regulations promulgated under subtitle D of the Solid Waste Disposal Act (42 U.S.C. 6941 et seq.)).

(7) POLLUTANT.—The term “pollutant” means—

(A) carbon dioxide, mercury nitrous oxide, sulfur dioxide, or any other substance that the Administrator identifies by regulation as a substance that, when emitted into the air from a combustion device used in the generation of electricity, endangers public health or welfare (within the meaning of section 302(h) of the Clean Air Act (42 U.S.C. 7602(h)));

(B) any substance discharged into water that is regulated under a National Pollutant Discharge Elimination System permit issued under section 402 of the Federal Water Pollution Control Act (33 U.S.C. 1342); and

(C) any substance disposed of in a solid or hazardous waste facility that is regulated under the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).

(8) RENEWABLE ENERGY.—The term “renewable energy” means electricity generated from—

(A) a renewable energy source; or

(B) hydrogen that is produced from a renewable energy source.

(9) RENEWABLE ENERGY SOURCE.—The term “renewable energy source” means—

(A) wind;

(B) biomass;

(C) landfill gas; or

(D) a geothermal, solar thermal, or photovoltaic source.

(10) RETAIL ELECTRIC SUPPLIER.—

(A) IN GENERAL.—The term “retail electric supplier” means a person or entity that sells retail electricity to consumers.

(B) INCLUSIONS.—The term “retail electric supplier” includes—

(i) a regulated utility company (including affiliates or associates of such a company);

(ii) a company that is not affiliated or associated with a regulated utility company;

(iii) a municipal utility;

(iv) a cooperative utility;

(v) a local government; and

(vi) a special district.

(11) SECRETARY.—The term “Secretary” means the Secretary of Energy.

### SEC. 4. NATIONAL ELECTRIC SYSTEM BENEFITS BOARD.

(a) ESTABLISHMENT.—The Secretary shall establish a National Electric System Benefits Board to carry out the functions and responsibilities described in this section.

(b) MEMBERSHIP.—The Board shall be composed of—

(1) 1 representative of the Commission appointed by the Commission;

(2) 2 representatives of the Secretary appointed by the Secretary;

(3) 2 persons nominated by the national organization representing State regulatory commissioners and appointed by the Secretary;

(4) 1 person nominated by the national organization representing State utility consumer advocates and appointed by the Secretary;

(5) 1 person nominated by the national organization representing State energy offices and appointed by the Secretary;

(6) 1 person nominated by the national organization representing energy assistance directors and appointed by the Secretary; and

(7) 1 representative of the Environmental Protection Agency appointed by the Administrator.

(c) CHAIRPERSON.—The Secretary shall select a member of the Board to serve as Chairperson of the Board.

(d) MANAGER.—

(1) APPOINTMENT.—The Board shall by contract appoint an electric systems benefits manager for a term of not more than 3 years, which term may be renewed by the Board.

(2) COMPENSATION.—The compensation and other terms and conditions of employment of the manager shall be determined by a contract between the Board and the individual or the other entity appointed as manager.

(3) FUNCTIONS.—The manager shall—

(A) monitor the amounts in the Fund;

(B) receive, review, and make recommendations to the Board regarding applications from States under section 6(b); and

(C) perform such other functions as the Board may require to assist the Board in carrying out its duties under this Act.

### SEC. 5. NATIONAL ELECTRIC SYSTEM BENEFITS FUND.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Board shall establish an account or accounts at 1 or more financial institutions, which account or accounts shall be known as the “National Electric System Benefits Fund”, consisting of amounts deposited in the fund under subsection (c).

(2) STATUS OF FUND.—The wires charges collected under subsection (c) and deposited in the Fund—

(A) shall constitute electric system revenues and shall not constitute funds of the United States;

(B) shall be held in trust by the manager of the Fund solely for the purposes stated in subsection (b); and

(C) shall not be available to meet any obligations of the United States.

(b) USE OF FUND.—

(1) FUNDING OF SYSTEM BENEFIT PROGRAMS.—Amounts in the Fund shall be used by the Board to provide matching funds to States for the support of State system benefit programs relating to—

(A) renewable energy sources;

(B) assisting low-income households in meeting home energy needs;

(C) energy conservation and efficiency; or

(D) research and development in areas described in subparagraphs (A) through (C).

(2) DISTRIBUTION.—

(A) IN GENERAL.—Except for amounts needed to pay costs of the Board in carrying out its duties under this section, the Board shall instruct the manager of the Fund to distribute all amounts in the Fund to States to fund system benefit programs under paragraph (1).

(B) FUND SHARE.—

(i) IN GENERAL.—Subject to clause (iii), the Fund share of a system benefit program funded under paragraph (1) shall be 50 percent.

(ii) PROPORTIONATE REDUCTION.—To the extent that the amount of matching funds requested by States exceeds the maximum projected revenues of the Fund, the matching funds distributed to the States shall be reduced by an amount that is proportionate to each State’s annual consumption of electricity compared to the aggregate annual consumption of electricity in the United States.

(iii) ADDITIONAL STATE FUNDING.—A State may apply funds to system benefit programs in addition to the amount of funds applied for the purpose of matching the Fund share.

(3) PROGRAM CRITERIA.—The Board shall recommend eligibility criteria for system benefits programs funded under this section for approval by the Secretary.

(4) APPLICATION.—Not later than August 1 of each year, a State seeking matching funds for the following year shall file with the Board, in such form as the Board may require, an application—

(A) certifying that the funds will be used for an eligible system benefit program;

(B) stating the amount of State funds earmarked for the program; and

(C) summarizing the manner in which amounts from the Fund were used in the State during the previous calendar year.

(c) WIRES CHARGE.—

(1) DETERMINATION OF NEEDED FUNDING.—Not later than September 1 of each year, the Board shall determine and inform the Commission of the aggregate amount of wires charges that it will be required to be paid into the Fund to pay matching funds to States and the operating costs of the Board in the following year.

(2) IMPOSITION OF WIRES CHARGE.—

(A) IN GENERAL.—Not later than December 15 of each year, the Commission shall impose a nonbypassable, competitively neutral wires charge to be paid directly into the Fund by the operator of the wire on the amount of electricity carried through the wire in interstate commerce.

(B) MEASUREMENT.—For the purposes of subparagraph (A)—

(i) electricity generated in the United States shall be measured as the electricity exits the busbar at a generation facility; and

(ii) electricity generated outside the United States shall be measured at the point of delivery to the system of the wire operator.

(C) AMOUNT OF WIRES CHARGE.—The wires charge shall be set at a rate equal to the lesser of—

(i) 2 mills per kilowatt-hour; or

(ii) a rate that is estimated to result in the collection of an amount of wires charges that is as nearly as possible equal to the amount of needed funding determined under paragraph (1).

(3) DEPOSIT IN THE FUND.—The wires charge shall be paid by the operator of the wire directly into the Fund at the end of each month during the calendar year for distribution by the electric systems benefits manager under section 5.

(4) STATE WIRES CHARGE.—

(A) IN GENERAL.—A State that imposes a wires charge may pay into the Fund some or all of the wires charge imposed under this subsection on behalf of wire operators serving that State.

(B) PAYMENT.—Payments by the State into the Fund under subparagraph (A) shall be applied towards the wires charge imposed under this subsection.

(5) PENALTIES.—The Commission may assess against a wire operator that fails to pay a wires charge as required by this subsection a civil penalty in an amount equal to not more than the amount of the unpaid wires charge.

(d) AUDITING.—

(1) IN GENERAL.—The Fund shall be audited annually by a firm of independent certified public accountants in accordance with generally accepted auditing standards.

(2) ACCESS TO RECORDS.—Representatives of the Secretary and the Commission shall have access to all books, accounts, reports, files, and other records pertaining to the Fund as necessary to facilitate and verify the audit.

(3) REPORTS.—

(A) IN GENERAL.—A report on each audit shall be submitted to the Secretary, the Commission, and the Secretary of the Treasury, who shall submit the report to the President and Congress not later than 180 days after the close of the fiscal year.

(B) REQUIREMENTS.—An audit report shall—

(i) set forth the scope of the audit; and

(ii) include—

(I) a statement of assets and liabilities, capital, and surplus or deficit;

(II) a statement of surplus or deficit analysis;

(III) a statement of income and expenses;

(IV) any other information that may be considered necessary to keep the President and Congress informed of the operations and financial condition of the Fund; and

(V) any recommendations with respect to the Fund that the Secretary or the Commission may have.

## SEC. 6. RENEWABLE ENERGY GENERATION STANDARDS.

(a) RENEWABLE ENERGY CREDITS.—

(1) IN GENERAL.—Not later than April 1 of each year, each retail electric supplier shall submit to the Secretary renewable energy credits in an amount equal to the required annual percentage of the retail electric supplier's total amount of kilowatt-hours of electricity sold to consumers during the previous calendar year.

(2) RATE.—The rates charged to each class of consumers by a retail electric supplier shall reflect an equal percentage of the cost of generating or acquiring the required annual percentage of renewable energy under subsection (b).

(3) ELIGIBLE RESOURCES.—A retail electric supplier shall not represent to any customer or prospective customer that any product

contains more than the percentage of eligible resources if the additional amount of eligible resources is being used to satisfy the renewable generation requirement under subsection (b).

(4) STATE RENEWABLE ENERGY PROGRAM.—

(A) IN GENERAL.—Nothing in this section precludes any State from requiring additional renewable energy generation in the State under any renewable energy program conducted by the State.

(B) LIMITATION.—A State may limit the benefits of any State renewable energy program to renewable energy generators located within the boundaries of the State or other boundaries (as determined by the State).

(b) REQUIRED RENEWABLE ENERGY.—Of the total amount of electricity sold by each retail electric supplier during a calendar year, the amount generated by renewable energy sources shall be not less than the percentage specified in the following table:

Calendar year:	Percentage reduction:
2002 .....	2.5
2003 .....	3
2004 .....	4
2005 .....	5
2006 .....	6
2007 .....	7
2008 .....	8
2009 .....	9
2010 .....	10
2011 .....	11
2012 .....	12
2013 .....	13
2014 .....	14
2015 .....	15
2016 .....	16
2017 .....	17
2018 .....	18
2019 .....	19
2020 and thereafter .....	20.

(c) SUBMISSION OF RENEWABLE ENERGY CREDITS.—To meet the requirements under subsection (a)(1), a retail electric supplier may submit to the Secretary—

(1) renewable energy credits issued under subsection (d) for renewable energy generated by the retail electric supplier during the calendar year for which renewable energy credits are being submitted or any previous calendar year; or

(2) renewable energy credits—

(A) issued under subsection (d) to any renewable energy generator for renewable energy generated during the calendar year for which renewable energy credits are being submitted or a previous calendar year; and

(B) acquired by the retail electric supplier under subsection (e).

(d) ISSUANCE OF RENEWABLE ENERGY CREDITS.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall establish a program to issue, monitor the sale or exchange of, and track renewable energy credits.

(2) APPLICATION.—

(A) IN GENERAL.—Under the program established under paragraph (1), an entity that generates electric energy through the use of a renewable energy resource may apply to the Secretary for the issuance of renewable energy credits.

(B) REQUIREMENTS.—An application under subparagraph (A) shall identify—

(i) the type of renewable energy resource used to produce the electric energy;

(ii) the State in which the electric energy was produced; and

(iii) any other information that the Secretary determines appropriate.

(3) NUMBER OF RENEWABLE ENERGY RESOURCE CREDITS.—

(A) IN GENERAL.—The Secretary shall issue to an entity 1 renewable energy credit for

each kilowatt-hour of electric energy that the entity generates through the use of a renewable energy resource in any State in calendar year 2001 and each year thereafter.

(B) PARTIAL CREDIT.—If both a renewable energy resource and a nonrenewable energy resource are used to generate the electric energy, the Secretary shall issue renewable energy credits based on the proportion of the renewable energy resource used.

(4) ELIGIBILITY.—To be eligible for a renewable energy credit under this subsection, the unit of electricity generated through the use of a renewable energy resource shall be sold or used by the generator.

(5) IDENTIFICATION OF RENEWABLE ENERGY CREDITS.—The Secretary shall identify renewable energy credits by—

(A) the type of generation; and

(B) the State in which the generating facility is located.

(6) FEE.—

(A) IN GENERAL.—To receive a renewable energy credit, the entity shall pay a fee, calculated by the Secretary, in an amount that is equal to the lesser of—

(i) the administrative costs of issuing, recording, monitoring the sale of exchange of, and tracking the renewable energy credit; or

(ii) 5 percent of the national average market value (as determined by the Secretary) of that quantity of renewable energy credits.

(B) USE.—The Secretary shall use the fee to pay the administrative costs described in subparagraph (A)(i).

(e) SALE OR EXCHANGE.—A renewable energy credit may be sold or exchanged by the entity issued the renewable energy credit or by any other entity that acquires the renewable energy credit.

(f) VERIFICATION.—The Secretary may collect the information necessary to verify and audit—

(1) the annual electric energy generation and renewable energy generation of any entity applying for renewable energy credits under this section;

(2) the validity of renewable energy credits submitted by a retail electric supplier to the Secretary; and

(3) the amount of electricity sales of all retail electric suppliers.

(g) ENFORCEMENT.—

(1) IN GENERAL.—The Secretary may bring an action in United States district court to impose a civil penalty on a retail electric supplier that fails to comply with subsection (a).

(2) AMOUNT OF PENALTY.—A retail electric supplier that fails to submit the required number of renewable energy credits under subsection (a) shall be subject to a civil penalty of not more than 3 times the estimated national average market value (as determined by the Secretary) of that quantity of renewable energy credits for the calendar year concerned.

## SEC. 7. NET METERING.

(a) DEFINITIONS.—In this section:

(1) CUSTOMER-GENERATOR.—The term “customer-generator” means a retail electric customer that generates electricity measured by a net metering system.

(2) ELECTRIC COMPANY.—

(A) IN GENERAL.—The term “electric company” means a company that is engaged in the business of distributing electricity to retail electric customers.

(B) INCLUSIONS.—The term “electric company” includes an investor-owned utility, public utility district, irrigation district, port district, electric cooperative, or municipal electric utility.

(3) NET METERING.—The term “net metering” means the measuring of the difference between—

(A) the quantity of electricity supplied by an electric company to a customer-generator during a billing period; and

(B) the quantity of electricity generated by a customer-generator and fed back to the electric company by a net metering system during the billing period.

(4) NET METERING SYSTEM.—The term “net metering system” means a facility for generation of electricity that—

(A) is of not more than 100 kilowatts capacity;

(B) is interconnected and operates in parallel with the transmission and distribution system of an electric company;

(C) is intended primarily to offset some or all of the electricity requirements of a customer-generator;

(D) is located on the premises of a customer-generator; and

(E) employs a renewable energy source.

(b) REQUIREMENT TO ALLOW NET METERING.—An electric company shall allow a retail electric customer to interconnect and employ a net metering system using—

(1) a kilowatt-hour meter capable of registering the flow of electricity in 2 directions; or

(2) another type of comparably equipped meter that would otherwise be applicable to the customer’s usage but for the use of net metering.

(c) NET METERING ACCOUNTING.—

(1) IN GENERAL.—Electric energy measurements for a net metering system shall be calculated in accordance with this subsection.

(2) RATES AND CHARGES.—An electric company—

(A) shall charge a customer-generator rates and charges that are identical to those that would be charged other retail electric customers of the electric company in the same rate class; and

(B) shall not charge a customer-generator any additional standby, capacity, interconnection, or other rate or charge.

(3) MEASUREMENT.—An electric company that supplies electricity to a customer-generator shall measure the quantity of electricity produced by the customer-generator and the quantity of electricity consumed by the customer-generator during a billing period in accordance with normal metering practices.

(4) ELECTRICITY SUPPLIED EXCEEDING ELECTRICITY GENERATED.—If the quantity of electricity supplied by an electric company during a billing period exceeds the quantity of electricity generated by the customer-generator and fed back to the electric distribution system during the billing period, the electric company may bill the customer-generator for the net quantity of electricity supplied by the electric company, in accordance with normal metering practices.

(5) ELECTRICITY GENERATED EXCEEDING ELECTRICITY SUPPLIED.—If the quantity of electricity generated by a customer-generator during a billing period exceeds the quantity of electricity supplied by the electric company during the billing period—

(A) the electric company may bill the customer-generator for the appropriate charges for the billing period in accordance with paragraph (1); and

(B) the customer-generator shall be credited for the excess kilowatt-hours generated during the billing period, with the kilowatt-hour credit appearing on the bill for the following billing period.

(6) UNUSED CREDITS.—At the beginning of each calendar year, any unused kilowatt-hour credits accumulated by a customer-generator during the previous calendar year shall expire without compensation to the customer-generator.

(d) SAFETY.—

(1) REQUIREMENTS.—

(A) INTERIM PROVISION.—A net metering system using photovoltaic generation shall conform to applicable electrical safety, power quality, and interconnection requirements established by the National Electrical Code, the Institute of Electrical and Electronic Engineers, and Underwriters Laboratories.

(B) REGULATION.—Not later than 180 days after the date of enactment of this Act, the Commission shall adopt electrical safety, power quality, and interconnection requirements for net metering systems that use generation technology other than photovoltaic technology.

(2) TESTING AND INSPECTION.—An electric company may, at its own expense, and upon reasonable written notice to a customer-generator, perform such testing and inspection of a net metering system as is necessary to demonstrate to the satisfaction of the electric company that the system conforms to applicable electric safety, power quality, and interconnection requirements.

(3) ADDITIONAL METERS.—An electric company may, at its own expense and with the written consent of a customer-generator, install 1 or more additional meters to monitor the flow of electricity in each direction.

#### SEC. 9. DISCLOSURE REQUIREMENTS.

(a) DEFINITIONS.—In this section:

(1) EMISSIONS DATA.—The term “emissions data” means the type and amount of each pollutant emitted or released by a generation facility in generating electricity.

(2) GENERATION DATA.—The term “generation data” means the type of fuel (such as coal, oil, nuclear energy, or solar power) used by a generation facility to generate electricity.

(b) DISCLOSURE SYSTEM.—The Secretary shall establish a system of disclosure that—

(1) enables retail consumers to knowledgeably compare retail electric service offerings, including comparisons based on generation source portfolios, emissions data, and price terms; and

(2) considers such factors as—

- (A) cost of implementation;
- (B) confidentiality of information; and
- (C) flexibility.

(c) REGULATION.—Not later than March 1, 2002, the Secretary, in consultation with the Board, and with the assistance of a Federal interagency task force that includes representatives of the Commission, the Federal Trade Commission, the Food and Drug Administration, and the Environmental Protection Agency, shall promulgate a regulation prescribing—

(1) the form, content, and frequency of disclosure of emissions data and generation data of electricity by generation facilities to electricity wholesalers or retail companies and by wholesalers to retail companies;

(2) the form, content, and frequency of disclosure of emissions data, generation data, and the price of electricity by retail companies to ultimate consumers; and

(3) the form, content, and frequency of disclosure of emissions data, generation data, and the price of electricity by generation facilities selling directly to ultimate consumers.

(d) ACCESS TO RECORDS.—The Secretary shall have full access to the records of all generation facilities, electricity wholesalers, and retail companies to obtain any information necessary to administer and enforce this section.

(e) FAILURE TO DISCLOSE.—The failure of a retail company to accurately disclose information as required by this section shall be treated as a deceptive act in commerce under section 5 of the Federal Trade Commission Act (15 U.S.C. 45).

(f) REGULATIONS.—The Secretary may promulgate such regulations, conduct such in-

vestigations, and take such other actions as are necessary or appropriate to implement and obtain compliance with this section and regulations promulgated under this section.

Mr. LIEBERMAN. Madam President, today Senator JEFFORDS, Senator SNOWE, and I are introducing the Renewable Energy Act of 2001. This is a landmark bill as it sets a national goal of fueling 20 percent of our electricity generation with renewable energy sources by the year 2020. For our long-term energy policy, setting such a goal is important. In addition to supporting traditional hydrocarbon fuel sources, we must also invest in those sources, like solar, wind, geothermal, and biomass, that will not eventually run dry. Such investments will also significantly lessen our vulnerability to our foreign energy suppliers. Furthermore, nations such as Japan and Denmark have already made great strides in advancing renewable technologies and it is in our economic interest to be able to compete on the international market. While some of the details of the bill need ongoing evaluation and tuning, we should view this bill as stating a goal, not as the detailed road map on how to get there. For example, the definition of renewables needs further attention and expansion. But I believe the Renewable Energy Act sets laudable goals to aspire to and makes a useful statement about our national priorities as we approach the energy debate.

By Mr. WARNER.

S. 1334. A bill to require increases in the strengths of the full-time support personnel for the Army National Guard of the United States through fiscal year 2001 to support the readiness and training of the Army National Guard of the United States to meet increasing mission requirements, and for other purposes; to the Committee on Armed Services.

Mr. WARNER. Madam President, I rise today to introduce legislation to fulfill an urgent need of the Army National Guard.

I recently visited the Headquarters of the Virginia National Guard and the Maneuver Training Center at Fort Pickett. I conferred with Major General Claude A. Williams, the Adjutant General, of the Virginia National Guard. Major General Williams heads a superb organization composed of outstanding units, including the 29th Infantry Division, Light, the 91st Troop Command, the 28th Engineer Brigade, the 54th Field Artillery Brigade, and the 192nd Fighter Wing. The Maneuver Training Center at Fort Pickett and its personnel perform a vital training mission for units of the active Army, Army Guard, and Reserve.

I was astonished to learn during my visit last month that the Army has funded only 59 percent of the validated operational billets for Active Guard and Reserve, “AGRs”, and military technicians within the Army National Guard units. The “full rate” in Virginia is even lower than this national

average, only 51 percent. I raised a question about this and expressed my concern to the Secretary of the Army and Chief of Staff of the Army at a recent Senate Armed Services Committee hearing.

The legislation I am introducing today requires annual increases in the numbers of full time active-duty officers and military technicians in the Army National Guard—724 AGRs and 487 military technicians each year for the next 11 years. The legislation is based on a plan drawn up, cooperatively, by the Active Army and the Army National Guard. When fully implemented, the increases contained in the legislation will raise the Guard's "fill rate" from its present level of 59 percent of valid personnel requirements, to a level of 71 percent—an acceptable level within current force structure and readiness planning parameters.

AGRs and Military Technicians are critically important force multipliers for Army National Guard units. They directly impact training, command and control, technical, functional, and military expertise required to effectively train, administer, and prepare ready units and equipment for transition from peacetime to a wartime posture. AGRs and Military Technicians perform functions vital for meeting supply, training, and maintenance requirements of the Army National Guard units.

The increases in authorized end strengths set forth in this legislation are essential because of the increased reliance on Guard units to carry out Army missions. Each Army National Guard division has been assigned rotational duty in Bosnia-Herzegovina with the Stabilization Force, SFOR, missions in Bosnia-Herzegovina. The 29th Infantry Division, Light, of the Virginia National Guard is now fully engaged in executing its phased deployment to Bosnia and will be in place in October of this year. I applaud the Army for its ongoing efforts to integrate the National Guard in its operational planning. The Guard needs these soldiers in place in their full time support roles to ensure its success.

I know that Army leaders must make difficult decisions each year based on changing priorities and requirements and that the President must do the same in his annual budget submission. I am convinced, however, that the increases in end strength prescribed in this legislation are necessary and must be assigned the highest priority.

By Mr. KENNEDY (for himself, Mr. DEWINE, Mr. DASCHLE, Ms. SNOWE, Mr. DURBIN, Mr. CORZINE, Ms. STABENOW, Mr. BAUCUS, Mr. BINGAMAN, Mr. LIEBERMAN, Ms. LANDRIEU, Mr. JOHNSON, and Mr. CONRAD):

S. 1335. A bill to support business incubation in academic settings; to the Committee on Health, Education, Labor, and Pensions.

Mr. KENNEDY. Madam President, it is a privilege to join my colleagues in introducing the LEADERS Act—the Linking Educators And Developing Entrepreneurs for Reaching Success Act. Our bipartisan goal is to bring together entrepreneurs and academic institutions to encourage small businesses. These innovative centers can have a significant role in the modern economy, and provide needed cutting-edge educational and entrepreneurial opportunities for college students.

I commend Senator DEWINE for his leadership in developing this bipartisan legislation, and for his continuing leadership on economic and education issues. We agree that college-affiliated business incubators can be effective tools in improving education and the economy, and this legislation is designed to encourage them.

A business incubator facilitates economic development by providing specific resources and services to entrepreneurial, start-up companies. This assistance often includes office space at discounted rent, access to telephone and Internet services, consulting opportunities, and other appropriate technical assistance. The goal of such business incubators is to produce successful firms that will be successful in the long run through modest and timely start-up assistance.

Business incubators can have an important role in strengthening and sustaining local economies. Several studies have shown that incubated businesses tend to survive longer, create more jobs, remain in their communities, and provide worthwhile benefits to their employees.

One of the best ways to encourage entrepreneurship is to enhance the role of colleges and universities in developing new ideas into sustainable businesses that prosper, remain in their communities, and provide good jobs and good benefits to local workers in the cities and towns that need them most. Business incubators will benefit colleges and universities as well, because they can provide students with real-life examples of emerging businesses and case studies to enhance their educational experience.

Our legislation creates a program in the Department of Education to support academic-affiliated business incubators. A \$20 million fund will offer competitive grants to acquire or renovate space, develop curricula and training for incubator businesses or managers, and conduct feasibility studies for developing and locating incubators.

Eligible applicants will include non-profit organizations that have an affiliation with a college or university and that manage an incubator. Priority is given to incubators in economically distressed areas, to applications which provide strong educational opportunities in entrepreneurship, and to applications that emphasize cooperation by businesses, academic institutions, local economic leaders, and local government officials.

Small business entrepreneurs have an outstanding track record of products that improve and often save lives. Today these entrepreneurs take advantage of innovative ideas and turn them into job and economic growth. Entrepreneurs can benefit immensely from contacts with academic institutions, and Congress should encourage those contacts.

Colleges and universities often have well-equipped laboratories, good computer systems, and extensive libraries. They can be a source of ideas that spur business creation. Colleges and universities can also provide the skills and experience of a dedicated faculty, and the enthusiasm and potential of today's students.

Current studies show that nearly seven out of ten teenagers want to control their own destinies by becoming entrepreneurs. Six in ten young women, seven in ten Hispanic youth, and nearly eight in ten African-American youth are interested in starting a business of their own. But too many of these young men and women say they know little about how to start their own business. A large majority are taught little about how business or the economy works.

Students who benefit from such instruction start more new business, develop more new products, and are more likely to be involved in high-technology initiatives than their peers. Most entrepreneurs say that they "learned by doing"—through hands-on access to mentors and similar opportunities. Our legislation will provide access to real-world examples of entrepreneurship and business development, and help lay a stronger foundation for growing and thriving firms.

More and more, academic institutions across the country recognize this opportunity by establishing successful business incubators. In Massachusetts, Salem State College and the University of Massachusetts at Lowell have created successful incubators on their campuses.

Other incubators are reaching out to colleges and universities. The Commonwealth Corporation, a leader in workforce training in Massachusetts, has established an incubator and is actively pursuing ties in Boston with The University of Massachusetts.

Increasingly today, business leaders are recognizing the advantages of affiliations with institutions of higher learning, and academic leaders are welcoming the idea of including entrepreneurial projects in their curricula. In many cases, faculty members themselves are launching incubators.

It makes sense for Congress to support these constructive partnerships. The LEADERS Act can make a worthwhile contribution to this growing movement, and I look forward to early action by the Senate to approve it.

Mr. DEWINE. Madam President, I rise today, along with my good friend, Senator KENNEDY, to introduce the "Linking Educators And Developing Entrepreneurs for Reaching Success

Act of 2001" (LEADERS Act). This bipartisan measure will help foster business development by strengthening academic affiliated business incubators.

Our Nation's ability to expand economically hinges on new business growth. Small businesses provide 75 percent of the new jobs in this country, and in 1999, the number of new employer firms outnumbered the amount of business closures. Though our American entrepreneurial spirit is alive and well, as most businessmen and women can attest, starting and maintaining a business is very difficult. In the first two years, more than half of all new businesses fail and, after four years, the failure rate climbs to more than 60 percent.

That's why business incubation is so important. These incubators are centers designed to accelerate the successful development of new companies. They offer an array of business support resources. Most of the incubators provide their clients with access to appropriate rental space and flexible leases, shared services and equipment, technology support services, and assistance in obtaining financing for growth. They also provide a range of services like management guidance, technical assistance, and consulting. Such support an incubation increases the chance of small business survival to about 86 percent.

Our LEADERS Act authorizes the Secretary of Education to provide competitive grants to nonprofit organizations that manage incubators and are affiliated with academic institutions. These grants can be used to acquire or renovate space for an incubator or to support curriculums developed by businesses, faculty, entrepreneurs, and local leaders. The Secretary also can award a grant to help fund feasibility studies to help colleges or local development officials determine the viability of an incubator in their respective communities.

The Act would authorize \$20 million for grants in each of the next three fiscal years. The nonprofit organizations that receive funding under the bill would be required to match federal contributions dollar for dollar, and their proposals must have the support of local community leaders.

Many of the non-profit incubators include universities, which are an integral part of the business incubation process. Academic affiliated incubators provide unique educational opportunities for students and entrepreneurs. This is accomplished with enhanced access to a skilled workforce and a wealth of resources. Ohio is the home of one of the oldest university-based business incubators, the Ohio University Innovation Center, which was established in 1982. Since its inception, the Center has created 625 jobs, including 125 for students. A number of other important institutions in Ohio, such as The Ohio State University, Bowling Green State University, Case Western

Reserve University, Franklin University, John Carroll University, University of Cincinnati, and University of Dayton operate business incubators.

The goal of the incubator is simple: to produce successful, financially viable firms. And, studies show that business incubation works. Almost 87 percent of incubated companies remain in operation, with roughly 84 percent of them remaining in their home communities. It is vital that we give small businesses the necessary tools to stay afloat and to prosper. This legislation will help to foster the next generation of successful entrepreneurs and ultimately further bolster the stability of our economy.

I urge my colleagues to support this legislation and our efforts to help America's entrepreneurs.

By Ms. CANTWELL:

S. 1337. A bill to provide for national digital school districts; to the Committee on Health, Education, Labor, and Pensions.

Ms. CANTWELL. Madam President, I rise today to introduce the National Digital School District Act, a bill that embraces the powerful role technology can have as a tool in educating our nation's children.

Just as technology has brought innovation and efficiency to our daily lives and our businesses, technology has already demonstrated its enormous potential to enhance the ways that we can prepare our children to meet the educational demands of the changing economy.

Across the country, we have seen how proper uses of technology can transform a conventional curriculum into a multi-media, interactive experience that not only helps children learn more effectively, but does so in a way that is enjoyable and fosters a student's passion for learning.

In numerous recent studies, including those done by the Department of Education, the White House Office on Science and Technology and the RAND Corporation, researchers have found that technology has a very positive impact on serving the goals of education in important ways, including:

1. Supporting student performance—technology provides opportunities for acquiring problem-solving skills and methods for learning in innovative and interactive ways.

2. Increased motivation and self-esteem—studies have found that one of the most common effects of technology on students was an increase in the motivation of students who experience education in new and enjoyable ways.

3. Preparing students for the future—as both higher education and the workplace are increasingly becoming infused with technology, technology is a crucial component of student preparation, and;

The potential impact of technology on education is no secret. In fact, schools have dramatically increased their focus on putting technology in

the classroom. Both the public and private sector have been diligently wiring school buildings and putting computers in many classrooms, making access to computers and the Internet increasingly commonplace.

But as the old saying goes, you can lead a horse to water, but you can't make it drink. The same is true for children, just putting technology into a school does not ensure that teachers know how to use it or children are able to learn from it.

Unless technology is properly integrated into curriculum, the students will not realize the benefits of having the access. Without teachers who know how to use computers to teach the kids, the kids will not benefit.

In addition to computers and access, we need to assure teacher training and curriculum development. This legislation is a good first step toward fixing this problem, in effect, bridging the technology and teaching divide.

To accomplish this goal, our bill takes two tracks, first, the legislation establishes a grant program in which the state and federal government share the responsibility to create model programs to team technology with curriculum and teacher training—to develop comprehensive approaches to using technology in education.

Second, to help identify best practices, the legislation will also require a study to evaluate and highlight which of these strategies work and which do not work in bringing technology to the classroom.

Schools across the country are being given the tool of technology. Indeed, the total annual investment in education technology is currently almost \$5 billion per year.

According to a recently released study by NetDay, although 97 percent of teachers have some type of access to computers in their schools, only 32 percent of teachers say that computers are well integrated into their classrooms and curricula.

We can do better.

Teachers around the country are finding ways to enhance the classroom experience by teaching conventional topics with technological tools. Schools and businesses in my home State of Washington are leaders in these areas.

For example, in rural, agricultural Eastern Washington, Diane Peterson wanted to improve her Waterville Elementary 4th and 5th graders' success with math, science, reading, and writing. She found that University of Washington scientists needed data gathered on local vegetation and weather—she put those facts together and came up with a plan. Students were able to use 3-mail and shared websites to write, organize and present a useful study to the Western Washington scientists. The students are learning math and science skills through real-world experience, possible only through the use of the Internet. And helping science to boot.

Also, administrators in districts around the country are increasingly

finding particular methods and strategies that are crucial to realizing the value of technology. The Seattle Public School District, for example, has undertaken an effort to employ at every school a person who, with expertise in both education and technology, trains and advises teachers in how to use technology to teach different subjects. Teachers now have a resource to guide them as they bring technology into the classroom. The district has found that having a person who can educate teachers and help them make the most of the technology available to them can make the difference between technology as an educational tool or as a waste of money.

The Bill and Melinda Gates foundations have been leaders in improving education through the use of technology. For example, in Washington State, the Foundation had created the \$45 million "Teacher Leadership Project," a grant program to provide leadership development for 1,000 K-12 teachers a year, over three years. Participants receive in-depth training, as well as hardware and software to create a technology-rich learning environment. Teachers attend workshops and seminars, participate in e-mail discussions, keep records of the experiences, and assist with assessment and evaluation. Clearly, assessment and evaluation are critical to the future application for this program. This program is an excellent model to bring technology into the classroom.

These programs show that when used effectively, technology can enhance learning.

But to fully employ technology as an educational tool across the country we must develop programs that take into account the real needs for education and that can be scaled for implementation by any school or district.

Successful strategies are those that not only install computers, but also integrate these resources in three crucial ways, through:

1. Teacher Training and professional development—We must teach the teachers so they can use technology to teach the children.

2. Curriculum development—Technology isn't helpful unless it is incorporated into lesson plans.

3. Resource allocation—In order to be successful, a program should match the technology needs to the goals of the program.

The National Digital School District Act addresses these important elements of technology in education by requiring that local and state agencies incorporate these criteria into their education plans.

Through these requirements, the National Digital School District Act will encourage the development of best practices for the use of technology in schools; practices that can be scaled up in states and local districts around the country.

Additionally, this legislation will ensure that the Department of Education

leads the way in identifying best practices for the use of technology by assessing and evaluating the effectiveness of these strategies.

Teachers, administrators, private sector organizations, and non-profit groups are developing innovative approaches in countless classrooms, schools and districts.

Too often, however, the programs and strategies are springing up in isolation—without any mechanisms to facilitate the evaluation and sharing of the results of these efforts.

My bill will bridge this information gap. Not only will this legislation help provide assistance to schools, districts and states as they begin using technology in the classroom, but this will help ensure that federal monies are spent prudently and effectively.

The National Digital School District Act directs the Secretary of Education to complete a comprehensive report after three years to describe what works and what doesn't work—providing guidance to educators and policymakers at the federal, state and local levels. This report will describe the strategies being implemented around the country that best achieve their intended goals.

Using this report we will be able to identify which programs work well and could be adapted successfully for use in other school districts. The report need not be exhaustive, but it must be comprehensive—if a program works, we should know about it. We need a clear inventory of successful programs to identify the best practices educators can implement.

The National Digital School District Act will succeed in identifying these practices and helping to bridge the gap between the vast potential for technology as an educational tool, and the challenges facing teachers who uses it in the classroom.

By Mr. CAMPBELL:

S. 1338. A bill to expand and enhance the Little Bighorn Battlefield National Monument; to the Committee on Energy and Natural Resources.

Mr. CAMPBELL. Madam President, the ultimate test of patriotism has always been the willingness to die for one's country. To step in harm's way, to face shots fired in anger for the sake of defending those things one holds sacred, these are acts of courage that people admire almost instinctively. So much so that we even admire the courage displayed by our enemies.

Those of us who witness such bravery, either up close or from accounts written years ago, often feel compelled to make some gesture that acknowledges the heroism and sacrifice of those who were willing to endure the horror of war.

For this reason, our Nation has a long tradition of setting aside and preserving the sites where important battles have occurred, believing that such ground is hallowed by those who gave their lives in conflict, and in the hope

that understanding the events of our past helps us to understand the kind of people we are. A necessary part of this honoring is attempting to preserve the appearance of the places where these battles occurred as the combatants would have experienced them and to freeze these locations in time as much as possible.

Today, I am proud to offer a bill that will continue to protect the sanctity of one such place: the Little Bighorn Battlefield National Monument in southern Montana, the site where Gen. George Armstrong Custer and the U.S. Seventh Cavalry were defeated by a united force of Northern Cheyenne, Arapaho and Lakota Indians, in 1876.

Anyone who has stood, looking down past the grave markers to the trees along the Little Bighorn River, can tell you that it is a haunting place to visit. As you walk along Battle Ridge where soldiers of the U.S. Seventh Cavalry and Indian warriors struggled furiously, it is easy to imagine exactly how it looked on that hot June day when so many men died.

But anyone who has stood on that same hill recently can also tell you that beyond the trees are the telltale signs of commercial development creeping up on the borders of the Monument. For years the site was protected by its sheer isolation. That is no longer the case. The actual battle occurred across a wide area, and only a very small part of that area is protected by inclusion in the Monument. Other historically important sites nearby have already been overrun by development. Hills have been graded and geographical features have been altered. Action must be taken quickly if we are to preserve the Monument looking as it did over a century ago.

The bill I am introducing proposes a way for additional lands to be protected by the Monument. This bill does this by establishing a Committee composed of all interested parties, both those with current interests and those with historical interests in this piece of land, which will keep a registry of important sites that might be taken into the Monument. It is my belief that through a consultative process and cooperation, all interests can be accommodated. I have used this inclusionary process before with the research and protection of the Sand Creek National Historic Site in Colorado.

In the 102nd Congress, while serving as a member of the House, I introduced the bill that changed the name of this monument from the Custer Battlefield National Monument to the Little Bighorn National Monument, to recognize that there were heroes on both sides of this conflict: not only Custer, but also Sitting Bull and Crazy Horse and thousands of other warriors.

I wanted to reclaim the memory of that day for Indian people, and to make clear that the tragedy of June 26, 1876, was just one small part of a much larger tragedy: the near destruction of a people and the ending of a way of life.

The Indian victory at the Little Bighorn that day was only a brief pause in the march of history, it was the beginning of the end. One week later the United States marked its first centennial, only one hundred years of existence.

This country needs places like the Little Bighorn Battlefield, just as we need places like Bunker Hill and Gettysburg and Omaha Beach, locations made special by the extraordinary events that occurred there. We need to keep them separate and sacred and dedicated to the belief that some things are worthy of laying down your life. They are, in the fullest sense of the word, monuments: reminders of what is important.

The Little Bighorn Battlefield National Monument is such a place. I ask this Congress to join me in ensuring that this Monument remain a special place for generations to come.

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. 1338

*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 "Little Bighorn Battlefield National Monument Enhancement Act of 2001".

#### SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress makes the following findings:

(1) The following events were key in the creation of the Little Bighorn Battlefield National Monument:

(A) On June 25 and 26, 1876, a historic battle between the United States Seventh Cavalry, led by General George Armstrong Custer, and an opposing force of Arapaho, Northern Cheyenne, and Lakota Indians, was fought near the Little Bighorn River in southern Montana.

(B) On August 1, 1879, the battlefield was officially recognized and designated as a national cemetery under General Order No. 78, Headquarters of the Army.

(C) On December 7, 1886, Executive Order No. 337443 established the boundary, approximately one mile square, for the National Cemetery of Custer's Battlefield Reservation.

(D) On April 14, 1926, the Reno-Bentzen Battlefield was acquired by an Act of Congress (44 Stat. 168), and the Army was ordered to take charge of the site.

(E) On April 15, 1930, by an Act of Congress (46 Stat. 168), all rights, titles and privileges of the Crow tribe, from whose reservation the battlefield site was carved, were granted to the United States.

(F) On August 10, 1939, a public historical museum was authorized (53 Stat. 1337).

(G) On June 3, 1940, Executive Order No. 8428 transferred management of the area to the National Park Service, Department of the Interior.

(H) On March 22, 1946, by an Act of Congress (Public Law 79-332) the area was redesignated, Custer Battlefield National Monument.

(I) On January 3, 1991, by an Act of Congress (Public Law 102-201), Custer Battlefield National Monument was redesignated as Little Bighorn Battlefield National Monument (referred to in this Act as the "Monument"), and an Indian memorial was authorized.

(2) The current total size of the Monument is 765.34 acres. This includes the areas immediately surrounding the cemetery and a separate area, the Reno-Bentzen Battlefield, a few miles from the cemetery. There are additional sites of historical interest related to the 1876 battle that are not contained within the boundaries of the Monument as it is presently constituted.

(3) The United States has a tradition of preserving the sites of historic battles, in the conviction that such ground is hallowed by the sacrifices of those who gave their lives in conflict, and in the hope that understanding the events of our past, especially tragic events, helps us to understand the people we have become. A necessary part of this preserving and honoring is attempting, as much as is possible, to maintain the appearance of the places where these struggles occurred as the participants would have experienced them.

(4) The area surrounding the Monument has seen markedly increased commercial development in recent years. Such development not only threatens to intrude on the experience of visitors to the Monument, but in many instances the development has actually taken place directly on sites of historical importance, irrevocably altering physical features of the landscape that are crucial for understanding what took place at the Battle of the Little Bighorn.

(5) It is in the interest of the United States to preserve the integrity of the site of the Battle of the Little Bighorn, an event of lasting significance for the United States and for the sovereign Indian nations. In order to preserve this historical treasure, it is imperative that additional lands surrounding the Monument be set aside and given protected status or be made part of the Monument itself.

(6) All areas of the Monument, as well as the other areas of historical interest, are completely contained within the external boundaries of the Crow Indian Reservation.

(7) There is every indication that additional land and facilities are available for inclusion in the Monument through either voluntary conveyance or by gift or donation from private individuals and entities.

(b) PURPOSES.—It is the purpose of this Act—

(1) to establish a cooperative and collaborative process for expanding and enhancing the Monument;

(2) to ensure that the process established by this Act reflects the social, historical and cultural concerns of the Indian tribes participating in such processes in a manner consistent with the long-standing Federal policy to encourage tribal self-determination; and

(3) to ensure that the resources within the Monument are protected and enhanced by—

(A) providing for partnerships between the Crow Tribe, the National Park Service, and the Native American Tribes who participated in the Battle of Little Bighorn; and

(B) encouraging private individuals and entities to donate land and facilities to the Monument.

#### SEC. 3. LITTLE BIGHORN BATTLEFIELD NATIONAL MONUMENT ENHANCEMENT COMMITTEE.

(a) IN GENERAL.—There is established a committee to be known as the "Little Bighorn Battlefield National Monument Enhancement Committee" (referred to in this section as the "Committee").

(b) COMPOSITION.—The Committee shall be composed of—

(1) 1 member appointed by the Secretary of Interior to represent the Department of Interior;

(2) 3 members appointed by the Secretary of Interior to represent the Native American

tribes who participated in the Battle of Little Bighorn; and

(3) 1 member appointed by the Crow Indian tribe.

(c) ADMINISTRATIVE PROVISIONS.—

(1) QUORUM; MEETINGS.—Three members of the Committee shall constitute a quorum. The Committee shall act and provide advice by the affirmative vote of a majority of the members voting at a meeting at which a quorum is present. The Committee shall meet on a regular basis. Notice of meetings and the agenda shall be published in local newspapers which have a distribution which generally covers the area affected by the Monument. Committee meetings shall be held at locations and in such a manner as to ensure adequate public involvement.

(2) ADVISORY FUNCTIONS.—The Committee shall advise the Secretary to ensure that the Monument, its resources and landscape, is sensitive to the history being portrayed and artistically commendable.

(3) TECHNICAL STAFF.—In order to provide staff support and technical services to assist the Committee in carrying out its duties under this Act, upon the request of the Committee, the Secretary of the Interior is authorized to detail any personnel of the National Park Service to the Committee.

(4) COMPENSATION.—Members of the Committee shall serve without compensation but shall be entitled to travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government service under section 5703 of title 5, United States Code.

(5) CHARTER.—The provisions of section 14(b) of the Federal Advisory Committee Act (5 U.S.C. Appendix; 86 Stat. 776), are hereby waived with respect to the Committee.

(d) DUTIES.—The Committee shall—

(1) maintain a registry of facilities and land that may be offered by private individuals and entities by gift, sale, transfer, or other voluntary conveyance for inclusion in the Monument;

(2) by a majority vote determined whether some or all of a parcel of land or facility listed on the registry under paragraph (1) is appropriate for inclusion as a part of the Monument; and

(3) in the case of a positive recommendation under subparagraph (A), provide advice to the Secretary on—

(A) whether the land or facility involved may be available for no or nominal consideration or under what terms and conditions the owner of such land or facility would be willing to transfer such land or facility for inclusion in the Monument for no or nominal consideration; or

(B) whether the Committee recommends the use of the Fund established under section 5 to acquire such land or facility.

#### SEC. 4. RULE OF CONSTRUCTION.

Nothing in this act shall be construed to limit or impair the jurisdiction or authority of the Crow Indian tribe.

#### SEC. 5. ESTABLISHMENT OF FUND.

There is established in the Treasury of the United States a fund to be known as the "Little Bighorn Battlefield National Monument Enhancement Fund". The Fund shall be used as provided for in section 3(d)(3)(B) and shall include—

(1) all amounts appropriated to the Fund; and

(2) all amounts donated to the Fund.

By Mr. CAMPBELL:

S. 1339. A bill to amend the Bring Them Home Alive Act of 2000 to provide an asylum program with regard to American Persian Gulf War POW/MIAs, and for other purposes; to the Committee on the Judiciary.

Mr. CAMPBELL. Madam President, I am pleased to introduce the "Persian Gulf War POW/MIA Accountability Act of 2001." This bill will help persuade foreign Nations and their inhabitants to take necessary and sometimes risky steps needed to return any surviving American POW/MIAs from the Persian Gulf War by providing asylum to those foreign nationals who cooperate.

This bill builds on S. 484, the Bring Them Home Alive Act of 2000, which I introduced in the 106th Congress. This legislation was signed into law last November. As many of you know, this law provides for the granting of refugee status in the United States to nations of certain foreign countries in which American Vietnam War POW/MIAs or American Korean War POW/MIAs may be present.

On January 17, 1991, Lieutenant Commander Michael Speicher's F-18 was shot down over Western Iraq during the first hours of the Persian Gulf War. Based on the accounts of other pilots flying in the mission and 12 hours of radio silence, Lieutenant Commander Speicher was declared Missing in Action, MIA, the next day. On May 22, 1991, his status was changed to Killed in Action/Body Not Recovered, KIA/BNR.

In December 1995, investigators from the Army and Navy found the crash site of Lieutenant Commander Speicher's F-18. Located at the crash site were used flares and parts of a survival kit. Near the site, the canopy of the plane was found which would indicate that Lieutenant Commander Speicher ejected from his plane before it crashed. Based on this and other information, the Navy came to the conclusion that they could no longer assume that Lieutenant Commander Speicher was indeed KIA. On January 11, of this year, the Navy changed his official status from KIA/BNR back to MIA.

News reports indicated one of the major breaks in this case was provided by an Iraqi defector. According to his information, during the first days of the war, he drove a downed American pilot to Baghdad. The pilot was alive and alert. This defector was able to pass two lie detector tests and pointed to Lieutenant Commander Speicher in a photo lineup.

Under this legislation, if Lieutenant Commander Speicher were found alive and returned home, this defector and his family would be granted refugee status in the United States. As a veteran and a proud American, I will not rest until we have exhausted every avenue available to repatriate the brave men and women who have sacrificed so much for the freedom we enjoy. This legislation provides the kinds of incentives we need to help bring American POW/MIAs home alive.

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. 1339

*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 "Persian Gulf War POW/MIA Accountability Act of 2001".

**SEC. 2. AMERICAN PERSIAN GULF WAR POW/MIA ASYLUM PROGRAM.**

(a) ASYLUM PROGRAM.—The Bring Them Home Alive Act of 2000 (Public Law 106-484; 114 Stat. 2195; 8 U.S.C. 1157 note) is amended by inserting after section 3 the following new section:

**"SEC. 3A. AMERICAN PERSIAN GULF WAR POW/MIA ASYLUM PROGRAM.**

"(a) ASYLUM FOR ELIGIBLE ALIENS.—Notwithstanding any other provision of law, the Attorney General shall grant refugee status in the United States to any alien described in subsection (b), upon the application of that alien.

"(b) ELIGIBILITY.—Refugee status shall be granted under subsection (a) to—

"(1) any alien who—

"(A) is a national of Iraq or a nation of the Greater Middle East Region (as determined by the Attorney General in consultation with the Secretary of State); and

"(B) personally delivers into the custody of the United States Government a living American Persian Gulf War POW/MIA; and

"(2) any parent, spouse, or child of an alien described in paragraph (1).

"(c) DEFINITIONS.—In this section:

"(1) AMERICAN PERSIAN GULF WAR POW/MIA.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'American Persian Gulf War POW/MIA' means an individual—

"(i) who is a member of a uniformed service (within the meaning of section 101(3) of title 37, United States Code) in a missing status (as defined in section 551(2) of such title and this subsection) as a result of the Persian Gulf War, or any successor conflict, operation, or action; or

"(ii) who is an employee (as defined in section 5561(2) of title 5, United States Code) in a missing status (as defined in section 5561(5) of such title) as a result of the Persian Gulf War, or any successor conflict, operation, or action.

"(B) EXCLUSION.—Such term does not include an individual with respect to whom it is officially determined under section 552(c) of title 37, United States Code, that such individual is officially absent from such individual's post of duty without authority.

"(2) MISSING STATUS.—The term 'missing status', with respect to the Persian Gulf War, or any successor conflict, operation, or action, means the status of an individual as a result of the Persian Gulf War, or such conflict, operation, or action, if immediately before that status began the individual—

"(A) was performing service in Kuwait, Iraq, or another nation of the Greater Middle East Region; or

"(B) was performing service in the Greater Middle East Region in direct support of military operations in Kuwait or Iraq.

"(3) PERSIAN GULF WAR.—The term 'Persian Gulf War' means the period beginning on August 2, 1990, and ending on the date thereafter prescribed by Presidential proclamation or by law."

(b) BROADCASTING INFORMATION.—Section 4(a)(2) of that Act is amended—

(1) by striking "and" at the end of subparagraph (A);

(2) by striking the period at the end of subparagraph (B) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(C) Iraq, Kuwait, or any other country of the Greater Middle East Region (as deter-

mined by the International Broadcasting Bureau in consultation with the Attorney General and the Secretary of State)."

By Mr. CAMPBELL:

S. 1340. A bill to amend the Indian Land Consolidation Act to provide for probate reform with respect to trust or restricted lands; to the Committee on Indian Affairs.

Mr. CAMPBELL. Madam President, today, I am pleased to introduce the Indian Probate Reform Act of 2001 which builds on the solid foundations of the Indian Land Consolidation Act Amendments of 2000, P.L. 106-462, which I also sponsored.

The Land Consolidation Act Amendments were necessary for two reasons. First, it rewrote the parts of the existing law that were held unconstitutional by the United States Supreme Court.

Second, many of the laws dealing with Indian probate and the use of Indian land had been in place for more than a century. Through P.L. 106-462, Congress was able to revisit those laws to remove provisions that were based on out-dated, misguided, and discredited federal policies.

As my colleagues know Federal Indian policy is sometimes out-dated, and counter-productive Federal laws impede tribal efforts to achieve economic self determination and sufficiency.

As Congress worked on the Land Consolidation Act Amendments, it became clear that other laws also needed to be updated but could not be addressed until we enacted P.L. 106-462. With that work completed, we now have an opportunity to remove a number of complications concerning the probate of Indian estates and lands.

Presently about 20 different State laws of interstate succession apply to the inheritance of Indian allotments. This makes it almost impossible for the Federal Government to provide general probate planning advice to allotment owners.

Also, administrative law judges must monitor developments and changes in the probate laws of every State where allotments are located. This is simply an unnecessary waste of their time and tax dollars. The average Indian estate takes more than a year to probate, and in some cases a decedent's heirs will have died before the decedent's probate is completed. We can do better.

I am pleased that Interior Secretary Norton is making trust fund reform such a high priority. But we in Congress have to do our part to support these efforts. I trust that my colleagues share my commitment to ensure that adequate resources are available to support real trust reform efforts. We must also be willing to roll up our sleeves and take a good hard look at the laws that provide the framework for the use and probate of Indian trust lands, especially trust lands that are in individual Indian ownership.

This bill is the next step in completing the work we began last Congress by establishing uniform federal Indian probate rules.

I ask unanimous consent that the text of the bill printed in the RECORD.

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

S. 1340

*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 "Indian Probate Reform Act of 2001".

**SEC. 2. AMENDMENTS TO THE INDIAN LAND CONSOLIDATION ACT.**

(a) IN GENERAL.—The Indian Land Consolidation Act (25 U.S.C. 2201 et seq.) is amended by adding at the end the following:

**"Subtitle B—Indian Probate Reform**

**"SEC. 231. FINDINGS.**

"Congress makes the following findings:

"(1) The General Allotment Act of 1887 (commonly known as the "Dawes Act"), which authorized the allotment of Indian reservations, did not allow Indian allotment owners to provide for the testamentary disposition of the land that was allotted to such owners.

"(2) The Dawes Act provided that allotments would descend according to State law of intestate succession based on the location of the allotment.

"(3) The Federal Government's reliance on the State law of intestate succession with respect to the descendency of allotments has resulted in numerous problems to Indian tribes, their members, and the Federal Government. These problems include—

"(A) the increasing fractionated ownership of trust and restricted land as these lands are inherited by successive generations of owners as tenants in common;

"(B) the application of different rules of intestate succession to each of a decedent's interests in trust and restricted land if such land is located within the boundaries of different States which makes probate planning unnecessarily difficult and impedes efforts to provide probate planning assistance or advice;

"(C) the absence of a uniform general probate code for trust and restricted land which makes it difficult for Indian tribes to work cooperatively to develop tribal probate codes; and

"(D) the failure of Federal law to address or provide for many of the essential elements of general probate law, either directly or by reference, which is unfair to the owners of trust and restricted land and their heirs and devisees and which makes probate planning more difficult.

"(4) Based on the problems identified in paragraph (3), a uniform Federal probate code would likely—

"(A) reduce the number of unnecessary fractionated interests in trust or restricted land;

"(B) facilitate efforts to provide probate planning assistance and advice;

"(C) facilitate inter-tribal efforts to produce tribal probate codes pursuant to section 206; and

"(D) provide essential elements of general probate law that are not applicable on the date of enactment of this subtitle to interests in trust or restricted land.

**"SEC. 232. RULES RELATING TO INTESTATE INTERESTS AND PROBATE.**

"(a) IN GENERAL.—Any interest in trust or restricted land that is not disposed of by a valid will shall—

"(1) descend according to a tribal probate code that is approved pursuant to section 206; or

"(2) in the case of an interest in trust or restricted land to which such a code does not apply, be considered an 'intestate interest' and descend pursuant to subsection (b), this Act, and other applicable Federal law.

"(b) INTESTATE SUCCESSION.—An interest in trust or restricted land described in subsection (a)(2) (intestate interest) shall descend as provided for in this subsection in the following order:

"(1) SURVIVING INDIAN SPOUSE.—

"(A) SOLE HEIR.—A surviving Indian spouse of the decedent shall receive all of the decedent's intestate interests if no Indian child or grandchild of the decedent survives the decedent.

"(B) OTHER HEIRS.—A surviving Indian spouse of the decedent shall receive a one-half interest in each of the decedent's intestate interests if the decedent is also survived by Indian children or grandchildren.

"(C) HEIRS OF THE FIRST OR SECOND DEGREE OTHER THAN SURVIVING INDIAN SPOUSE.—The one-half interest in each of the decedent's intestate interests that do not descend to the surviving Indian spouse under subparagraph (B) shall descend in the following order:

"(i) To the Indian children of the decedent in equal shares, or to the Indian grandchildren of the decedent, if any, in equal shares by right of representation if 1 or more of the Indian children of the decedent do not survive the decedent.

"(ii) If the decedent is not survived by Indian children or grandchildren, to the surviving Indian parent of the decedent, or to both of the surviving Indian parents of the decedent as joint tenants with the right of survivorship.

"(iii) If the decedent is not survived by any person who is eligible to inherit under clause (i) or (ii), to the surviving Indian brothers and sisters of the decedent.

"(iv) If the decedent is not survived by any person who is eligible to inherit under clause (i), (ii), or (iii), the intestate interests shall descend, or may be acquired, as provided for in section 207(a)(3)(B), 207(a)(4), or 207(a)(5).

"(2) NO SURVIVING INDIAN SPOUSE.—If the decedent is not survived by an Indian spouse, the intestate interests of the decedent shall descend to the individuals described in subparagraphs (A) through (D) who survive the decedent in the following order:

"(A) To the Indian children of the decedent in equal shares, or to the Indian grandchildren of the decedent, if any, in equal shares by right of representation if 1 or more of the Indian children of the decedent do not survive the decedent.

"(B) If the decedent is not survived by Indian children or grandchildren, to the surviving Indian parent of the decedent, or to both of the surviving Indian parents of the decedent as joint tenants with the right of survivorship.

"(C) If the decedent is not survived by any person who is eligible to inherit under subparagraph (A) or (B), to the surviving Indian brothers and sisters of the decedent.

"(D) If the decedent is not survived by any person who is eligible to inherit under subparagraph (A), (B), or (C), the intestate interests shall descend, or may be acquired, as provided for in section 207(a)(3)(B), 207(a)(4), or 207(a)(5).

"(3) SURVIVING NON-INDIAN SPOUSE.—

"(A) NO DESCENDANTS.—A surviving non-Indian spouse of the decedent shall receive a life estate in each of the intestate interests of the decedent pursuant to section 207(b)(2) if the decedent is not survived by any children or grandchildren.

"(B) DESCENDANTS.—A surviving non-Indian spouse of the decedent shall receive a

life estate in one-half of the intestate interests of the decedent pursuant to section 207(b)(2) if the decedent is survived by at least one of the children or grandchildren of the decedent.

"(C) DESCENDANTS OTHER THAN SURVIVING NON-INDIAN SPOUSE.—The one-half life estate interest in each of the decedent's intestate interests that do not descend to the surviving non-Indian spouse under subparagraph (B) shall descend to the children of the decedent in equal shares, or to the grandchildren of the decedent, if any, in equal shares by right of representation if 1 or more of the children of the decedent do not survive the decedent.

"(4) NO SURVIVING SPOUSE OR INDIAN HEIRS.—If the decedent is not survived by a spouse, a life estate in the intestate interests of the decedent shall descend in the following order:

"(A) To the children of the decedent in equal shares, or to the grandchildren of the decedent, if any, in equal shares by right of representation if 1 or more of the children of the decedent do not survive the decedent.

"(B) If the decedent has no surviving children or grandchildren, to the surviving parents of the decedent.

"(5) REMAINDER INTEREST FROM LIFE ESTATES.—The remainder interest from a life estate established under paragraphs (3) and (4) shall descend in the following order:

"(A) To the Indian children of the decedent in equal shares, or to the Indian grandchildren of the decedent, if any, in equal shares by right of representation if 1 or more of the children of the decedent do not survive the decedent.

"(B) If there are no surviving Indian children or grandchildren of the decedent, to the surviving Indian parent of the decedent or to both of the surviving Indian parents of the decedent as joint tenant with the right of survivorship.

"(C) If there is no surviving Indian child, grandchild, or parent, to the surviving Indian brothers or sisters of the decedent in equal shares.

"(D) If there is no surviving Indian descendant or parent, brother or sister, the intestate interests of the decedent shall descend, or may be acquired, as provided for in section 207(a)(3)(B), 207(a)(4), or 207(a)(5).

"(c) SPECIAL RULE RELATING TO SURVIVAL.—For purposes of this section, an individual who fails to survive a decedent by at least 120 hours is deemed to have predeceased the decedent for purposes of intestate succession, and the heirs of the decedent shall be determined accordingly. If it is not established by clear and convincing evidence that an individual who would otherwise be an heir survived the decedent by at least 120 hours, such individual shall be deemed to have failed to survive for the required time-period for purposes of the preceding sentence.

"(d) PRETERMITTED SPOUSES AND CHILDREN.—

"(1) SPOUSES.—For purposes of this section, if the surviving spouse of a testator married the testator after the testator executed his or her will, the surviving spouse shall receive the intestate share in trust or restricted land that such spouse would have otherwise received if the testator had died intestate. The preceding sentence shall not apply to an interest in trust or restricted lands where—

"(A) the will is executed before the date specified in section 234(a);

"(B) the testator's spouse is a non-Indian and the testator has devised his or her interests in trust or restricted land to an Indian or Indians;

“(C) it appears from the will or other evidence that the will was made in contemplation of the testator’s marriage to the surviving spouse;

“(D) the will expresses the intention that it is to be effective notwithstanding any subsequent marriage; or

“(E) the testator provided for the spouse by a transfer of funds or property outside of the will and an intent that the transfer be in lieu of a testamentary provision is demonstrated by the testator’s statements or is reasonably inferred from the amount of the transfer or other evidence.

“(2) CHILDREN.—For purposes of this section, if a testator executed his or her will prior to the birth of 1 or more children of the testator and the omission is the product of inadvertence rather than an intentional omission, such children shall share in the decedent’s intestate interests in trust or restricted lands as if the decedent had died intestate. Any person recognized as an heir by virtue of adoption under the Act of July 8, 1940 (54 Stat 746) shall be treated as a decedent’s child under this section.

“(e) DIVORCE.—

“(1) SURVIVING SPOUSE.—

“(A) IN GENERAL.—For purposes of this section, an individual who is divorced from the decedent, or whose marriage to the decedent has been annulled, shall not be considered to be a surviving spouse unless, by virtue of a subsequent marriage, such individual is married to the decedent at the time of death. A decree of separation that does not terminate the status of husband and wife shall not be considered a divorce for purposes of this subsection.

“(B) RULE OF CONSTRUCTION.—Nothing in subparagraph (A) shall be construed to prevent an entity responsible for adjudicating interests in trust or restricted land from giving force and effect to a property right settlement if one of the parties to the settlement dies before the issuance of a final decree dissolving the marriage of the parties to the property settlement.

“(2) EFFECT OF SUBSEQUENT DIVORCE ON A WILL OR DEVISE.—If after executing a will the testator is divorced or the marriage of the testator is annulled, upon the effective date of the divorce or annulment any disposition of interests in trust or restricted land made by the will to the former spouse shall be deemed to be revoked unless the will expressly provides otherwise. Property that is prevented from passing to a former spouse based on the preceding sentence shall pass as if the former spouse failed to survive the decedent. Any provision of a will that is revoked solely by operation of this paragraph shall be revived by the testator’s remarriage to the former spouse.

“(f) NOTICE.—To the extent practicable, the Secretary shall notify the owners of trust and restricted land of the provisions of this title. Such notice may, at the discretion of the Secretary, be provided together with the notice required under section 207(g).

**“SEC. 233. COLLECTION OF PAST-DUE AND OVER-DUE CHILD SUPPORT**

“The Secretary shall establish procedures to provide for the collection of past-due or over-due support obligations entered by a tribal court or any other court of competent jurisdiction from the revenue derived from an interests in trust or restricted land.

**“SEC. 234. EFFECTIVE DATE.**

“(a) IN GENERAL.—The provisions of this title shall not apply to the estate of an individual who dies prior to the later of—

“(1) the date that is 1 year after the date of enactment of this subtitle; or

“(2) the date specified in section 207(g)(5).”.

(b) OTHER AMENDMENTS.—The Indian Land Consolidation Act (25 U.S.C. 2201 et seq.) is amended—

(1) by inserting after section 202, the following:

**“Subtitle A—General Land Consolidation”;**

(2) in section 206 (25 U.S.C. 2205)—

(A) in subsection (a)(3)—

(i) by striking “The Secretary” and inserting the following:

“(A) IN GENERAL.—The Secretary”; and

(ii) by adding at the end the following:

“(B) TRIBAL PROBATE CODES.—A tribal probate code shall not prevent the devise of an interest in trust or restricted land to non-members of the tribe unless the code—

“(i) provides for the renouncing of interests, reservation of life estates, and payment of fair market value in the manner prescribed under subsection (c)(2); and

“(ii) does not prohibit the devise of an interest in an allotment to an Indian person if such allotment was originally allotted to the lineal ancestor of the devisee.”; and

(B) in subsection (c)(2)—

(i) in subparagraph (A)—

(I) by striking “IN GENERAL.—Paragraph” and inserting the following:

“(A) NONAPPLICABILITY TO CERTAIN INTERESTS.—

“(i) IN GENERAL.—Paragraph”;

(II) by striking “if, while” and inserting the following: “if—

“(I) while”;

(III) by striking the period and inserting “; or”;

(IV) by adding at the end thereof the following:

“(II) the interest is part of a family farm that is devised to a member of the decedent’s family if the devisee agrees that the Indian tribe that exercises jurisdiction over the land will have the opportunity to acquire the interest for fair market value if the interest is offered for sale to an entity that is not a member of the family of the owner of the land.

“(ii) RULE OF CONSTRUCTION.—Nothing in clause (i)(II) shall be construed to prevent or limit the ability of an owner of land to which such clause applies to mortgage such land or to limit the right of the entity holding such a mortgage to foreclose or otherwise enforce such a mortgage agreement pursuant to applicable law.”; and

(ii) in subparagraph (B), by striking “207(a)(6)(B)” and inserting “207(a)(6)”;

(3) in section 207 (25 U.S.C. 2206)—

(A) in subsection (a)(6), by striking subparagraph (A) and inserting the following:

“(A) DEVISE TO OTHERS.—

“(i) IN GENERAL.—Notwithstanding paragraph (2), an owner of trust or restricted land—

“(I) who does not have an Indian spouse or an Indian lineal descendant may devise his or her interests in such land to his or her spouse, lineal descendant, heirs of the first or second degree, or collateral heirs of the first or second degree;

“(II) who does not have a spouse or an Indian lineal descendant may devise his or her interests in such land to his or her lineal descendant, heirs of the first or second degree, or collateral heirs of the first or second degree; or

“(III) who does not have a spouse or lineal descendant may devise his or her interests in such land to his or her heirs of the first or second degree, or collateral heirs of the first or second degree.

“(ii) RULE OF CONSTRUCTION.—Any devise of an interest in trust or restricted land under clause (i) to a non-Indian will be construed to devise a life estate unless the devise explicitly states that the testator intends for the devisee to take the interest in fee.

“(B) UNEXERCISED RIGHTS OF REDEMPTION.—

“(i) IN GENERAL.—This subparagraph (B) shall only apply to interests in trust or re-

stricted land that are held in trust or restricted status as of the date of enactment of the Indian Probate Reform Act of 2001, and interests in any parcel of land, at least a portion of which is in trust or restricted status as of such date of enactment, that is subject to a tax sale, tax foreclosure proceeding, or similar proceeding.

“(ii) EXERCISE OF RIGHT.—If the owner of such an interest referred to in clause (i) fails or refuses to exercise any right of redemption that is available to that owner under applicable law, the Indian tribe that exercises jurisdiction over the trust or restricted land referred to in such clause may exercise such right of redemption.

“(iii) PENALTIES AND ASSESSMENTS.—To the extent permitted under the Constitution of the United States, an Indian tribe acquiring an interest under clause (i) may acquire such an interest without being required to pay—

“(I) penalties; or

“(II) past due assessments that exceed the fair market value of the interest.”; and

(B) in subsection (g)(5), by striking “this section” and inserting “subsections (a) and (b)”;

(4) in section 217 (25 U.S.C. 2216)—

(A) in subsection (e)(3), by striking “prospective applicants for the leasing, use, or consolidation of” and insert “any person that is leasing, using or consolidating, or is applying to, lease, use, or consolidate,”; and

(B) in subsection (f)—

(A) by striking “After the expiration of the limitation period provided for in subsection (b)(2) and prior” and inserting “Prior”; and

(B) by striking “sold, exchanged, or otherwise conveyed under this section”.

(c) ISSUANCE OF PATENTS.—Section 5 of the Act of February 8, 1887 (24 Stat. 348) is amended by striking the second proviso and inserting the following: “Provided, That the rules of intestate succession under the Indian Land Consolidation Act, or a tribal probate code approved under such Act and regulations, shall apply thereto after such patents have been executed and delivered:”.

By Mr. HATCH (for himself, Mr. KENNEDY, and Mr. JEFFORDS):

S. 1341. A bill to amend the Internal Revenue Code of 1986 to expand human clinical trials qualifying for the orphan drug credit, and for other purposes; to the Committee on Finance.

Mr. HATCH. Madam President, I rise today to introduce legislation to clarify and expand the expenses qualifying for the orphan drug tax credit. I am pleased to be joined in this legislation by Senators KENNEDY and JEFFORDS.

As the original sponsor of the legislation authorizing the orphan drug program, and a leader in the Senate in our successful effort in 1996 to make the tax credit permanent, I am here today to ask my colleagues to support a needed improvement to the Orphan Drug Tax Credit. This improvement would make the tax credit even more effective in advancing the development of treatments for life-threatening rare diseases and conditions.

The Orphan Drug Tax Credit provides tax incentives to companies that develop treatments for diseases affecting fewer than 200,000 people, a population typically too small to provide a natural impetus for the private sector to take the necessary risks to develop a remedy that may never be profitable. The diseases covered under the credit include: ALS, Lou Gehrig’s disease;

cerebral palsy; cystic fibrosis; epilepsy; Gaucher's disease; Huntington disease; sickle cell disease; and system lupus erythematosus, Lupus. More than 20 million Americans suffer from these rare diseases.

The Orphan Drug Tax Credit has been very successful. For example, in the case of multiple sclerosis, 6 years ago there was no treatment for any type of the disease, only for its symptoms. Thanks in large part to this law, there are now three products on the market to treat the disease.

Unfortunately, the design of the credit includes a flaw that limits its effectiveness. The bill we are introducing today would correct this problem. Under the current Orphan Drug Tax Credit, a 50 percent is available for expenses related to human clinical testing of drugs that are designated as meeting the statutory definition of an "orphan" by the Food and Drug Administration, FDA. Qualifying expenses are those paid or incurred after the date on which the drug is designated as a potential treatment for a rare disease or disorder.

The problem is that qualified expenses incurred during the time it takes the FDA to officially designate the drug as an "orphan" are not eligible for the credit. Unfortunately, the FDA approval process can take from two months to more than a year. In some cases, companies developing these potentially life-saving drugs are left with a difficult decision, delay the start of the clinical trials until the designation is received, or go ahead and start the trials without the designation, but forego the benefits of tax credit that is so crucial to offsetting the high cost of developing these drugs. Neither choice is in the best interest of the 20 million Americans who are waiting and hoping for a cure for their disorder.

The bill we are introducing today would solve this problem by simply providing that qualifying expenses include those incurred after the date on which the company files an application with the FDA for designation of the drug as a potential treatment for a rare disease or disorder. The credit's availability for these pre-designation expenses, however, is conditioned upon the FDA actually making the designation. Thus, under this change, the designation must still first be granted before the credit could be claimed. But, once the designation is granted, the credit could be claimed for both the clinical testing expenses incurred between the filing of the application and the designation date, as well as for those incurred after the designation date.

It is important to note that this change will also simplify the current law. In fact, this change was recommended earlier this year by the staff of the Joint Committee on Taxation in its study of recommendations to simplify the Federal tax system.

The bill would also make one other change designed to help Americans suf-

fering from rare diseases. It would provide that the FDA publish on a monthly basis a list of applications for orphan drug designations. This provision will allow rare disease patients early access to information about proposed clinical trials and will help the industry locate research subjects for their studies.

The Orphan Drug Tax Credit enjoys wide bipartisan support, and rightly so. It is a tax incentive that works. Now, we have a chance to make it work even better. The tax clarification in this bill was passed in both the Senate twice in the 106th Congress, once in H.R. 2488, the Financial Freedom Act of 1999, which was vetoed by President Clinton for unrelated reasons, and again in H.R. 4577, the Department of Labor, Health and Human Services, and Education and Related Agencies Appropriations Act, 2001, which passed on July 10, 2000.

I urge my colleagues to support this legislation and I ask unanimous consent that the text of bill be printed in the RECORD.

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

S. 1341

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

**SECTION 1. EXPANDED HUMAN CLINICAL TRIALS QUALIFYING FOR ORPHAN DRUG CREDIT.**

(a) IN GENERAL.—Subclause (I) of section 45C(b)(2)(A)(i) of the Internal Revenue Code of 1986 is amended to read as follows:

"(I) after the date that the application is filed for designation under such section 526, and".

(b) CONFORMING AMENDMENT.—Clause (i) of section 45C(b)(2)(A) of the Internal Revenue Code of 1986 is amended by inserting "which is" before "being" and by inserting before the comma at the end "and which is designated under section 526 of such Act".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after December 31, 2001.

**SEC. 2. PUBLICATION OF FILING AND APPROVAL OF REQUESTS FOR DESIGNATION OF DRUGS FOR RARE DISEASES OR CONDITIONS.**

Subsection (c) of section 526 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360b) is amended to read as follows:

"(c) Not less than monthly, the Secretary shall publish in the Federal Register, and otherwise make available to the public, notice of requests for designation of a drug under subsection (a) and approvals of such requests. Such notice shall include—

"(1) the name and address of the manufacturer and the sponsor;

"(2) the date of the request for designation or of the approval of such request;

"(3) the nonproprietary name of the drug and the name of the drug under which an application is filed under section 505(b) or section 351 of the Public Health Service Act;

"(4) the rare disease or condition for which the designation is requested or approved; and

"(5) the proposed indication for use of the product."

By Mr. DORGAN (for himself and Mr. STEVENS):

S. 1342. A bill to allocate H-1B visas for demonstration projects in rural

America; to the Committee on the Judiciary.

Mr. DORGAN. Madam President, I'm pleased to be joined by Senator STEVENS in introducing legislation that we believe will develop high-tech employment opportunities in small towns and rural communities by using the H-1B visa program in a meaningful way for rural States.

Over the past several decades, hundreds of communities in rural America have seen their populations shrink by more than a third. Devastated by the overwhelming loss of people and businesses, or outmigration, these rural communities have been stymied in their efforts to grow their economies and create jobs for their people. Most of these areas have also not benefited from the recent technology-driven growth in the economy. The combined effects of this economic stagnation and isolation have made it extremely difficult for these small rural towns to attract high-tech companies and recruit the skilled technology workers that they need to participate in the new economy.

The proposal we are introducing today builds upon legislation signed into law by President Clinton last fall that provided the Nation's high-technology companies with the stopgap measure they needed to secure skilled workers for unfilled positions by increasing the annual number of foreign workers that can receive H-1B status to 195,000 over the next three years. That legislation, which I supported, was an appropriate short-term response to the problems caused by a scarcity of qualified labor that threatened the nation's continued economic growth.

The bill that Senator STEVENS and I are now introducing is called the "21st Century Homesteading Act." It would establish up to six H-1B visa demonstration projects in qualifying rural areas, including those devastated by population loss. This legislation is designed to encourage high-technology firms to grow their businesses and increase employment in those distressed rural areas that need them the most. It would do this by both awarding grant funds and targeting a small portion of the total annual H-1B visa allocations to economic development planning districts in eligible areas.

The major provisions of the 21st Century Homesteading Act are as follows:

Six demonstration programs. The bill authorizes and requires the Secretary of Agriculture to conduct up to six demonstration H-1B visa projects to be implemented through the award of grant funding to qualifying economic development planning districts in rural areas.

Application process. To apply for grant funds, economic development planning districts would be required, among other things, to submit an application to the Secretary, sign a resolution of support to bring high-tech development opportunities into that district, and execute a declaration of need confirming that the area has experienced substantial outmigration, has

high unemployment or poverty rates, or has a population that is 10 percent or more Native American.

Local transfer of visa fees. The amount of each grant awarded to eligible districts would be equal to the H-1B visa fees paid by petitioning employers. Grants can be used only to provide education, training, equipment, and infrastructure in connection with the employment of H-1B workers within that district.

Total of 12,000 H-1B visas. Up to 12,000 H-1B visas could be issued to eligible aliens for employment through these demonstration projects—and no one planning district could issue more than 2,000 H-1B visas.

New account for program funds. A separate "Twenty-first Century Homesteading Account" would be established in the Treasury general fund. The H-1B visa fees paid for foreign workers in approved demonstration projects would be deposited into that account and remain available to the Agriculture Secretary until expended to carry out such projects.

Let me be clear on three points. First, we do not intend with this legislation to replace skilled American workers with their foreign counterparts. Under current law, H-1B visas are temporary and firms that significantly rely on them must have attempted to hire U.S. workers and attest that a U.S. worker is not laid off during a significant period of time before and after an H-1B worker is hired. Our legislation would not change these and other restrictions. Furthermore, the 21st Century Homesteading Act also requires designated economic development planning districts to establish training programs for other workers who live in that district.

Second, this legislation permits an allocation of no more than 2,000 H-1B visas for each of the six demonstration projects that are authorized. Thus, even if all 12,000 H-1B visas were ultimately allocated to the full six demonstration projects, that number would still represent less than one-tenth of the total H-1B visas permitted in the first year. This small allocation of H-1B visas should have little or no impact on the overall efforts of companies seeking H-1B workers in other parts of the country. In fact, to date, only 117,000 of the 195,000 H-1B visas available for this year have been approved, so allocating a small portion for these demonstration programs should not present a problem.

And third, this legislation in no way increases or decreases the overall levels of immigration into the country. It simply targets a very small number of existing employment visas to those communities that have not benefited from the recent technology boom, and which are likely to benefit the most from the addition of new residents with the necessary skills to help attract and retain high-tech employers.

Finally, I would note that the prospect for these demonstration projects

is not merely a theoretical exercise. This approach was raised with me by economic development officials in North Dakota who stand ready, willing, and able to apply for economic development planning district status. In my judgment, this group has already demonstrated the kind and level of commitment that is needed to make this initiative successful.

There is great need in rural America, especially in states like mine. But often this need is not properly addressed here in Washington because of what I think is a fundamental misunderstanding of the problem of out-migration and the economic maladies associated with it. The 21st Century Homesteading Act is an effort to fine tune one of our federal policies in order to address the shortage of skilled labor and lack of job growth in many rural communities. I urge my colleagues to support this important demonstration initiative for rural America.

By Mr. CHAFFEE (for himself, Mrs. FEINSTEIN, Ms. SNOWE, Mr. SCHUMER, Ms. COLLINS, Mr. BINGAMAN, Mr. SPECTER, Mrs. CLINTON, Mr. JEFFORDS, Mr. GRAHAM, Mr. HARKIN, and Mr. CORZINE):

S. 1343. A bill to amend title XIX of the Social Security Act to provide States with options for providing family planning services and supplies to individuals eligible for medical assistance under the Medicaid program; to the Committee on Finance.

Mr. CHAFFEE, Madam President, I am pleased to be joined today by Senators FEINSTEIN, SNOWE, BINGAMAN, COLLINS, SCHUMER, SPECTER, GRAHAM, CLINTON, CORZINE, HARKIN, and JEFFORDS in introducing the Family Planning State Empowerment Act of 2001. This legislation would provide States with a mechanism to improve the health of low-income women and families by allowing States to expand family planning services to additional women under the Medicaid program.

The Federal Government currently reimburses States for 90 percent of their expenditures for family planning services under Medicaid, due to the importance of these for low-income women. This reimbursement rate is higher than for most other health care services.

Generally, women may qualify for Medicaid services, including family planning, in one of two ways: they have children and an income level below a threshold set by the State (ranging from 15-86 percent of the Federal poverty level; or they are pregnant and have incomes up to 133 percent of the poverty level, federal law allows states to raise this income eligibility level to 185 percent, if they desire. If a woman qualifies because of pregnancy, she is automatically eligible for family planning services for sixty days following delivery. After those sixty days, the women's Medicaid eligibility expires.

If States want to provide Medicaid family planning services to additional

populations of low-income women, they must apply to the federal government for a so-called "1115" waiver. These waivers allow States to establish demonstration projects in order to test new approaches to health care delivery in a manner that is budget-neutral to the Federal Government.

To date, these waivers have enabled fourteen States to expand access to family planning services. Most of these waivers allow states to extend family planning to women beyond the sixty-day post-partum period. This allows many women to increase the length of time between births, which was significant health benefits for women and their children. For this reason, an Institute of Medicine report recommended that Medicaid should cover family planning services for two years following a delivery.

Some of the waivers allow States to provide family planning to women based solely on income, regardless of whether they qualify for Medicaid due to pregnancy or children. In general, States have used the same income eligibility levels that apply to pregnant women (133 percent or 185 percent of the poverty level, creating continuity for both family planning and prenatal care services. These expanded services also help states reduce rates of unintended pregnancy and the need for abortion.

My State of Rhode Island was one of the first states to obtain one of these waivers, and has had great success with it in terms of preventing unintended pregnancies and improving public health in general. Rhode Island's waiver has averted 1,443 pregnancies from August 1994 through 1997, resulting in a savings to the state of \$14.3 million. In addition, Rhode Island's waiver has assisted low-income women with spacing-out their births. The number of low-income women in Rhode Island with short inter-birth intervals, becoming pregnant within 18 months of having given birth dropped from 41 percent in 1993 to 29 percent in 1999. The gap between Medicaid recipients and privately insured women was 11 percent in 1993, compared with only 1 percent—almost negligible, in 1999. As these statistics show, these waivers are extremely valuable and serve as a huge asset to the women's health, not only to my constituents but to constituents in the thirteen other States who currently benefit from these waivers.

Unfortunately, the waiver process is extremely cumbersome and time consuming, often taking up to three years for States to receive approval from the Federal Government. This may discourage States from applying for family planning waivers, or at the very least, delay them from providing important services to women.

Our bill would rectify this problem by allowing States to extend family planning services through Medicaid without going through the waiver process. Eliminating the waiver requirement will facilitate State innovation

and provide assistance to more low-income women.

This bill will allow States to provide family planning services to women with incomes up to 185 percent of the Federal poverty level. For low-income, post-partum women, States will no longer be limited to providing them with only sixty days of family planning assistance. States may also provide family planning for up to one year to women who lose Medicaid-eligibility because of income.

I urge my colleagues to join me in supporting this important legislation, and ask for unanimous consent that the legislation and the accompanying findings section be printed in the RECORD.

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

S. 1343

*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 "Family Planning State Empowerment Act of 2001".

**SEC. 2. STATE OPTION TO PROVIDE FAMILY PLANNING SERVICES AND SUPPLIES TO INDIVIDUALS WITH INCOMES THAT DO NOT EXCEED A STATE'S INCOME ELIGIBILITY LEVEL FOR MEDICAL ASSISTANCE.**

(a) IN GENERAL.—Title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) is amended—

(1) by redesignating section 1935 as section 1936; and

(2) by inserting after section 1934 the following:

“STATE OPTION TO PROVIDE FAMILY PLANNING SERVICES AND SUPPLIES

“SEC. 1935. (a) IN GENERAL.—Subject to subsections (b) and (c), a State may elect (through a State plan amendment) to make medical assistance described in section 1905(a)(4)(C) available to any individual whose family income does not exceed the greater of—

“(1) 185 percent of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved; or

“(2) the eligibility income level (expressed as a percent of such poverty line) that has been specified under a waiver authorized by the Secretary or under section 1902(r)(2), as of October 1, 2001, for an individual to be eligible for medical assistance under the State plan.

“(b) COMPARABILITY.—Medical assistance described in section 1905(a)(4)(C) that is made available under a State plan amendment under subsection (a) shall—

“(1) not be less in amount, duration, or scope than the medical assistance described in that section that is made available to any other individual under the State plan; and

“(2) be provided in accordance with the restrictions on deductions, cost sharing, or similar charges imposed under section 1916(a)(2)(D).

“(c) OPTION TO EXTEND COVERAGE DURING A POST-ELIGIBILITY PERIOD.—

“(1) INITIAL PERIOD.—A State plan amendment made under subsection (a) may provide that any individual who was receiving medical assistance described in section 1905(a)(4)(C) as a result of such amendment, and who becomes ineligible for such assist-

ance because of hours of, or income from, employment, may remain eligible for such medical assistance through the end of the 6-month period that begins on the first day the individual becomes so ineligible.

“(2) ADDITIONAL EXTENSION.—A State plan amendment made under subsection (a) may provide that any individual who has received medical assistance described in section 1905(a)(4)(C) during the entire 6-month period described in paragraph (1) may be extended coverage for such assistance for a succeeding 6-month period.”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply to medical assistance provided on and after October 1, 2001.

**SEC. 3. STATE OPTION TO EXTEND THE POSTPARTUM PERIOD FOR PROVISION OF FAMILY PLANNING SERVICES AND SUPPLIES.**

(a) IN GENERAL.—Section 1902(e)(5) of the Social Security Act (42 U.S.C. 1396a(e)(5)) is amended—

(1) by striking “eligible under the plan, as though” and inserting “eligible under the plan—

“(A) as though”;

(2) by striking the period and inserting “; and”; and

(3) by adding at the end the following:

“(B) for medical assistance described in section 1905(a)(4)(C) for so long as the family income of such woman does not exceed the maximum income level established by the State for the woman to be eligible for medical assistance under the State plan (as a result of pregnancy or otherwise).”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply to medical assistance provided on and after October 1, 2001.

Mrs. FEINSTEIN. Madam President, I am pleased to be joined by a bipartisan group of my colleagues in introducing this important legislation. I rise today with Senators CHAFEE, SNOWE, SCHUMER, COLLINS, BINGAMAN, SPECTER, CLINTON, JEFFORDS, GRAHAM, HARKIN, and CORZINE to introduce the Family Planning State Empowerment Act of 2001.

The Family Planning State Empowerment Act of 2001 would give States the option to provide family planning services to low-income women who do not qualify for Medicaid.

Each year, approximately 3 million pregnancies, or about half of all pregnancies, are unintended. Increasing access to family planning services could help avert these 3 million unintended pregnancies and all the decisions and costs associated with either continuing or terminating a pregnancy.

Family planning services give women the necessary tools to space the births of their children, which improves women's health and reduces rates of infant mortality.

Medicaid family planning is also cost effective. For every \$1 invested in family planning, \$3 are saved in pregnancy and health care-related costs.

The Federal Government currently reimburses States for 90 percent of their expenditures for family planning services under Medicaid.

If States want to provide Medicaid family planning services to populations of low-income women, other than low-income pregnant women or low-income

women with children, they must apply to the Federal Government for a waiver.

Presently, 14 States, including California, have obtained Medicaid waivers from the Federal Government to provide family planning services to over 1.3 million women annually. Another eight States have applied for waivers.

The waiver process is extremely cumbersome and time consuming, often taking up to three years to receive approval from the Federal Government.

This is legislation is timely because once again the door is being closed by the Administration on women's reproductive health. This time, the losers will be low-income women.

Secretary of Health and Human Services Tommy Thompson announced last month that he will not approve any new waiver requests nor grant any renewals for single service waivers, which includes this Medicaid family planning waiver.

And if the Administration gets its way, California will lose \$100 million a year, and over 900,000 low-income Californians will have to look elsewhere for family planning and reproductive health services.

Family planning and reproductive health services are much more than just accessing contraceptives. Services provided include screening and treatment for sexually transmitted diseases and HIV, basic infertility services and pregnancy testing and counseling. Women can receive pap smears and breast exams, which are crucial to detecting cervical and breast cancer.

It is estimated that this waiver will save California \$900 million over the 5-year waiver period in public expenditures for medical care and social services.

It is ironic that an Administration that is seeking to reduce the number of abortions would try to halt the very family planning services that could avoid unintended pregnancies.

In effect, the Administration is asking the clinics in our States, which provide services to some of our Nation's sickest and most vulnerable populations, to either turn away low-income women that need family planning services at the door or to provide them with services without the necessary funds.

I am pleased to join my colleagues in saying enough is enough. Low income women deserve access to family planning and reproductive health services. And States should not have to ask the federal government for permission to use Medicaid funds to provide these essential services.

It is time that this Administration walk-the-walk and talk-the-talk. We cannot afford to shut the door on those who cannot otherwise afford family planning and reproductive health services.

I urge my colleagues to join me in supporting this important legislation.

Mr. SCHUMER. Madam President, the Family Planning State Empower

ment Act is our long-term shield against the ideological whims of those who threaten to cut cost-effective family planning services for low income women across the country. Why do we need such a protective measure? In the past two weeks, it became clear that the Federal Government would not renew these programs nor would they approve any pending application requests. That is why I, along with 21 of my colleagues including Mr. CHAFEE, sent a letter asking the government to reconsider their decision which would seriously impinge upon the ability of states to expand coverage of family planning services.

The Family Planning State Empowerment Act would allow State governments and agency experts to practice what they know best, implementing these cost-effective family planning service programs that reduce the number of unintended pregnancies and abortions. In New York alone, 13,440 women would be served under its pending family planning service program proposal. As the years go by, States are offering more services to more women all at a minimal cost to the Federal Government.

There are 1.2 million women aged 13 to 44 in New York who are in need of publicly supported contraceptive services, 16.5 million in the United States. Thousands of women have already benefitted from prenatal, delivery, and postpartum family planning services in states such as New York, Georgia, Colorado, Virginia, Wisconsin, and Kentucky, to name a few. These programs successfully help low-income women to avoid closely spaced births that are linked to low birth weight, infant mortality, and maternal morbidity. It would be a shame to curtail the progress of these family planning service programs when there are so many more women to serve.

As part of their applications for federal approval, States are required to demonstrate that expanding Medicaid coverage of family planning services would come at no additional cost to the Federal Government. Every dollar spent for contraceptive services saves \$3 in public funds that would have been needed to provide prenatal and newborn medical care alone. New York's pending family planning service program would save the Federal Government \$3.2 billion. Instead of allowing these programs to be used as decoys in the ideological battle over choice issues, let us preserve their effectiveness and put them out of the way of federal reach and under full state authority.

Though the Federal Government can play an important oversight role in the welfare of publicly financed programs—it has overstepped its boundaries in using these programs as sacrificial lambs to further its ideological agenda. We cannot stand idly by and let the Federal Government determine the fate of such programs that have proven themselves since 1993 not only eco-

nomically sound but essential to the provision of vital health services to individuals who could not receive them otherwise. That is why I am a proud original co-sponsor of the Family Planning State Empowerment Act of 2001.

By Mr. CAMPBELL:

S. 1344. A bill to provide training and technical assistance to Native Americans who are interested in commercial vehicle driving careers; to the Committee on Indian Affairs.

Mr. CAMPBELL. Madam President, today I am pleased to introduce a bill that promotes job creation and economic opportunity for Native Americans. The Native American Commercial Driving Training and Technical Assistance Act will encourage and promote tribally-controlled community colleges to offer commercial vehicle training programs.

Economic development is the key to many of the social and economic ills that plague Indian and Alaska Native communities. In 1999, the Bureau of Indian Affairs labor statistics for Indian and Alaska Native communities determined that the unemployment rate for Indians living near or in Indian communities was 43 percent. This figure is astonishing when compared to the overall unemployment rate in the United States which is only 4.5 percent.

As former Chairman and now Vice-Chairman of the Committee on Indian Affairs, I have focused on building tribal capacity and good governance so that Indian and Alaska Native communities can create business-friendly environments. Human capital and skill development is also important, and with training and certificate programs tribally-controlled community colleges are fostering skilled workers who are ready to enter into the marketplace.

The bill that I am introducing today will enable tribally-controlled community colleges to have more resources to develop commercial vehicle training programs. There are already two tribally-controlled community colleges, D-Q University in the state of California and Fort Peck Community College in the state of Montana, that offer commercial vehicle driving programs. The grant program authorized in this bill will encourage other tribal colleges to develop commercial truck driving training programs.

The trucking industry is a thriving industry. According to the Department of Transportation, there are currently about 3 million truck drivers in the United States. However, the American Trucking Association estimates that between 10 percent and 20 percent of the Nation's trucks sit idle due to a lack of qualified drivers. In fact, estimates range from 200,000 to 500,000 as to the shortage of new qualified drivers that are needed this year and in the coming years.

I am the only Member of the Senate who is a licensed and certified commercial truck driver and who once earned his living as an over-the-road driver.

Based on my personal experience the truck driving industry has something unique to offer Indian communities; a well-paying profession. This is a win-win situation because the trucking industry needs more qualified drivers, and Indian communities need more job opportunities. With this bill, more American Indians will have the opportunity to undertake the training necessary to obtain a Commercial Truck Driver's License, and join a rewarding and well-paying profession.

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. 1344

*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 "Native American Commercial Driving Training and Technical Assistance Act".

**SEC. 2. FINDINGS AND PURPOSES.**

(a) FINDINGS.—Congress makes the following findings:

(1) Despite the availability of abundant natural resources on Indian lands and a rich cultural legacy that accords great value to self-determination, self-reliance, and independence, Native Americans suffer higher rates of unemployment, poverty, poor health, substandard housing, and associated social ills than those of any other group in the United States.

(2) The United States has an obligation to assist Indian tribes with the creation of appropriate economic and political conditions.

(3) The economic success and material well-being of Native American communities depends on the combined efforts of the Federal Government, tribal governments, the private sector, and individuals.

(4) Two tribally controlled community colleges, D-Q University in the State of California and Fort Peck Community College in the State of Montana, currently offer commercial vehicle driving programs.

(5) The American Trucking Association reports that at least until the year 2005, the trucking industry will need to hire 403,000 truck drivers each year to fill empty positions.

(6) According to the Federal Government Occupational Handbook the commercial driving industry is expected to increase about as fast as the average for all occupations through the year 2008 as the economy grows and the amount of freight carried by trucks increases.

(7) A career in commercial vehicle driving offers a competitive salary, employment benefits, job security, and a profession.

(b) PURPOSE.—It is the purpose of this Act—

(1) to foster and promote job creation and economic opportunities for Native Americans; and

(2) to provide education, technical, and training assistance to Native Americans who are interested in a commercial vehicle driving career.

**SEC. 3. DEFINITIONS.**

In this Act:

(1) COMMERCIAL VEHICLE DRIVING.—The term "commercial vehicle driving" means the driving of a vehicle which is a tractor-trailer truck.

(2) SECRETARY.—The term "Secretary" means the Secretary of Labor.

**SEC. 4. COMMERCIAL VEHICLE DRIVING TRAINING PROGRAM.**

(a) **GRANTS.**—The Secretary may award 4 grants, on a competitive basis, to eligible entities to support programs providing training and certificates leading to the professional development of individuals with respect to commercial vehicle driving.

(b) **ELIGIBILITY.**—To be eligible to receive a grant under subsection (a), an entity shall—

(1) be a tribally-controlled community college or university (as defined in section 2 of the Tribally-Controlled Community College or University Assistance Act of 1978 (25 U.S.C. 1801)); and

(2) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(c) **PRIORITY.**—In awarding grants under subsection (a), the Secretary shall give priority to—

(1) grant applications that propose training that exceeds the United States Department of Transportation's Proposed Minimum Standards for Training Tractor-Trailer Drivers; and

(2) grant applications that propose training that exceeds the entry level truck driver certification standards set by the Professional Truck Driver Institute.

(d) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated such sums as may be necessary to carry out the Act.

By Ms. SNOWE (for herself and Ms. COLLINS)

S. 1345. A bill to direct the Secretary of Transportation to establish a commercial truck safety pilot program in the State of Maine, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Ms. SNOWE. Madam President, I rise today to introduce legislation the Commercial Truck Safety Pilot Program Act to create a safety pilot program for commercial trucks.

The Commercial Truck Safety Pilot Program Act would authorize a safety demonstration program in my home state of Maine that could be a model for other states. I have been working closely with the Maine Department of Transportation, communities in my State, and others to address statewide concerns about the existing Federal Interstate truck weight limit of 80,000 pounds.

I believe that safety must be the number one priority on our roads and highways, and I am very concerned that the existing Interstate weight limit has the perverse impact of forcing commercial trucks onto State and local secondary roads that were never designed to handle heavy commercial trucks safely. We are talking about narrow roads, lanes, and rotaries, with frequent pedestrian crossings and school zones.

I have been working to address this concern for many years. During the 105th Congress, for example, I authored a provision providing a waiver from federal weight limits on the Maine Turnpike the 100-mile section of Maine's Interstate in the southern portion of the State and it was signed into law as part of TEA-21. I have also corresponded with the Department of

Transportation and the Senate Environment and Public Works Committee to make them aware of my serious concerns and to urge them to work with me in an effort to address this challenge.

In addition, the Maine Department of Transportation is in the process of conducting a study of the truck weight limit waiver on the Maine Turnpike, and I have been working closely with the State in the hopes of expanding this study, which will focus on the safety impact of higher limits, infrastructure issues, air quality issues and economic issues as well, in order to secure the data necessary to ensure that commercial trucks are required to operate in the safest possible manner.

Federal law attempts to provide uniform truck weight limits, 80,000 pounds, on the Interstate system, but the fact is there are a myriad of exemptions and grandfathering provisions. The legislation I am submitting today would simply direct the Secretary of Transportation to establish a three-year pilot program to improve commercial motor vehicle safety in the State of Maine.

Specifically, the measure would direct the Secretary, during this period, to waive federal vehicle weight limitations on certain commercial vehicles weighing over 80,000 pounds using the Interstate System within Maine, permitting the State to set the limit. In addition, it would provide for the waiver to become permanent unless the Secretary determines it has resulted in an adverse impact on highway safety.

I believe this is a measured, responsible approach to a very serious public safety issue. I hope to work with all of those with a stake in this issue, safety advocates, truckers, states, and communities, to address this matter in the most effective possible way, and I hope that my colleagues will join me in this effort.

Ms. COLLINS. Madam President, I rise to join with my colleague from Maine in sponsoring the Commercial Truck Safety Pilot Program Act, an important piece of legislation that addresses a significant safety problem in our State.

Under current law, trucks weighing as much as 100,000 pounds are allowed to travel on Interstate 95 from Maine's border with New Hampshire to Augusta, our capital city located. At Augusta, trucks weighing more than 80,000 pounds are forced off Interstate 95, which proceeds for another 200 miles through the northern half of the State, and on to smaller roads that pass through cities, towns, and villages.

Trucks weighing up to 100,000 pounds are permitted on interstate highways in New Hampshire, Massachusetts, and New York as well as the Canadian provinces of New Brunswick and Quebec. The weight limit disparity on various segments of Maine's Interstate Highway System forces trucks traveling to and from destinations in these States and provinces to use Maine's

State and local roads. Consequently, many Maine communities along the Interstate see substantially more truck traffic than would otherwise be the case if the weight limit were 100,000 pounds for all of Maine's Interstate highways.

The problem Maine faces because of the disparity in truck weight limits is perhaps most pronounced in our State capital. Augusta is the Maine Turnpike's northern terminus where heavy trucks that are prohibited from traveling along the northern segment of Interstate 95 enter and exit the turnpike. The high number of trucks that must traverse Augusta's local roads creates a severe hazard for those who live and work in as well as visit the city.

It is estimated that the truck weight disparity sends 310 vehicles in excess of 80,000 pounds through Augusta every day. These vehicles, which are often carrying hazardous materials, must pass through the Cony Circle, one of the State's most dangerous traffic circles and the scene of 130 accidents per year. The fact that the circle is named for the twelve hundred student high school that it abuts adds to the severity of the problem.

A uniform truck weight limit of 100,000 pounds on Maine's interstate highways would reduce the highway miles and travel times necessary to transport freight through Maine, resulting in economic and environmental benefits. Moreover, Maine's extensive network of State and local roads will be better preserved without the wear and tear of heavy truck traffic. Most importantly, however, a uniform truck weight limit will keep trucks on the interstate where they belong rather than on roads and highways that pass through Maine's cities, towns, and neighborhoods.

The legislation that Senator SNOWE and I are introducing addresses the safety issues we face in Maine because of the disparities in truck weight limits. The legislation directs the Secretary of Transportation to establish a commercial truck safety pilot program in Maine. Under the pilot program, the truck weight limit on all Maine highways that are part of the interstate highway system would be set at 100,000 pounds for three years. During the waiver period, the Secretary would study the impacts of the pilot program on safety, and would receive the input of a panel that would include State officials, safety organizations, municipalities, and the commercial trucking industry. The waiver would become permanent if the panel determined that motorists were safer as a result of a uniform truck weight limit on Maine's Interstate highway system.

Maine's citizens and motorists are needlessly at risk because too many heavy trucks are forced off the interstate and on to local roads. The legislation Senator SNOWE and I are introducing is not an attempt to roll back

weight standards but rather a common-sense approach to a severe safety problem in my State. I hope my colleagues will support passage of this important legislation.

By Mr. SESSIONS (for himself, Mr. BINGAMAN, Mr. ALLARD, and Ms. COLLINS):

S. 1346. A bill to amend the Federal Food, Drug, and Cosmetic Act with regard to new animal drugs, and for other purposes; to the Committee on Finance.

Mr. SESSIONS. Madam President, we do a lot of things here that are controversial and get headlines. But oftentimes we do things that are bipartisan, that are complex and technical. Working together, we accomplish things that are good for the country.

The legislation I have introduced tonight, along with Senator JEFF BINGAMAN from New Mexico, is that kind of legislation. It is supported by 27 different farm and veterinary medicine groups. It is called the Minor Use and Minor Species Animal Health Act. It deals with a problem that, unfortunately, goes largely unnoticed, except by those who are directly affected. Livestock and food animal producers, pet owners, zoo and wildlife biologists, and animals themselves face a severe shortage of approved animal drugs for use in minor species.

Minor species include thousands of animal species, including all fish, birds, and sheep. By definition, minor species are any animals other than the major species, which are cattle, horses, chickens, turkeys, dogs, and cats. A similar shortage of drugs and medicines for major animal species exists for diseases that occur infrequently or which occur in limited geographical areas.

Due to the lack of availability for these minor use drugs, millions of animals go untreated or treatment is delayed. Without access to these necessary minor use drugs, farmers and ranchers also suffer. An unhealthy animal that is left untreated can spread disease throughout an entire herd. For example, sheep ranchers lost nearly \$45 million worth of livestock in 1999 alone. The sheep industry estimates if it had access to effective and necessary drugs to treat diseases, growers' reproduction costs for their animals would be cut by up to 15 percent. In addition, feedlot deaths would be reduced by 1 to 2 percent, adding approximately \$8 million of revenue to the industry.

Alabama's catfish industry ranks second in the Nation. Though it is not the State's only aquacultural commodity, catfish is by far its largest. Indeed, catfish make up 68 percent of the Nation's aquacultural industry. That industry generates enormous opportunities in the poorest part of Alabama,

and it is necessary that it be a strong industry.

The catfish industry estimates its losses at \$60 million per year attributable to diseases for which drugs are not available. Indeed, it is not uncommon for a catfish producer to lose half his stock to disease.

The U.S. aquacultural industry overall, including food fish and ornamental fish, produces and raises over 800 different species. Unfortunately, this industry has only five drugs approved for use in treating aquacultural diseases. This results in economic hardship.

The problem is simply this: A drug company must go through a long research program to develop a drug. Then the company has to seek approval for the drug. The company simply is financially unable to do so because there are not many animals for which the product will be used. It makes it difficult for them to do the investment.

I, along with Senators BINGAMAN, ALLARD, and COLLINS, resolve to improve this situation by introducing the Minor Use and Minor Species Animal Health Act. The legislation will allow animal drug manufacturers the opportunity to develop and obtain approval for minor use drugs which are vitally needed by a wide variety of animal industries.

Our legislation incorporates the major proposals of the Food and Drug Administration's Center for Veterinary Medicine to increase the availability of drugs for minor animal species and rare diseases in all animals. The act creates incentives for animal drug manufacturers to invest in product development and obtain FDA approval.

The legislation creates a program very similar to the human orphan drug program that has dramatically increased the availability of drugs to treat rare human diseases over the past 20 years.

The Minor Use and Minor Species Animal Health Act will not alter, however, the FDA drug approval responsibilities that ensure the safety of animal drugs to the public. The FDA's Center for Veterinary Medicine currently evaluates new animal products prior to approval and use. This rigorous testing and review process provides consumers with the confidence that animal drugs are safe for animals and consumers of products derived from treated animals.

Current FDA requirements include guidelines to prevent harmful residues and evaluations to examine the potential for the selection of resistant pathogens. Any food animal medicine or drug considered for approval under this bill would be subject to the same assessments.

The Minor Use and Minor Species Animal Health Act is supported by 25 organizations, including the American Farm Bureau Federation, the Animal

Health Institute, the American Veterinary Medical Association, and the National Aquaculture Association. This is vital, important legislation.

The act will reduce the economic risks and hardships which fall upon ranchers and farmers as a result of livestock diseases. It will benefit pets and their owners and benefit various endangered species and aquatic animals. It will promote the health of all animal species while protecting human health as well, and will alleviate unnecessary animal suffering.

This is commonsense legislation which would benefit millions of American pet owners, farmers, and ranchers. I believe it represents a consensus effort on which we worked hard.

Mary Alice Tyson, on my staff, and other staff members have worked hard on it. I believe it is an act that will gain universal support in the Senate, will be a step forward, and something good we can do to help animals and the producers of animals in America.

By Mr. BAUCUS (for himself and Mr. BYRD):

S. 1347. A bill to establish a Congressional Trade Office; to the Committee on Government Affairs.

Mr. BAUCUS. Madam President, on behalf of myself and Senator BYRD, I am introducing a bill to create a Congressional Trade Office. This is designed to help the Senate get ahead of the curve and better understand and deal with globalization, trade, and economic commercial actions around the world, to help us understand what we are doing.

The Congressional Trade Office, the CTO, will have the expertise we need in Congress to get independent and non-partisan information about trade. This new entity will help us meet our constitutional responsibility for trade policy.

The importance of trade in our economy continues to grow. Trade is equivalent to 27 percent of our economy today, compared with only 11 percent in 1970, just 30 years ago.

Article I, section 8 of the U.S. Constitution provides:

Congress shall have the power . . . to regulate commerce with foreign nations.

Our responsibility as Members of Congress is to set the direction of trade policy. It is true that under article II of the Constitution, the President, the Chief Executive, has the primary responsibility with respect to foreign policy. With respect to trade, the Constitution is clear, and it provides that Congress shall have the power to regulate commerce with foreign nations. Our responsibility is effective and active oversight of our Nation's trade policy.

I have served in the Congress for 25 years and I have watched the continuing transfer of responsibility for trade policy from the Congress to the executive branch.

I believe this must stop. We must reassert Congress' constitutionally defined responsibility. The CTO will provide the means to meet our responsibilities.

Congress needs to be much better prepared to deal with trade issues responsibly and authoritatively: consideration of fast track; FTAs—so-called free trade agreements—with Jordan, Chile, Singapore, and perhaps Australia, and others; Chinese accession to the WTO; a possible new round launch; compliance with existing agreements.

To manage trade policy, we need access to more and better information, independently arrived at, from people whose commitment is to the Congress, and only to the Congress.

The first task of the CTO is to monitor compliance with major trade agreements. It will evaluate success based on real world business results. It will recommend actions needed to ensure that commitments are fully implemented. It will also provide annual assessments of the extent to which agreements comply with labor and environmental goals.

The CTO's second task will be to observe trade negotiations firsthand. CTO staff will participate in selected negotiations as observers and report back to the Congress. Congress needs this information to provide meaningful oversight of trade policy. And it is especially vital for Congress to monitor trade negotiations under fast track.

The third task relates to dispute settlement. The CTO will evaluate each WTO decision where the U.S. is a participant, explain why cases are lost, and measure the anticipated commercial results from wins. CTO staff will participate as observers on the U.S. delegation.

Frankly, I don't think we know whether the WTO dispute settlement process has been successful or not, from the perspective of U.S. commercial interests. A count of wins versus losses doesn't tell us very much. The CTO will give us the facts we need to evaluate the process properly.

The final task will be analytical. The CTO will analyze major outstanding trade barriers based on a cost to the U.S. economy. It will also provide an analysis of the administration's—Republican or Democrat—trade policy agenda, and it will analyze the trade accounts every quarter.

The Congressional Trade Office is designed to serve the Congress. Its Director will report to the Senate Finance Committee and the House Ways and Means Committee, but will also advise other committees on the impact of trade negotiations on those committees' areas of jurisdiction.

Trade rules increasingly affect domestic regulations. The CTO can advise

on the implications of trade policy for domestic regulatory issues.

The CTO will have a professional staff with a mix of expertise in economics and trade law in various industries and geographic regions. I believe this will give Congress long-term institutional memory on trade, something that is very much needed, particularly when other countries have much more expertise, much more time in their governments devoted to trade and how their countries can benefit from trade basically at the expense of others.

I am very grateful for the support of my good friend, Senator BYRD, and I encourage my colleagues to join with us in creating the Congressional Trade Office. I believe this will help the Congress get a little bit further ahead of the curve, better understand the implications of globalization, and pull us a little bit out of our day-to-day reactive mode around here, thinking more long term in a better sense of what is happening in the world—more information, better information on which we can make decisions in this body and, therefore, serve our people better.

I very much thank my good friend, Senator BYRD. He has been helpful to us. I yield the floor, and I, again, thank him for his help.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Madam President, I congratulate the Senator from Montana on his longtime leadership in the trade field and for his services on the Finance Committee which has jurisdiction in very great measure over this subject matter. I thank him for his leadership. I thank him for sponsoring the legislation that he has just discussed and for allowing me to be a co-sponsor with him. I value his leadership in this area.

I have been long concerned about the U.S. trade policy. It extends over these 49 years in which I have been a Member of the Congress. I am for free trade, and I am for fair trade. I have in recent years voted against the North American Free Trade Agreement. I voted against the GATT/WTO agreements. I voted against the permanent normal trading relations with China. It is my belief that American interests, particularly the interests of American workers, have not been properly represented in these developments. I believe that Congress has allowed itself to take a backseat to the intent of Presidents on making international trade negotiations an executive-to-executive preserve.

Congress should vigorously defend the authority it has been granted under the Constitution, whether the issue is a legislative enactment that strips away the authority of Congress to debate and, if necessary, to amend trade agreements or a constitutional amendment that—in the name of balanced budgets—strips away our power over the purse. The balanced budget

amendment is an issue for another occasion. The need for Congress to restore its role with respect to foreign trade, however, is something that Senator BAUCUS and I wish to highlight. We note that article I, section 8, of the Constitution gives Congress the exclusive authority to "regulate commerce with foreign nations." Congress, not the President, has this authority and responsibility.

Unfortunately, over the past few decades, Congress has been less than zealous in safeguarding its prerogatives with respect to foreign trade. The result is that the American people have less input into our trade agreements than they should have. Is there any doubt that the process is less democratic than was intended by the Framers of the Constitution?

U.S. trade negotiators need our input at each and every stage of the process. Enhanced congressional participation will help them in their efforts to reinforce the framework of fair trade. It will give the results of trade negotiations greater legitimacy and increase public understanding of the costs and benefits of globalization. The Constitution demands that we make this effort, and the people we represent expect us to make that effort.

Madam President, now is the time for the House and the Senate to create a Congressional Trade Office modeled after the Congressional Budget Office. Regardless of how each of us may feel about the great trade issues of the day, we should be able to agree that Congress needs better access to information about trade negotiations and the impact of trade agreements on the U.S. economy. It is indisputable that we live in an increasingly interdependent world, and it is our duty under the Constitution to make sure that American interests are properly reflected as the architecture of that world is established.

Senator BAUCUS and I agree on the urgency of this task. Our legislation would establish a nonpartisan Congressional Trade Office the purposes of which would be to first, provide Congress with trade data and analysis; second, participate in all future trade negotiations; third, observe and evaluate international trade dispute resolution processes; and fourth, monitor compliance with major bilateral, regional, and multilateral trade agreements.

The Senate Finance Committee and the House Ways and Means Committee cannot possibly address the full panoply of issues that arise in this day and age in connection with trade legislation. Consequently, trade bills can be—and are—referred to multiple committees in both Houses of Congress. Our bill recognizes this trend and provides that the resources of the Congressional Trade Office will be available to all House and Senate committees of relevant jurisdiction.

I join with Senator BAUCUS in urging our colleagues to seize this opportunity to move toward the restoration of our constitutional role in trade policy. Let us resolve to put ourselves, the Congress, back in the center of the great game of formulating and implementing mutually beneficial international trade agreements.

Madam President, I thank my colleague, Mr. BAUCUS, again, for his leadership, and I yield the floor.

#### STATEMENTS ON SUBMITTED RESOLUTIONS

#### SENATE RESOLUTION 147—TO DESIGNATE THE MONTH OF SEPTEMBER OF 2001, AS “NATIONAL ALCOHOL AND DRUG ADDICTION RECOVERY MONTH”

Mr. WELLSTONE submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 147

Whereas alcohol and drug addiction is a devastating disease that can destroy lives, families, and communities;

Whereas alcohol and drug addiction carry direct and indirect costs for the United States of more than \$246,000,000,000 each year;

Whereas scientific evidence demonstrates the crucial role that treatment plays in restoring those suffering from alcohol and drug addiction to more productive lives;

Whereas in 1999, research at the National Institute on Drug Abuse at the National Institutes of Health showed that about 14,800,000 Americans were users of illicit drugs, and about 3,500,000 were dependent on illicit drugs; an additional 8,200,000 were dependent on alcohol;

Whereas the 1999 National Household Survey of Drug Abuse, a project of the Substance Abuse and Mental Health Services Administration, showed that drug use varies substantially among States, ranging from a low of 4.7 percent to a high of 10.7 percent for the overall population, and from 8.0 percent to 18.3 percent for youths age 12–17;

Whereas the Office of National Drug Control Policy’s 2001 National Drug Control Strategy includes the reduction of the treatment gap for individuals who are addicted to drugs as one of the top 3 goals for reducing the health and social costs to the public;

Whereas the lives of children, families, and communities are severely affected by alcohol and drug addiction, through the effects of the disease, and through the neglect, broken relationships, and violence that are so often a part of the disease of addiction;

Whereas a National Institute on Drug Abuse 4-city study of 1,200 adolescents found that community-based treatment programs can reduce drug and alcohol use, improve school performance, and lower involvement with the criminal justice system;

Whereas a number of organizations and individuals dedicated to fighting addiction and

promoting treatment and recovery will recognize the month of September of 2001 as National Alcohol and Drug Addiction Recovery Month;

Whereas the Substance Abuse and Mental Health Services Administration’s Center for Substance Abuse Treatment, in conjunction with its national planning partner organizations and treatment providers, have taken a Federal leadership role in promoting Recovery Month 2001;

Whereas National Alcohol and Drug Addiction Recovery Month aims to promote the societal benefits of substance abuse treatment, laud the contributions of treatment providers, and promote the message that recovery from substance abuse in all its forms is possible;

Whereas the 2001 national campaign embraces the theme of “We Recover Together: Family, Friends and Community”, and highlights the societal benefits, importance, and effectiveness of drug and treatment as a public health service in our country; and

Whereas the countless numbers of those who have successfully recovered from addiction are living proof that people of all races, genders, and ages recover every day from the disease of alcohol and drug addiction, and make positive contributions to their families, workplaces, communities, States, and the Nation: Now, therefore, be it

*Resolved*, That the Senate—

(1) designates the month of September of 2001 as “National Alcohol and Drug Addiction Recovery Month”; and

(2) requests that the President issue a proclamation urging the people of the United States to carry out appropriate programs and activities to demonstrate support for those individuals recovering from alcohol and drug addiction.

Mr. WELLSTONE. Madam President, I rise today to submit a resolution to proclaim September, 2001 as “National Alcohol and Drug Addiction Recovery Month”. The purpose is to recognize the societal benefits, importance and effectiveness of drug treatment as a public health service. The Year 2001 Recovery Month theme is “We Recover Together: Family, Friends, and Community”, with a clear message that we need to work together to promote treatment for alcohol and drug addiction throughout our country.

Addiction to alcohol and drugs is a disease that many individuals face as a painful, private struggle, often without access to treatment or medical care. But this disease also has staggering public costs. A 1998 report prepared by The Lewin Group for the National Institute on Drug Abuse and the National Institute on Alcohol Abuse and Alcoholism, estimated the total economic cost of alcohol and drug abuse to be approximately \$246 billion for 1992. Of this cost, an estimated \$98 billion was due to addiction to illicit drugs and other drugs taken for non-medical purposes. This estimate includes addiction

treatment and prevention costs, as well as costs associated with related illnesses, reduced job productivity or lost earnings, and other costs to society such as crime and social welfare programs.

Adults and children who have the disease of addiction can be found throughout our society. We know from the outstanding research done at the National Institute on Drug Abuse at the National Institutes of Health that 14,800,000 Americans were users of illicit drugs, and about 3,500,000 were dependent on illicit drugs. An additional 8 million were dependent on alcohol. The 1999 Household Survey of Drug Abuse, a project of the Substance Abuse and Mental Health Services Administration, showed that drug use varies among States, ranges from a low of 4.7 percent to a high of 10.7 percent of the overall population, and from 8.0 percent to 18.3 percent for youths age 12–17.

The 2001 National Drug Control Strategy of the Office of National Drug Control Policy, ONDCP, has recognized the importance of drug treatment. The ONDCP Strategy includes the reduction of the treatment gap for individuals who are addicted to drugs as one of the top 3 goals for reducing the health and social costs to the public. And yet, 80 percent of adolescents needing treatment are unable to access services because of the severe lack of coverage for addiction treatment or the unavailability of treatment programs or trained health care providers in their community. The 1998 Hay Group Report revealed that the overall value of substance abuse treatment benefits has decreased by 74.5 percent from 1988 through 1998, leaving our youth without sufficient medical care for this disease when they are most vulnerable.

We know that addiction to alcohol and other drugs contribute to other problems as well. Addictive substances have the potential for destroying the person who is addicted, as well as his or her family. We know, for example, that fetal alcohol syndrome is the leading known cause of mental retardation. If a woman who was addicted to alcohol could receive proper treatment, fetal alcohol syndrome for her baby would be 100 percent preventable, and more than 12,000 infants born in the U.S. each year would not suffer from fetal alcohol syndrome, with its irreversible physical and mental damage.

We know too of the devastation caused by addiction when violence between people is one of the consequences. A 1998 SAMHSA report outlined the links between domestic violence and substance abuse. We know from clinical reports that 25–50 percent of men who commit acts of domestic violence also have substance abuse problems. The report recognized the link between the victim of abuse and use of alcohol and drugs, and recommended that after the woman's safety has been addressed, the next step would be to help with providing treatment for her addiction as a step toward independence and health, and toward the prevention of the consequences for the children who suffer the same abuse either directly, or indirectly by witnessing spousal violence.

The physical, emotional, and social harm caused by this disease is both preventable and treatable. We know from the excellent research conducted at NIH, through the National Institute on Drug Abuse and the National Institute on Alcohol Abuse and Alcoholism, that treatment for drug and alcohol addiction can be effective. The effectiveness of treatment is the major finding from a NIDA-sponsored 4-city study of drug abuse treatment outcomes for 1,200 adolescents. The study showed that community-based treatment programs can reduce drug and alcohol use, improve school performance, and lower involvement with the criminal justice system.

Addiction to alcohol and drugs is a disease that affects the brain, the body, and the spirit. We must provide adequate opportunities for the treatment of addiction in order to help those who are suffering and to prevent the health and social problems that it causes. We know that the costs to do so are very low. A 1999 study by the Rand Corporation found that the cost to managed care health plans is now only about \$5 per person per year for unlimited substance abuse treatment benefits to employees of big companies. A 1997 Milliman and Robertson study found that complete substance abuse treatment parity would increase per capita health insurance premiums by only one half of one percent, or less than \$1 per member per month—without even considering any of the obvious savings that will result from treatment. Several studies have shown that for every \$1 spent on treatment, more than \$7 is saved in other health care expenses. These savings are in addition to the financial and other benefits of increased productivity, as well as participation in family and community life. Providing treatment for addiction also saves millions of dollars in the criminal justice system. But for treatment to be effective and helpful throughout our society all systems of care, including private insurance plans, must share this responsibility.

The National Alcohol and Drug Addiction Recovery Month in the year 2001 celebrates the tremendous strides

taken by individuals who have undergone successful treatment and recognizes those in the treatment field who have dedicated their lives to helping our young people recover from addiction. Many individuals, families, organizations, and communities give generously of their time and expertise to help those suffering from addiction and to help them to achieve recovery and productive, healthy lives. The Substance Abuse and Mental Health Services Administration's Center for Substance Abuse Treatment, SAMHSA/CSAT, in conjunction with national planning partner organizations and treatment providers, have taken a Federal leadership role in promoting Recovery Month 2001. The Recovery Month events being planned throughout our nation, including one on September 29, in St. Paul, Minnesota, will recognize the countless numbers of those who have successfully recovered from addiction and who are living proof that people of all races, genders, and ages recover every day from the disease of alcohol and drug addiction, and now make positive contributions to their families, workplaces, communities, state, and nation.

I urge the Senate to adopt this resolution designating the month of September, 2001, as Recovery Month, and to take part in the many local and national activities and events recognizing this effort.

SENATE RESOLUTION 148—DESIGNATING OCTOBER 30, 2001, AS “NATIONAL WEATHERIZATION DAY”

Mr. BIDEN submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 148

Whereas the average family in the United States spends more than \$1,300 annually on utility bills.

Whereas that figure represents nearly 15 percent of a low-income family's income and could approach 18 percent as fuel costs steadily rise;

Whereas the Weatherization Assistance Program (referred to in this resolution as the “Program”), by using Federal, State, local, and private dollars, benefits households and communities across the Nation by providing cost-effective, energy-efficient retrofits to homes occupied by low-income families;

Whereas the average energy cost savings for each home that is weatherized is more than \$250 annually, allowing families to spend the saved money on groceries, doctor bills, prescriptions, and other needs, thereby making them more self-sufficient;

Whereas carbon dioxide emissions are reduced by an average of 1 ton per weatherized household, reducing pollution levels in our air;

Whereas 52 jobs are created within the Nation's communities for each \$1,000,000 invested in weatherization;

Whereas for every \$1 invested by the Department of Energy in the Program, another \$3.39 is leveraged from other sources;

Whereas the Program works with public and private partners to help reduce the energy burden of the Nation's low-income fami-

lies and promote the benefits of weatherization to all people in the Nation;

Whereas people across the Nation should become more aware of the importance of energy conservation, pollution reduction, and safer homes; and

Whereas a concerted public information campaign will help get the weatherization message to the people in our Nation: Now, therefore, be it

*Resolved,*

SECTION 1. NATIONAL RESPONSE TO WEATHERIZATION.

(a) DESIGNATION.—The Senate—

(1) designates October 30, 2001, as “National Weatherization Day”;

(2) encourages families to learn about the benefits of weatherizing their homes, including energy conservation, money savings, and safer homes for their children; and

(3) encourages community action and service agencies, Federal, State, and local government agencies, and private sector partners to work together to promote the positive aspects of weatherizing our Nation's housing stock.

(b) PROCLAMATION.—The Senate requests that the President issue a proclamation calling upon the Federal, State, local, and private sector leaders of our Nation to observe and promote National Weatherization Day with appropriate partnerships, activities, and ceremonies.

Mr. BIDEN. Madam President, today I am proud to submit a resolution expressing the sense of the Senate that October 30, 2001, be designated as “National Weatherization Day.” By doing so, we will anchor a national effort by States, localities, and community groups to raise the awareness of all Americans concerning the importance of weatherizing the Nation's housing stock to conserve energy, thereby reducing consumption of all forms of energy.

October is already designated as Energy Awareness Month and will serve as the ideal host month for this day. Why, then, do we need a day specifically devoted to supporting weatherization efforts? Although some people today know of the benefits of weatherizing a home, most unfortunately do not. Weatherization Day, then, will help bring targeted recognition of these efforts, and specifically those of the U.S. Department of Energy's Weatherization Assistance Program, which uses Federal, State, local, and private dollars to provide cost-effective, energy-efficient retrofits to homes occupied by low-income families.

The average family in the United States spends more than \$1,300 annually on utility bills. For low-income families, that can take away almost 15 percent of their entire annual income, and 18 percent if fuel costs rise as they have been for the past year. That is unacceptable and that is why the Weatherization Assistance Program exists today. The average energy cost savings for each home that is weatherized is more than \$250 annually. This gives these families the ability to purchase essential items like groceries and prescription drugs, pay for medical bills, and make themselves more self-sufficient. At the same time, weatherizing a

home also provides a substantial economic and environmental boon to local communities, by adding an average of 52 jobs for every \$1,000,000 invested and by reducing carbon dioxide emissions by an average of 1 ton per weatherized household.

I think that we owe it to ourselves and, more importantly, to our future generations, to continue to improve the awareness of all Americans of the importance of energy conservation, pollution reduction, and safer homes. By having a designated Weatherization Day, we will provide much-needed attention to this issue.

**SENATE RESOLUTION 149—ELECTING ALFONSO E. LENHARDT OF NEW YORK AS THE SERGEANT OF ARMS AND DOORKEEPER OF THE SENATE**

Mr. DASCHLE submitted the following resolution; which was considered and agreed to:

S. RES. 149

*Resolved*, That Alfonso E. Lenhardt of New York be, and he is hereby, elected Sergeant at Arms and Doorkeeper of the Senate effective September 4, 2001.

**AMENDMENTS SUBMITTED AND PROPOSED**

SA 1228. Mr. NELSON, of Florida proposed an amendment to amendment SA 1214 submitted by Ms. MIKULSKI and intended to be proposed to the bill (H.R. 2620) 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, 2002, and for other purposes.

SA 1229. Mr. KYL (for himself, Mr. FITZGERALD, Mr. MCCAIN, Mr. BROWNBAC, and Mr. DURBIN) proposed an amendment to amendment SA 1214 submitted by Ms. MIKULSKI and intended to be proposed to the bill (H.R. 2620) supra.

SA 1230. Mr. AKAKA submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table.

SA 1231. Mr. SCHUMER submitted an amendment intended to be proposed to amendment SA 1214 submitted by Ms. MIKULSKI and intended to be proposed to the bill (H.R. 2620) 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, 2002, and for other purposes.

SA 1232. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table.

SA 1233. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1234. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1235. Mr. LUGAR submitted an amendment intended to be proposed by him to the

bill S. 1246, supra; which was ordered to lie on the table.

SA 1236. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1237. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1238. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1239. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1240. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1241. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1242. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1243. Ms. COLLINS (for herself and Ms. SNOWE) submitted an amendment intended to be proposed by her to the bill S. 1243, to amend the Internal Revenue Code of 1986 to treat spaceports like airports under the exempt facility bond rules; which was ordered to lie on the table.

SA 1244. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table.

SA 1245. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1246. Mr. DASCHLE submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1247. Mr. DASCHLE submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1248. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1249. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1250. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1251. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1252. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1253. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1254. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1255. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1256. Mr. JEFFORDS submitted an amendment intended to be proposed by him

to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1257. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1258. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1259. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1260. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1261. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1262. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1263. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1264. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1265. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1266. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1267. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1268. Mr. STEVENS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1269. Mr. STEVENS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1270. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1271. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1272. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1273. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1274. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1275. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1276. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1277. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1278. Mr. LUGAR submitted an amendment intended to be proposed by him to the







2620) 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, 2002, and for other purposes; as follows:

At the appropriate place, insert the following:

**SEC. . ARSENIC IN PLAYGROUND EQUIPMENT.**

(a) FINDINGS.—The Congress makes the following findings:

(1) The Department of Health and Human Services has determined that arsenic is a known carcinogen, and the Environmental Protection Agency has classified chromated copper arsenate (CCA), which is 22 percent arsenic, as a “restricted use chemical.”

(2) CCA is often used as a preservative in pressure-treated wood, and CCA-treated wood is widely used in constructing playground equipment frequented by children.

(3) In 2001, many communities in Florida and elsewhere have temporarily or permanently closed playgrounds in response to elevated levels of arsenic in soil surrounding CCA-treated wood playground equipment.

(4) The State of Florida recently announced that its own wood-treatment plant would cease using arsenic as a preservative.

(5) PlayNation Play Systems, which manufactures playground equipment, announced in June 2001 that it would no longer use CCA as a preservative in its playground products.

(6) In May 2001, the Environmental Protection Agency announced that it would expedite its ongoing review of the health risks facing children playing near CCA-treated wood playground equipment, and produce its findings in June 2001. The EPA later postponed the release of its risk assessment until the end of the summer of 2001, and announced that its risk assessment would be reviewed by a Scientific Advisory Panel in October 2001.

(7) The EPA also plans to expedite its risk assessment regarding the re-registering of arsenic as a pesticide by accelerating its release from 2002 to 2003.

(8) The Consumer Product Safety Commission, which has the authority to ban hazardous and dangerous products, announced in June 2001 that it would consider a petition seeking the banning of CCA-treated wood from all playground equipment.

(9) Many viable alternatives to CCA-treated wood exist, including cedar, plastic products, aluminum, and treated wood without CCA. These products, alone or in combination, can fully replace CCA-treated wood in playground equipment.

(b) SENSE OF THE SENATE.—It is the Sense of the Senate that the potential health and safety risks to children playing on and around CCA-treated wood playground equipment is a matter of the highest priority, which demands immediate attention from the Congress, the Executive Branch, state and local governments, affected industries, and parents.

(c) REPORT.—Not later than 30 days after the date of enactment of this Act, the Administrator of the Environmental Protection Agency, in consultation with the Consumer Product Safety Commissions, shall submit a report to Congress which shall include—

(1) the Environmental Protection Agency’s most up-to-date understanding of the potential health and safety risks to children playing on and around CCA-treated wood playground equipment;

(2) the Environmental Protection Agency’s current recommendations to state and local governments about the continued use of CCA-treated wood playground equipment; and

(3) an assessment of whether consumers considering purchases of CCA-treated wood playground equipment are adequately informed concerning the health effects associated with arsenic.

**SA 1229.** Mr. KYL (for himself, Mr. FITZGERALD, Mr. MCCAIN, Mr. BROWNBACK, and Mr. DURBIN) proposed an amendment to amendment SA 1214 submitted by Ms. MIKULSKI and intended to be proposed to the bill (H.R. 2620) 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, 2002, and for other purposes; as follows:

On page 105, between lines 14 and 15, insert the following:

**SEC. 4 . STATE AND TRIBAL ASSISTANCE GRANTS.**

Notwithstanding any other provision of this Act, none of the funds made available under the heading “STATE AND TRIBAL ASSISTANCE GRANTS” in title III for capitalization grants for the Clean Water State Revolving Funds under title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.) shall be expended by the Administrator of the Environmental Protection Agency except in accordance with the formula for allocation of funds among recipients developed under subparagraph (D) of section 1452(a)(1) of the Safe Drinking Water Act (42 U.S.C. 300j-12(a)(1)(D)) (including under a regulation promulgated under that section before the date of enactment of this Act) and in accordance with the wastewater infrastructure needs survey conducted under section 516 of the Federal Water Pollution Control Act (33 U.S.C. 1375), except that—

(1) subject to paragraph (3), the proportional share under clause (ii) of section 1452(a)(1)(D) of the Safe Drinking Water Act (42 U.S.C. 300j-12(a)(1)(D)) shall be a minimum of 0.675 percent and a maximum of 8.00 percent;

(2) any State the proportional share of which is greater than that minimum but less than that maximum shall receive 97.50 percent of the proportionate share of the need of the State; and

(3) the proportional share of American Samoa, Guam, the Northern Mariana Islands, and the United States Virgin Islands shall be, in the aggregate, 0.25 percent.

**SA 1230.** Mr. AKAKA submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of title VII, add the following:

**SEC. 7 . UNLAWFUL STOCKYARD PRACTICES INVOLVING NONAMBULATORY LIVESTOCK.**

(a) IN GENERAL.—Title III of the Packers and Stockyards Act, 1921, (7 U.S.C. 201 et seq.) is amended by adding at the end the following:

**“SEC. 318. UNLAWFUL STOCKYARD PRACTICES INVOLVING NONAMBULATORY LIVESTOCK.**

“(a) DEFINITIONS.—In this section:

“(1) HUMANELY EUTHANIZE.—The term ‘humanely euthanize’ means to kill an animal by mechanical, chemical, or other means that immediately render the animal unconscious, with this state remaining until the animal’s death.

“(2) NONAMBULATORY LIVESTOCK.—The term ‘nonambulatory livestock’ means any livestock that is unable to stand and walk unassisted.

“(b) UNLAWFUL PRACTICES.—

“(1) IN GENERAL.—Except as provided in paragraph (2), it shall be unlawful for any stockyard owner, market agency, or dealer to buy, sell, give, receive, transfer, market, hold, or drag any nonambulatory livestock unless the nonambulatory livestock has been humanely euthanized.

“(2) EXCEPTIONS.—

“(A) NON-GIPSA FARMS.—Paragraph (1) shall not apply to any farm the animal care practices of which are not subject to the authority of the Grain Inspection, Packers, and Stockyards Administration.

“(B) VETERINARY CARE.—Paragraph (1) shall not apply in a case in which nonambulatory livestock receive veterinary care intended to render the livestock ambulatory.”.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) takes effect 1 year after the date of enactment of this Act.

(2) REGULATIONS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall promulgate regulations to carry out the amendment.

**SA 1231.** Mr. SCHUMER submitted an amendment intended to be proposed to amendment SA 1214 submitted by Ms. MIKULSKI and intended to be proposed to the bill (H.R. 2620) 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, 2002, and for other purposes; as follows:

On page 25, line 23, before the period, insert the following: “: *Provided further*, That of the amount under this heading, \$15,000,000 shall be available for the BuyBack America program, enabling gun buyback initiatives undertaken by public housing authorities and their local police departments”.

**SA 1232.** Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 24, line 3, insert “(a) IN GENERAL.—” before “In”.

On page 24, between lines 9 and 10, insert the following:

(b) BAYOU METO DEMONSTRATION PROJECT.—Of the amount made available under subsection (a), the Secretary shall use not less than \$8,000,000 to provide financial, technical, educational, and research assistance for the Bayou Meto Demonstration Project in Lonoke County, Arkansas, in order to encourage ground water conservation, including irrigation system installation and improvement.

**SA 1233.** Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

**SECTION 1. MARKET LOSS ASSISTANCE.**

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act

as the "Secretary") shall, to the maximum extent practicable, use \$4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

#### SEC. 2. SUPPLEMENTAL OLSEEDS PAYMENT.

The Secretary shall use \$423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

#### SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use \$54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

#### SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use \$129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of \$13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

#### SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

#### SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use \$84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

#### SEC. 7. SPECIALTY CROPS.

(a) BASE STATE GRANTS.—The Secretary shall use \$26,000,000 of funds of the Com-

modity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) \$500,000 to each of the several States; and

(2) \$1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use \$133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

- (1) California, \$63,320,000.
- (2) Florida, \$16,860,000.
- (3) Washington, \$9,610,000.
- (4) Idaho, \$3,670,000.
- (5) Arizona, \$3,430,000.
- (6) Michigan, \$3,250,000.
- (7) Oregon, \$3,220,000.
- (8) Georgia, \$2,730,000.
- (9) Texas, \$2,660,000.
- (10) New York, \$2,660,000.
- (11) Wisconsin, \$2,570,000.
- (12) North Carolina, \$1,540,000.
- (13) Colorado, \$1,510,000.
- (14) North Dakota, \$1,380,000.
- (15) Minnesota, \$1,320,000.
- (16) Hawaii, \$1,150,000.
- (17) New Jersey, \$1,100,000.
- (18) Pennsylvania, \$980,000.
- (19) New Mexico, \$900,000.
- (20) Maine, \$880,000.
- (21) Ohio, \$800,000.
- (22) Indiana, \$660,000.
- (23) Nebraska, \$640,000.
- (24) Massachusetts, \$640,000.
- (25) Virginia, \$620,000.
- (26) Maryland, \$500,000.
- (27) Louisiana, \$460,000.
- (28) South Carolina, \$440,000.
- (29) Tennessee, \$400,000.
- (30) Illinois, \$400,000.
- (31) Oklahoma, \$390,000.
- (32) Alabama, \$300,000.
- (33) Delaware, \$290,000.
- (34) Mississippi, \$250,000.
- (35) Kansas, \$210,000.
- (36) Arkansas, \$210,000.
- (37) Missouri, \$210,000.
- (38) Connecticut, \$180,000.
- (39) Utah, \$140,000.
- (40) Montana, \$140,000.
- (41) New Hampshire, \$120,000.
- (42) Nevada, \$120,000.
- (43) Vermont, \$120,000.
- (44) Iowa, \$100,000.
- (45) West Virginia, \$90,000.
- (46) Wyoming, \$70,000.
- (47) Kentucky, \$60,000.
- (48) South Dakota, \$40,000.
- (49) Rhode Island, \$40,000.
- (50) Alaska, \$20,000.

(c) SPECIALTY CROP PRIORITY.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) SPECIALTY CROP DEFINED.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

#### SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use \$10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

#### SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) CONDITIONS ON PAYMENTS TO STATE.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

"(b) CONDITIONS ON PAYMENT TO STATE.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes \$5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection; "

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments."

(b) ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.—Subsection (d) of such section is amended to read as follows:

"(d) ADDITIONAL DISBURSEMENT TO COTTON GINNERS.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginner (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims".

(c) CONFORMING AMENDMENT.—Subsection (c) of such section is amended by striking: "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

#### SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed \$150,000.

**SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.**

(a) **DEADLINE FOR EXPENDITURES.**—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) **TOTAL AMOUNT OF EXPENDITURES.**—The total amount expended under this Act may not exceed \$5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

**SEC. 12. REGULATIONS.**

(a) **PROMULGATION.**—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) **CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.**—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) **EXCEPTION.**—Section (2) shall become effective one day after the date of enactment.

**SA 1234.** Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

**SECTION 1. MARKET LOSS ASSISTANCE.**

(a) **ASSISTANCE AUTHORIZED.**—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use \$4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) **AMOUNT.**—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

**SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.**

The Secretary shall use \$423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds

that previously received a payment under such section.

**SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.**

The Secretary shall use \$54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.**

(a) **SUPPLEMENTAL PAYMENT.**—The Secretary shall use \$129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) **SPECIAL RULE FOR GEORGIA.**—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of \$13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

**SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.**

The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.**

The Secretary shall use \$84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

**SEC. 7. SPECIALTY CROPS.**

(a) **BASE STATE GRANTS.**—The Secretary shall use \$26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) \$500,000 to each of the several States; and

(2) \$1,000,000 to the Commonwealth of Puerto Rico.

(b) **GRANTS FOR VALUE OF PRODUCTION.**—The Secretary shall use \$133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

- (1) California, \$63,320,000.
- (2) Florida, \$16,860,000.
- (3) Washington, \$9,610,000.
- (4) Idaho, \$3,670,000.
- (5) Arizona, \$3,430,000.
- (6) Michigan, \$3,250,000.
- (7) Oregon, \$3,220,000.

- (8) Georgia, \$2,730,000.
- (9) Texas, \$2,660,000.
- (10) New York, \$2,660,000.
- (11) Wisconsin, \$2,570,000.
- (12) North Carolina, \$1,540,000.
- (13) Colorado, \$1,510,000.
- (14) North Dakota, \$1,380,000.
- (15) Minnesota, \$1,320,000.
- (16) Hawaii, \$1,150,000.
- (17) New Jersey, \$1,100,000.
- (18) Pennsylvania, \$980,000.
- (19) New Mexico, \$900,000.
- (20) Maine, \$880,000.
- (21) Ohio, \$800,000.
- (22) Indiana, \$660,000.
- (23) Nebraska, \$640,000.
- (24) Massachusetts, \$640,000.
- (25) Virginia, \$620,000.
- (26) Maryland, \$500,000.
- (27) Louisiana, \$460,000.
- (28) South Carolina, \$440,000.
- (29) Tennessee, \$400,000.
- (30) Illinois, \$400,000.
- (31) Oklahoma, \$390,000.
- (32) Alabama, \$300,000.
- (33) Delaware, \$290,000.
- (34) Mississippi, \$250,000.
- (35) Kansas, \$210,000.
- (36) Arkansas, \$210,000.
- (37) Missouri, \$210,000.
- (38) Connecticut, \$180,000.
- (39) Utah, \$140,000.
- (40) Montana, \$140,000.
- (41) New Hampshire, \$120,000.
- (42) Nevada, \$120,000.
- (43) Vermont, \$120,000.
- (44) Iowa, \$100,000.
- (45) West Virginia, \$90,000.
- (46) Wyoming, \$70,000.
- (47) Kentucky, \$60,000.
- (48) South Dakota, \$40,000.
- (49) Rhode Island, \$40,000.
- (50) Alaska, \$20,000.

(c) **SPECIALTY CROP PRIORITY.**—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) **SPECIALTY CROP DEFINED.**—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

**SEC. 8. COMMODITY ASSISTANCE PROGRAM.**

The Secretary shall use \$10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

**SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.**

(a) **CONDITIONS ON PAYMENTS TO STATE.**—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

“(b) **CONDITIONS ON PAYMENT TO STATE.**—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

“(1) contributes \$5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

“(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

“(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments.”

(b) **ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.**—Subsection (d) of such section is amended to read as follows:

“(d) **ADDITIONAL DISBURSEMENT TO COTTON GINNERS.**—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

“(1) incurred a loss as the result of—

“(A) the business failure of any cotton buyer doing business in Georgia; or

“(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

“(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

“(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims”.

(c) **CONFORMING AMENDMENT.**—Subsection (c) of such section is amended by striking: “Upon the establishment of the indemnity fund, and not later than October 1, 1999, the” and inserting “The”.

**SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.**

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed \$150,000.

**SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.**

(a) **DEADLINE FOR EXPENDITURES.**—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpended, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) **TOTAL AMOUNT OF EXPENDITURES.**—The total amount expended under this Act may not exceed \$5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

**SEC. 12. REGULATIONS.**

(a) **PROMULGATION.**—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to im-

plement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”).

(b) **CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.**—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) **EXCEPTION.**—Section (3) shall become effective one day after the date of enactment.

**SA 1235.** Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

**SECTION 1. MARKET LOSS ASSISTANCE.**

(a) **ASSISTANCE AUTHORIZED.**—The Secretary of Agriculture (referred to in this Act as the “Secretary”) shall, to the maximum extent practicable, use \$4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

(b) **AMOUNT.**—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

**SEC. 2. SUPPLEMENTAL OLSEEDS PAYMENT.**

The Secretary shall use \$423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

**SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.**

The Secretary shall use \$54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206-224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.**

(a) **SUPPLEMENTAL PAYMENT.**—The Secretary shall use \$129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) **SPECIAL RULE FOR GEORGIA.**—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of \$13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

**SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.**

The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.**

The Secretary shall use \$84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

**SEC. 7. SPECIALTY CROPS.**

(a) **BASE STATE GRANTS.**—The Secretary shall use \$26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

- (1) \$500,000 to each of the several States; and
- (2) \$1,000,000 to the Commonwealth of Puerto Rico.

(b) **GRANTS FOR VALUE OF PRODUCTION.**—The Secretary shall use \$133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

- (1) California, \$63,320,000.
- (2) Florida, \$16,860,000.
- (3) Washington, \$9,610,000.
- (4) Idaho, \$3,670,000.
- (5) Arizona, \$3,430,000.
- (6) Michigan, \$3,250,000.
- (7) Oregon, \$3,220,000.
- (8) Georgia, \$2,730,000.
- (9) Texas, \$2,660,000.
- (10) New York, \$2,660,000.
- (11) Wisconsin, \$2,570,000.
- (12) North Carolina, \$1,540,000.
- (13) Colorado, \$1,510,000.
- (14) North Dakota, \$1,380,000.
- (15) Minnesota, \$1,320,000.
- (16) Hawaii, \$1,150,000.
- (17) New Jersey, \$1,100,000.
- (18) Pennsylvania, \$980,000.
- (19) New Mexico, \$900,000.
- (20) Maine, \$880,000.
- (21) Ohio, \$800,000.
- (22) Indiana, \$660,000.
- (23) Nebraska, \$640,000.
- (24) Massachusetts, \$640,000.
- (25) Virginia, \$620,000.
- (26) Maryland, \$500,000.
- (27) Louisiana, \$460,000.
- (28) South Carolina, \$440,000.
- (29) Tennessee, \$400,000.
- (30) Illinois, \$400,000.
- (31) Oklahoma, \$390,000.
- (32) Alabama, \$300,000.
- (33) Delaware, \$290,000.

- (34) Mississippi, \$250,000.
- (35) Kansas, \$210,000.
- (36) Arkansas, \$210,000.
- (37) Missouri, \$210,000.
- (38) Connecticut, \$180,000.
- (39) Utah, \$140,000.
- (40) Montana, \$140,000.
- (41) New Hampshire, \$120,000.
- (42) Nevada, \$120,000.
- (43) Vermont, \$120,000.
- (44) Iowa, \$100,000.
- (45) West Virginia, \$90,000.
- (46) Wyoming, \$70,000.
- (47) Kentucky, \$60,000.
- (48) South Dakota, \$40,000.
- (49) Rhode Island, \$40,000.
- (50) Alaska, \$20,000.

(c) **SPECIALTY CROP PRIORITY.**—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) **SPECIALTY CROP DEFINED.**—In this section, the term “specialty crop” means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

#### SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use \$10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

#### SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) **CONDITIONS ON PAYMENTS TO STATE.**—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

“(b) **CONDITIONS ON PAYMENT TO STATE.**—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

“(1) contributes \$5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

“(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

“(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments.”

(b) **ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.**—Subsection (d) of such section is amended to read as follows:

“(d) **ADDITIONAL DISBURSEMENT TO COTTON GINNERS.**—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official

Code of Georgia), to compensate cotton giners (as defined and provided in such section) that—

“(1) incurred a loss as the result of—

“(A) the business failure of any cotton buyer doing business in Georgia; or

“(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

“(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

“(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims”.

(c) **CONFORMING AMENDMENT.**—Subsection (c) of such section is amended by striking: “Upon the establishment of the indemnity fund, and not later than October 1, 1999, the” and inserting “The”.

#### SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed \$150,000.

#### SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) **DEADLINE FOR EXPENDITURES.**—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpended, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) **TOTAL AMOUNT OF EXPENDITURES.**—The total amount expended under this Act may not exceed \$5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

#### SEC. 12. REGULATIONS.

(a) **PROMULGATION.**—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”).

(b) **CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.**—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) **EXCEPTION.**—Section (4) shall become effective one day after the date of enactment.

**SA 1236.** Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

#### SECTION 1. MARKET LOSS ASSISTANCE.

(a) **ASSISTANCE AUTHORIZED.**—The Secretary of Agriculture (referred to in this Act as the “Secretary”) shall, to the maximum extent practicable, use \$4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) **AMOUNT.**—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

#### SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use \$423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

#### SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use \$54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

#### SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) **SUPPLEMENTAL PAYMENT.**—The Secretary shall use \$129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) **SPECIAL RULE FOR GEORGIA.**—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of \$13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

#### SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.**

The Secretary shall use \$84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

**SEC. 7. SPECIALTY CROPS.**

(a) **BASE STATE GRANTS.**—The Secretary shall use \$26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) \$500,000 to each of the several States; and

(2) \$1,000,000 to the Commonwealth of Puerto Rico.

(b) **GRANTS FOR VALUE OF PRODUCTION.**—The Secretary shall use \$133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

- (1) California, \$63,320,000.
- (2) Florida, \$16,860,000.
- (3) Washington, \$9,610,000.
- (4) Idaho, \$3,670,000.
- (5) Arizona, \$3,430,000.
- (6) Michigan, \$3,250,000.
- (7) Oregon, \$3,220,000.
- (8) Georgia, \$2,730,000.
- (9) Texas, \$2,660,000.
- (10) New York, \$2,660,000.
- (11) Wisconsin, \$2,570,000.
- (12) North Carolina, \$1,540,000.
- (13) Colorado, \$1,510,000.
- (14) North Dakota, \$1,380,000.
- (15) Minnesota, \$1,320,000.
- (16) Hawaii, \$1,150,000.
- (17) New Jersey, \$1,100,000.
- (18) Pennsylvania, \$980,000.
- (19) New Mexico, \$900,000.
- (20) Maine, \$880,000.
- (21) Ohio, \$800,000.
- (22) Indiana, \$660,000.
- (23) Nebraska, \$640,000.
- (24) Massachusetts, \$640,000.
- (25) Virginia, \$620,000.
- (26) Maryland, \$500,000.
- (27) Louisiana, \$460,000.
- (28) South Carolina, \$440,000.
- (29) Tennessee, \$400,000.
- (30) Illinois, \$400,000.
- (31) Oklahoma, \$390,000.
- (32) Alabama, \$300,000.
- (33) Delaware, \$290,000.
- (34) Mississippi, \$250,000.
- (35) Kansas, \$210,000.
- (36) Arkansas, \$210,000.
- (37) Missouri, \$210,000.
- (38) Connecticut, \$180,000.
- (39) Utah, \$140,000.
- (40) Montana, \$140,000.
- (41) New Hampshire, \$120,000.
- (42) Nevada, \$120,000.
- (43) Vermont, \$120,000.
- (44) Iowa, \$100,000.
- (45) West Virginia, \$90,000.
- (46) Wyoming, \$70,000.
- (47) Kentucky, \$60,000.
- (48) South Dakota, \$40,000.
- (49) Rhode Island, \$40,000.
- (50) Alaska, \$20,000.

(c) **SPECIALTY CROP PRIORITY.**—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) **SPECIALTY CROP DEFINED.**—In this section, the term “specialty crop” means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

**SEC. 8. COMMODITY ASSISTANCE PROGRAM.**

The Secretary shall use \$10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

**SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.**

(a) **CONDITIONS ON PAYMENTS TO STATE.**—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

“(b) **CONDITIONS ON PAYMENT TO STATE.**—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

“(1) contributes \$5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

“(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

“(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments.”

(b) **ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.**—Subsection (d) of such section is amended to read as follows:

“(d) **ADDITIONAL DISBURSEMENT TO COTTON GINNERS.**—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who filed a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginner (as defined and provided in such section) that—

“(1) incurred a loss as the result of—

“(A) the business failure of any cotton buyer doing business in Georgia; or

“(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

“(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

“(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims”.

(c) **CONFORMING AMENDMENT.**—Subsection (c) of such section is amended by striking: “Upon the establishment of the indemnity fund, and not later than October 1, 1999, the” and inserting “The”.

**SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.**

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed \$150,000.

**SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.**

(a) **DEADLINE FOR EXPENDITURES.**—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpended, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) **TOTAL AMOUNT OF EXPENDITURES.**—The total amount expended under this Act may not exceed \$5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

**SEC. 12. REGULATIONS.**

(a) **PROMULGATION.**—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”).

(b) **CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.**—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) **EXCEPTION.**—Section (5) shall become effective one day after the date of enactment.

**SA 1237.** Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

**SECTION 1. MARKET LOSS ASSISTANCE.**

(a) **ASSISTANCE AUTHORIZED.**—The Secretary of Agriculture (referred to in this Act as the “Secretary”) shall, to the maximum extent practicable, use \$4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) **AMOUNT.**—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract

payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

#### SEC. 2. SUPPLEMENTAL OLSEEDS PAYMENT.

The Secretary shall use \$423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

#### SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use \$54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206-224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

#### SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use \$129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of \$13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

#### SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

#### SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use \$84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

#### SEC. 7. SPECIALTY CROPS.

(a) BASE STATE GRANTS.—The Secretary shall use \$26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) \$500,000 to each of the several States; and

(2) \$1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use \$133,400,000 of funds of the Commodity Credit Corporation to

make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

- (1) California, \$63,320,000.
- (2) Florida, \$16,860,000.
- (3) Washington, \$9,610,000.
- (4) Idaho, \$3,670,000.
- (5) Arizona, \$3,430,000.
- (6) Michigan, \$3,250,000.
- (7) Oregon, \$3,220,000.
- (8) Georgia, \$2,730,000.
- (9) Texas, \$2,660,000.
- (10) New York, \$2,660,000.
- (11) Wisconsin, \$2,570,000.
- (12) North Carolina, \$1,540,000.
- (13) Colorado, \$1,510,000.
- (14) North Dakota, \$1,380,000.
- (15) Minnesota, \$1,320,000.
- (16) Hawaii, \$1,150,000.
- (17) New Jersey, \$1,100,000.
- (18) Pennsylvania, \$980,000.
- (19) New Mexico, \$900,000.
- (20) Maine, \$880,000.
- (21) Ohio, \$800,000.
- (22) Indiana, \$660,000.
- (23) Nebraska, \$640,000.
- (24) Massachusetts, \$640,000.
- (25) Virginia, \$620,000.
- (26) Maryland, \$500,000.
- (27) Louisiana, \$460,000.
- (28) South Carolina, \$440,000.
- (29) Tennessee, \$400,000.
- (30) Illinois, \$400,000.
- (31) Oklahoma, \$390,000.
- (32) Alabama, \$300,000.
- (33) Delaware, \$290,000.
- (34) Mississippi, \$250,000.
- (35) Kansas, \$210,000.
- (36) Arkansas, \$210,000.
- (37) Missouri, \$210,000.
- (38) Connecticut, \$180,000.
- (39) Utah, \$140,000.
- (40) Montana, \$140,000.
- (41) New Hampshire, \$120,000.
- (42) Nevada, \$120,000.
- (43) Vermont, \$120,000.
- (44) Iowa, \$100,000.
- (45) West Virginia, \$90,000.
- (46) Wyoming, \$70,000.
- (47) Kentucky, \$60,000.
- (48) South Dakota, \$40,000.
- (49) Rhode Island, \$40,000.
- (50) Alaska, \$20,000.

(c) SPECIALTY CROP PRIORITY.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) SPECIALTY CROP DEFINED.—In this section, the term “specialty crop” means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

#### SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use \$10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

#### SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) CONDITIONS ON PAYMENTS TO STATE.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Develop-

ment, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

“(b) CONDITIONS ON PAYMENT TO STATE.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

“(1) contributes \$5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection; “(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

“(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments.”

(b) ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.—Subsection (d) of such section is amended to read as follows:

“(d) ADDITIONAL DISBURSEMENT TO COTTON GINNERS.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

“(1) incurred a loss as the result of—

“(A) the business failure of any cotton buyer doing business in Georgia; or

“(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

“(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

“(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims”.

(c) CONFORMING AMENDMENT.—Subsection (c) of such section is amended by striking: “Upon the establishment of the indemnity fund, and not later than October 1, 1999, the” and inserting “The”.

#### SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed \$150,000.

#### SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) DEADLINE FOR EXPENDITURES.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpended, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) TOTAL AMOUNT OF EXPENDITURES.—The total amount expended under this Act may

not exceed \$5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

#### SEC. 12. REGULATIONS.

(a) PROMULGATION.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

#### (c) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) EXCEPTION.—Section (6) shall become effective one day after the date of enactment.

**SA 1238.** Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

#### SECTION 1. MARKET LOSS ASSISTANCE.

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use \$4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

#### SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use \$423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

#### SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use \$54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206-224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the pay-

ment rate specified in such section to reflect the amount made available for payments under this section.

#### SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use \$129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of \$13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

#### SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

#### SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use \$84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

#### SEC. 7. SPECIALTY CROPS.

(a) BASE STATE GRANTS.—The Secretary shall use \$26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) \$500,000 to each of the several States; and

(2) \$1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use \$133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

- (1) California, \$63,320,000.
- (2) Florida, \$16,860,000.
- (3) Washington, \$9,610,000.
- (4) Idaho, \$3,670,000.
- (5) Arizona, \$3,430,000.
- (6) Michigan, \$3,250,000.
- (7) Oregon, \$3,220,000.
- (8) Georgia, \$2,730,000.
- (9) Texas, \$2,660,000.
- (10) New York, \$2,660,000
- (11) Wisconsin, \$2,570,000.
- (12) North Carolina, \$1,540,000.
- (13) Colorado, \$1,510,000.
- (14) North Dakota, \$1,380,000.
- (15) Minnesota, \$1,320,000.
- (16) Hawaii, \$1,150,000.
- (17) New Jersey, \$1,100,000.
- (18) Pennsylvania, \$980,000.
- (19) New Mexico, \$900,000.

- (20) Maine, \$880,000.
- (21) Ohio, \$800,000.
- (22) Indiana, \$660,000.
- (23) Nebraska, \$640,000.
- (24) Massachusetts, \$640,000.
- (25) Virginia, \$620,000.
- (26) Maryland, \$500,000.
- (27) Louisiana, \$460,000.
- (28) South Carolina, \$440,000.
- (29) Tennessee, \$400,000.
- (30) Illinois, \$400,000.
- (31) Oklahoma, \$390,000.
- (32) Alabama, \$300,000.
- (33) Delaware, \$290,000.
- (34) Mississippi, \$250,000.
- (35) Kansas, \$210,000.
- (36) Arkansas, \$210,000.
- (37) Missouri, \$210,000.
- (38) Connecticut, \$180,000.
- (39) Utah, \$140,000.
- (40) Montana, \$140,000.
- (41) New Hampshire, \$120,000.
- (42) Nevada, \$120,000.
- (43) Vermont, \$120,000.
- (44) Iowa, \$100,000.
- (45) West Virginia, \$90,000.
- (46) Wyoming, \$70,000.
- (47) Kentucky, \$60,000.
- (48) South Dakota, \$40,000.
- (49) Rhode Island, \$40,000.
- (50) Alaska, \$20,000.

(c) SPECIALTY CROP PRIORITY.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) SPECIALTY CROP DEFINED.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

#### SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use \$10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

#### SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) CONDITIONS ON PAYMENTS TO STATE.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

"(b) CONDITIONS ON PAYMENT TO STATE.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes \$5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments."

(b) ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.—Subsection (d) of such section is amended to read as follows:

“(d) ADDITIONAL DISBURSEMENT TO COTTON GINNERS.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

“(1) incurred a loss as the result of—

“(A) the business failure of any cotton buyer doing business in Georgia; or

“(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

“(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

“(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims”.

(c) CONFORMING AMENDMENT.—Subsection (c) of such section is amended by striking: “Upon the establishment of the indemnity fund, and not later than October 1, 1999, the” and inserting “The”.

**SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.**

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed \$150,000.

**SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.**

(a) DEADLINE FOR EXPENDITURES.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpended, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) TOTAL AMOUNT OF EXPENDITURES.—The total amount expended under this Act may not exceed \$5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

**SEC. 12. REGULATIONS.**

(a) PROMULGATION.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”).

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) EXCEPTION.—Section (7) shall become effective one day after the date of enactment.

**SA 1239.** Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

**SECTION 1. MARKET LOSS ASSISTANCE.**

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act as the “Secretary”) shall, to the maximum extent practicable, use \$4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

**SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.**

The Secretary shall use \$423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under this section.

**SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.**

The Secretary shall use \$54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206-224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.**

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use \$129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of \$13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

**SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.**

The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to pro-

vide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.**

The Secretary shall use \$34,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

**SEC. 7. SPECIALTY CROPS.**

(a) BASE STATE GRANTS.—The Secretary shall use \$26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) \$500,000 to each of the several States; and

(2) \$1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use \$133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

- (1) California, \$63,320,000.
- (2) Florida, \$16,860,000.
- (3) Washington, \$9,610,000.
- (4) Idaho, \$3,670,000.
- (5) Arizona, \$3,430,000.
- (6) Michigan, \$3,250,000.
- (7) Oregon, \$3,220,000.
- (8) Georgia, \$2,730,000.
- (9) Texas, \$2,660,000.
- (10) New York, \$2,660,000.
- (11) Wisconsin, \$2,570,000.
- (12) North Carolina, \$1,540,000.
- (13) Colorado, \$1,510,000.
- (14) North Dakota, \$1,380,000.
- (15) Minnesota, \$1,320,000.
- (16) Hawaii, \$1,150,000.
- (17) New Jersey, \$1,100,000.
- (18) Pennsylvania, \$980,000.
- (19) New Mexico, \$900,000.
- (20) Maine, \$880,000.
- (21) Ohio, \$800,000.
- (22) Indiana, \$660,000.
- (23) Nebraska, \$640,000.
- (24) Massachusetts, \$640,000.
- (25) Virginia, \$620,000.
- (26) Maryland, \$500,000.
- (27) Louisiana, \$460,000.
- (28) South Carolina, \$440,000.
- (29) Tennessee, \$400,000.
- (30) Illinois, \$400,000.
- (31) Oklahoma, \$390,000.
- (32) Alabama, \$300,000.
- (33) Delaware, \$290,000.
- (34) Mississippi, \$250,000.
- (35) Kansas, \$210,000.
- (36) Arkansas, \$210,000.
- (37) Missouri, \$210,000.
- (38) Connecticut, \$180,000.
- (39) Utah, \$140,000.
- (40) Montana, \$140,000.
- (41) New Hampshire, \$120,000.
- (42) Nevada, \$120,000.
- (43) Vermont, \$120,000.
- (44) Iowa, \$100,000.
- (45) West Virginia, \$90,000.
- (46) Wyoming, \$70,000.
- (47) Kentucky, \$60,000.

(48) South Dakota, \$40,000.

(49) Rhode Island, \$40,000.

(50) Alaska, \$20,000.

(c) **SPECIALTY CROP PRIORITY.**—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) **SPECIALTY CROP DEFINED.**—In this section, the term “specialty crop” means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

**SEC. 8. COMMODITY ASSISTANCE PROGRAM.**

The Secretary shall use \$10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

**SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.**

(a) **CONDITIONS ON PAYMENTS TO STATE.**—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

“(b) **CONDITIONS ON PAYMENT TO STATE.**—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

“(1) contributes \$5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

“(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

“(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments.”

(b) **ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.**—Subsection (d) of such section is amended to read as follows:

“(d) **ADDITIONAL DISBURSEMENT TO COTTON GINNERS.**—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginner (as defined and provided in such section) that—

“(1) incurred a loss as the result of—

“(A) the business failure of any cotton buyer doing business in Georgia; or

“(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

“(2) paid cotton producers the amount which the cotton ginner had agreed to pay

for such cotton received from such cotton producers in Georgia; and

“(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims”.

(c) **CONFORMING AMENDMENT.**—Subsection (c) of such section is amended by striking, “Upon the establishment of the indemnity fund, and not later than October 1, 1999, the” and inserting “The”.

**SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.**

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed \$150,000.

**SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.**

(a) **DEADLINE FOR EXPENDITURES.**—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpended, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) **TOTAL AMOUNT OF EXPENDITURES.**—The total amount expended under this Act may not exceed \$5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

**SEC. 12. REGULATIONS.**

(a) **PROMULGATION.**—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”).

(b) **CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.**—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) **EXCEPTION.**—Section (8) shall become effective one day after the date of enactment.

**SA 1240.** Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

**SECTION 1. MARKET LOSS ASSISTANCE.**

(a) **ASSISTANCE AUTHORIZED.**—The Secretary of Agriculture (referred to in this Act as the “Secretary”) shall, to the maximum

extent practicable, use \$4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

(b) **AMOUNT.**—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

**SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.**

The Secretary shall use \$423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

**SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.**

The Secretary shall use \$54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.**

(a) **SUPPLEMENTAL PAYMENT.**—The Secretary shall use \$129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) **SPECIAL RULE FOR GEORGIA.**—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of \$13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

**SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.**

The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.**

The Secretary shall use \$84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

**SEC. 7. SPECIALTY CROPS.**

(a) **BASE STATE GRANTS.**—The Secretary shall use \$26,000,000 of funds of the Commodity Credit Corporation to make grants to

the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) \$500,000 to each of the several States; and

(2) \$1,000,000 to the Commonwealth of Puerto Rico.

(b) **GRANTS FOR VALUE OF PRODUCTION.**—The Secretary shall use \$133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

- (1) California, \$63,320,000.
- (2) Florida, \$16,860,000.
- (3) Washington, \$9,610,000.
- (4) Idaho, \$3,670,000.
- (5) Arizona, \$3,430,000.
- (6) Michigan, \$3,250,000.
- (7) Oregon, \$3,220,000.
- (8) Georgia, \$2,730,000.
- (9) Texas, \$2,660,000.
- (10) New York, \$2,660,000
- (11) Wisconsin, \$2,570,000.
- (12) North Carolina, \$1,540,000.
- (13) Colorado, \$1,510,000.
- (14) North Dakota, \$1,380,000.
- (15) Minnesota, \$1,320,000.
- (16) Hawaii, \$1,150,000.
- (17) New Jersey, \$1,100,000.
- (18) Pennsylvania, \$980,000.
- (19) New Mexico, \$900,000.
- (20) Maine, \$880,000.
- (21) Ohio, \$800,000.
- (22) Indiana, \$660,000.
- (23) Nebraska, \$640,000.
- (24) Massachusetts, \$640,000.
- (25) Virginia, \$620,000.
- (26) Maryland, \$500,000.
- (27) Louisiana, \$460,000.
- (28) South Carolina, \$440,000.
- (29) Tennessee, \$400,000.
- (30) Illinois, \$400,000.
- (31) Oklahoma, \$390,000.
- (32) Alabama, \$300,000.
- (33) Delaware, \$290,000.
- (34) Mississippi, \$250,000.
- (35) Kansas, \$210,000.
- (36) Arkansas, \$210,000.
- (37) Missouri, \$210,000.
- (38) Connecticut, \$180,000.
- (39) Utah, \$140,000.
- (40) Montana, \$140,000.
- (41) New Hampshire, \$120,000.
- (42) Nevada, \$120,000.
- (43) Vermont, \$120,000.
- (44) Iowa, \$100,000.
- (45) West Virginia, \$90,000.
- (46) Wyoming, \$70,000.
- (47) Kentucky, \$60,000.
- (48) South Dakota, \$40,000.
- (49) Rhode Island, \$40,000.
- (50) Alaska, \$20,000.

(c) **SPECIALTY CROP PRIORITY.**—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) **SPECIALTY CROP DEFINED.**—In this section, the term “specialty crop” means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

#### SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use \$10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

#### SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) **CONDITIONS ON PAYMENTS TO STATE.**—Subsection (b) of section 1121 of the Agri-

culture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

“(b) **CONDITIONS ON PAYMENT TO STATE.**—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

“(1) contributes \$5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

“(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

“(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments.”

(b) **ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.**—Subsection (d) of such section is amended to read as follows:

“(d) **ADDITIONAL DISBURSEMENT TO COTTON GINNERS.**—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginner (as defined and provided in such section) that—

“(1) incurred a loss as the result of—

“(A) the business failure of any cotton buyer doing business in Georgia; or

“(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

“(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

“(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims”.

(c) **CONFORMING AMENDMENT.**—Subsection (c) of such section is amended by striking, “Upon the establishment of the indemnity fund, and not later than October 1, 1999, the” and inserting “The”.

#### SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed \$150,000.

#### SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) **DEADLINE FOR EXPENDITURES.**—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and re-

maining unexpended by October 1, 2001, shall be deemed to be unexpended, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) **TOTAL AMOUNT OF EXPENDITURES.**—The total amount expended under this Act may not exceed \$5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

#### SEC. 12. REGULATIONS.

(a) **PROMULGATION.**—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”).

(b) **CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.**—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) **EXCEPTION.**—Section (9) shall become effective one day after the date of enactment.

**SA 1241.** Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

#### SECTION 1. MARKET LOSS ASSISTANCE.

(a) **ASSISTANCE AUTHORIZED.**—The Secretary of Agriculture (referred to in this Act as the “Secretary”) shall, to the maximum extent practicable, use \$4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

(b) **AMOUNT.**—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

#### SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use \$423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

#### SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use \$54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section

204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206-224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

#### SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use \$129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of \$13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

#### SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

#### SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use \$84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

#### SEC. 7. SPECIALTY CROPS.

(a) BASE STATE GRANTS.—The Secretary shall use \$26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

- (1) \$500,000 to each of the several States; and
- (2) \$1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use \$133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

- (1) California, \$63,320,000.
- (2) Florida, \$16,860,000.
- (3) Washington, \$9,610,000.
- (4) Idaho, \$3,670,000.
- (5) Arizona, \$3,430,000.
- (6) Michigan, \$3,250,000.
- (7) Oregon, \$3,220,000.
- (8) Georgia, \$2,730,000.
- (9) Texas, \$2,660,000.
- (10) New York, \$2,660,000.
- (11) Wisconsin, \$2,570,000.
- (12) North Carolina, \$1,540,000.
- (13) Colorado, \$1,510,000.

- (14) North Dakota, \$1,380,000.
- (15) Minnesota, \$1,320,000.
- (16) Hawaii, \$1,150,000.
- (17) New Jersey, \$1,100,000.
- (18) Pennsylvania, \$980,000.
- (19) New Mexico, \$900,000.
- (20) Maine, \$880,000.
- (21) Ohio, \$800,000.
- (22) Indiana, \$660,000.
- (23) Nebraska, \$640,000.
- (24) Massachusetts, \$640,000.
- (25) Virginia, \$620,000.
- (26) Maryland, \$500,000.
- (27) Louisiana, \$460,000.
- (28) South Carolina, \$440,000.
- (29) Tennessee, \$400,000.
- (30) Illinois, \$400,000.
- (31) Oklahoma, \$390,000.
- (32) Alabama, \$300,000.
- (33) Delaware, \$290,000.
- (34) Mississippi, \$250,000.
- (35) Kansas, \$210,000.
- (36) Arkansas, \$210,000.
- (37) Missouri, \$210,000.
- (38) Connecticut, \$180,000.
- (39) Utah, \$140,000.
- (40) Montana, \$140,000.
- (41) New Hampshire, \$120,000.
- (42) Nevada, \$120,000.
- (43) Vermont, \$120,000.
- (44) Iowa, \$100,000.
- (45) West Virginia, \$90,000.
- (46) Wyoming, \$70,000.
- (47) Kentucky, \$60,000.
- (48) South Dakota, \$40,000.
- (49) Rhode Island, \$40,000.
- (50) Alaska, \$20,000.

(c) SPECIALTY CROP PRIORITY.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) SPECIALTY CROP DEFINED.—In this section, the term “specialty crop” means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

#### SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use \$10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

#### SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) CONDITIONS ON PAYMENTS TO STATE.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

“(b) CONDITIONS ON PAYMENT TO STATE.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

“(1) contributes \$5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

“(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipi-

ent otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

“(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments.”

(b) ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.—Subsection (d) of such section is amended to read as follows:

“(d) ADDITIONAL DISBURSEMENT TO COTTON GINNERS.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

“(1) incurred a loss as the result of—

“(A) the business failure of any cotton buyer doing business in Georgia; or

“(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

“(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

“(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims”.

(c) CONFORMING AMENDMENT.—Subsection (c) of such section is amended by striking: “Upon the establishment of the indemnity fund, and not later than October 1, 1999, the” and inserting “The”.

#### SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed \$150,000.

#### SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) DEADLINE FOR EXPENDITURES.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpended, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) TOTAL AMOUNT OF EXPENDITURES.—The total amount expended under this Act may not exceed \$5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

#### SEC. 12. REGULATIONS.

(a) PROMULGATION.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) EXCEPTION.—Section (10) shall become effective one day after the date of enactment.

**SA 1242.** Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

**SECTION 1. MARKET LOSS ASSISTANCE.**

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use \$4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

**SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.**

The Secretary shall use \$423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

**SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.**

The Secretary shall use \$54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206-224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.**

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use \$129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of

\$13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

**SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.**

The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.**

The Secretary shall use \$84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

**SEC. 7. SPECIALTY CROPS.**

(a) BASE STATE GRANTS.—The Secretary shall use \$26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) \$500,000 to each of the several States; and

(2) \$1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use \$133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

- (1) California, \$63,320,000.
- (2) Florida, \$16,860,000.
- (3) Washington, \$9,610,000.
- (4) Idaho, \$3,670,000.
- (5) Arizona, \$3,430,000.
- (6) Michigan, \$3,250,000.
- (7) Oregon, \$3,220,000.
- (8) Georgia, \$2,730,000.
- (9) Texas, \$2,660,000.
- (10) New York, \$2,660,000
- (11) Wisconsin, \$2,570,000.
- (12) North Carolina, \$1,540,000.
- (13) Colorado, \$1,510,000.
- (14) North Dakota, \$1,380,000.
- (15) Minnesota, \$1,320,000.
- (16) Hawaii, \$1,150,000.
- (17) New Jersey, \$1,100,000.
- (18) Pennsylvania, \$980,000.
- (19) New Mexico, \$900,000.
- (20) Maine, \$880,000.
- (21) Ohio, \$800,000.
- (22) Indiana, \$660,000.
- (23) Nebraska, \$640,000.
- (24) Massachusetts, \$640,000.
- (25) Virginia, \$620,000.
- (26) Maryland, \$500,000.
- (27) Louisiana, \$460,000.
- (28) South Carolina, \$440,000.
- (29) Tennessee, \$400,000.
- (30) Illinois, \$400,000.
- (31) Oklahoma, \$390,000.
- (32) Alabama, \$300,000.
- (33) Delaware, \$290,000.
- (34) Mississippi, \$250,000.
- (35) Kansas, \$210,000.
- (36) Arkansas, \$210,000.

- (37) Missouri, \$210,000.
- (38) Connecticut, \$180,000.
- (39) Utah, \$140,000.
- (40) Montana, \$140,000.
- (41) New Hampshire, \$120,000.
- (42) Nevada, \$120,000.
- (43) Vermont, \$120,000.
- (44) Iowa, \$100,000.
- (45) West Virginia, \$90,000.
- (46) Wyoming, \$70,000.
- (47) Kentucky, \$60,000.
- (48) South Dakota, \$40,000.
- (49) Rhode Island, \$40,000.
- (50) Alaska, \$20,000.

(c) SPECIALTY CROP PRIORITY.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) SPECIALTY CROP DEFINED.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

**SEC. 8. COMMODITY ASSISTANCE PROGRAM.**

The Secretary shall use \$10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

**SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.**

(a) CONDITIONS ON PAYMENTS TO STATE.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

"(b) CONDITIONS ON PAYMENT TO STATE.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes \$5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments."

(b) ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.—Subsection (d) of such section is amended to read as follows:

"(d) ADDITIONAL DISBURSEMENT TO COTTON GINNERS.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

“(A) the business failure of any cotton buyer doing business in Georgia; or

“(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

“(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

“(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims”.

(c) **CONFORMING AMENDMENT.**—Subsection (c) of such section is amended by striking: “Upon the establishment of the indemnity fund, and not later than October 1, 1999, the” and inserting “The”.

**SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.**

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed \$150,000.

**SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.**

(a) **DEADLINE FOR EXPENDITURES.**—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpended, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) **TOTAL AMOUNT OF EXPENDITURES.**—The total amount expended under this Act may not exceed \$5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

**SEC. 12. REGULATIONS.**

(a) **PROMULGATION.**—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”).

(b) **CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.**—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) **EXCEPTION.**—Section (11) shall become effective one day after the date of enactment.

**SA 1243.** Ms. COLLINS (for herself and Ms. SNOWE) submitted an amend-

ment intended to be proposed by her to the bill S. 1243, to amend the Internal Revenue Code of 1986 to treat spaceports like airports under the exempt facility bond rules; which was ordered to lie on the table; as follows:

On page 35, line 2, before the period, insert the following: “. of which \$500,000 shall be set aside for the Forum Francophone Des Affaires de Lewiston, Maine, for a program to increase exports by small businesses in the United States to French-speaking regions”.

**SA 1244.** Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place, insert:

**SEC. . LAMB FEEDER ELIGIBILITY.**

Upon enactment, all rancher and feeder members of the Rocky Mountain States Lamb Cooperative engaged in the production of lamb, and the Rocky Mountain States Lamb Cooperative shall be eligible to participate in 7 USC 2009(d)(3)(B) business and industry direct and guaranteed loans under 7 USC 1932(a)(1) as proscribed by the Cooperative Stock Purchase Program.

**SA 1245.** Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place, insert:

**SEC. . BUSINESS AND INDUSTRY LOAN ELIGIBLE PURPOSE.**

Upon enactment, the Rocky Mountain Grower Finance Company shall be eligible to distribute 7 USC 2009(d)(3)(B) business and industry direct and guaranteed loans under 7 USC 1932(a)(1) as proscribed by the Cooperative Stock Purchase Program to the member growers of the Rocky Mountain Sugar Growers Cooperative.

**SA 1246.** Mr. DASCHLE submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**TITLE —CONSERVATION**

**SEC. . 01. CONSERVATION RESERVE PROGRAM.**

(a) **TECHNICAL ASSISTANCE.**—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), in addition to amounts made available under section 801 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–49), the Secretary shall use \$44,000,000 of funds of the Commodity Credit Corporation to provide technical assistance under the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.).

(b) **EXTENSION OF CONTRACTS.**—Notwithstanding section 1231(e)(1) of the Food Security Act of 1985 (16 U.S.C. 3831(e)(1)), an owner or operator that has entered into a contract under the conservation reserve program that would otherwise expire during cal-

endar year 2001 may extend the contract for 1 year.

(c) **PAYMENTS.**—

(1) **IN GENERAL.**—Subject to paragraph (2), during the 2001 and 2002 calendar years, the Secretary shall include among practices that are eligible for payments under the conservation reserve program—

(A) the preservation of shallow water areas for wildlife;

(B) the establishment of permanent vegetative cover, such as contour grass strips and cross-wind trap strips; and

(C) the preservation of wellhead protection areas.

(2) **OTHER PRACTICES.**—The Secretary shall administer paragraph (1) in a manner that does not reduce the amount of payments made by the Secretary for other practices under the conservation reserve program.

(d) **PILOT PROGRAM FOR ENROLLMENT OF WETLAND AND BUFFER ACREAGE IN CONSERVATION RESERVE.**—

(1) **IN GENERAL.**—Section 1231(h)(4)(B) of the Food Security Act of 1985 (16 U.S.C. 3831(h)(4)(B)) is amended by inserting “(which may include emerging vegetation in water)” after “vegetative cover”.

(2) **CONFORMING AMENDMENT.**—Section 1232(a)(4) of the Food Security Act of 1985 (16 U.S.C. 3832(a)(4)) is amended by inserting “(which may include emerging vegetation in water)” after “vegetative cover”.

**SEC. . 02. WETLANDS RESERVE PROGRAM.**

(a) **MAXIMUM ENROLLMENT.**—Notwithstanding section 1237(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3837(b)(1)) and section 808 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–52), subject to subsection (b), the Secretary shall use \$200,000,000 of funds of the Commodity Credit Corporation for enrollment of additional acres beginning in fiscal year 2002 in the wetlands reserve program established under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.).

(b) **TECHNICAL ASSISTANCE; MONITORING AND MAINTENANCE EXPENSES.**—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary shall use—

(1) not less than \$12,000,000, but not more than \$15,000,000, to provide technical assistance under the wetlands reserve program; and

(2) not less than \$8,000,000, but not more than \$10,000,000, for monitoring and maintenance expenses incurred by the Secretary for land enrolled in the wetlands reserve program as of the date of enactment of this Act.

**SEC. . 03. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.**

In addition to amounts made available under section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841), the Secretary shall use \$250,000,000 of funds of the Commodity Credit Corporation to carry out the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.).

**SEC. . 04. WILDLIFE HABITAT INCENTIVE PROGRAM.**

In addition to amounts made available under section 387(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a(c)), the Secretary shall use \$7,000,000 of funds of the Commodity Credit Corporation to carry out the Wildlife Habitat Incentive Program established under section 387 of that Act.

**SEC. . 05. FARMLAND PROTECTION PROGRAM.**

(a) **IN GENERAL.**—In addition to amounts made available under section 388(c) of the

Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104-127) and section 211(a) of the Agricultural Risk Protection Act of 2000 (16 U.S.C. 3830 note; Public Law 106-224), the Secretary shall use \$40,000,000 of funds of the Commodity Credit Corporation to make payments under the farmland protection program established under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 to—

(1) any agency of any State or local government, or federally recognized Indian tribe, including farmland protection boards and land resource councils established under State law; and

(2) any organization that—

(A) is organized for, and at all times since the formation of the organization has been operated principally for, 1 or more of the conservation purposes specified in clauses (i), (ii), and (iii) of section 170(h)(4)(A) of the Internal Revenue Code of 1986;

(B) is an organization described in section 501(c)(3) of that Code that is exempt from taxation under section 501(a) of that Code;

(C) is described in section 509(a)(2) of that Code; or

(D) is described in section 509(a)(3) of that Code and is controlled by an organization described in section 509(a)(2) of that Code.

(b) **TECHNICAL ASSISTANCE.**—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary may use not more than \$3,000,000 to provide technical assistance under the farmland protection program.

**SEC. 06. RISK MANAGEMENT CONSERVATION ASSISTANCE.**

(a) **IN GENERAL.**—Notwithstanding sections 01 through 05, subject to subsection (d), of the amount of funds made available under this title (other than section 01(a)), the Secretary shall use \$100,000,000 to address critical risk management needs (including such needs under programs specified in subsection (b)) in States that are described in section 522(c)(1)(A) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)(1)(A)).

(b) **MINIMUM AMOUNT.**—Subject to subsection (d), the minimum amount each State described in subsection (a) shall receive under subsection (a) shall be \$5,000,000.

(c) **PROGRAMS.**—For the purpose of subsection (a), the programs specified in this subsection are—

(1) the wetlands reserve program established under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.);

(2) the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.);

(3) the Wildlife Habitat Incentive Program established under section 387 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a); and

(4) the farmland protection program established under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104-127).

(d) **OTHER STATES.**—The Secretary shall use any funds made available under subsection (a) that have not been obligated by June 1, 2002, to provide assistance under the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) in States that are not described in section 522(c)(1)(A) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)(1)(A)).

**SA 127.** Mr. DASCHLE submitted an amendment intended to be proposed by

him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) **SHORT TITLE.**—This Act may be cited as the “Emergency Agricultural Assistance Act of 2001”.

(b) **TABLE OF CONTENTS.**—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

**TITLE I—MARKET LOSS ASSISTANCE**

Sec. 101. Bonus market loss payments.

Sec. 102. Oilseeds.

Sec. 103. Peanuts.

Sec. 104. Sugar.

Sec. 105. Honey.

Sec. 106. Cottonseed.

Sec. 107. Commodity purchases.

Sec. 108. Loan deficiency payments.

Sec. 109. Milk.

Sec. 110. Pulse crops.

Sec. 111. Apples.

**TITLE II—CONSERVATION**

Sec. 201. Conservation reserve program.

Sec. 202. Wetlands reserve program.

Sec. 203. Environmental quality incentives program.

Sec. 204. Wildlife Habitat Incentive Program.

Sec. 205. Farmland protection program.

Sec. 206. Risk management conservation assistance.

**TITLE III—CREDIT AND RURAL DEVELOPMENT**

**Subtitle A—Credit**

Sec. 301. Farm energy emergency loans.

**Subtitle B—Rural Development**

Sec. 311. Value-added agricultural product market development grants.

Sec. 312. Regulations; notice of acceptance of applications.

Sec. 313. Funding.

**TITLE IV—MISCELLANEOUS**

Sec. 401. Crop and pasture flood compensation program.

**TITLE V—ADMINISTRATION**

Sec. 501. Obligation period.

Sec. 502. Commodity Credit Corporation.

Sec. 503. Regulations.

**TITLE I—MARKET LOSS ASSISTANCE**

**SEC. 101. BONUS MARKET LOSS PAYMENTS.**

(a) **IN GENERAL.**—The Secretary of Agriculture (referred to in this Act as the “Secretary”) shall use funds of the Commodity Credit Corporation to make a bonus market loss payment to owners and producers on a farm that produced a 2001 crop of a contract commodity (as defined in section 102 of the Agricultural Market Transition Act (7 U.S.C. 7202)).

(b) **COMPUTATION.**—A payment under this section shall be computed by multiplying—

(1) the payment rate determined under subsection (c); by

(2) the payment quantity determined under subsection (d).

(c) **PAYMENT RATE.**—The payment rate for a payment under this section shall equal—

(1) in the case of wheat, \$0.095 per bushel;

(2) in the case of corn, \$0.037 per bushel;

(3) in the case of grain sorghum, \$0.066 per bushel;

(4) in the case of barley, \$0.056 per bushel;

(5) in the case of oats, \$0.004 per bushel;

(6) in the case of upland cotton, \$0.00993 per pound; and

(7) in the case of rice, \$0.383 per hundred-weight.

(d) **PAYMENT QUANTITY.**—

(1) **IN GENERAL.**—Except as provided in paragraph (2), the payment quantity for a payment made to owners and producers on a farm under this section shall equal the quantity of the 2001 crop of a contract commodity produced by the owners and producers on the farm.

(2) **DISASTERS.**—In the case of owners and producers on a farm that suffered a loss in the production of the 2001 crop of a contract commodity as a result of a natural disaster (as determined by the Secretary), the payment quantity for a payment made to the owners and producers on the farm under this section shall equal the product obtained by multiplying—

(A) the greater of—

(i) the yield assigned to the farm for the 2001 crop of the contract commodity under subparagraphs (A) and (B) of section 508(g)(2) of the Federal Crop Insurance Act (7 U.S.C. 1508(g)(2)); or

(ii) the county average yield for the 2000 crop of the contract commodity, as determined by the Secretary; by

(B) the number of acres planted or considered planted to the contract commodity for harvest on the farm in the 2001 crop year.

**SEC. 102. OILSEEDS.**

The Secretary shall use \$76,490,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1421 note; Public Law 106-224) to producers of the 2000 crop of oilseeds that received a payment under that section.

**SEC. 103. PEANUTS.**

The Secretary shall use \$1,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1421 note; Public Law 106-224) to producers of quota peanuts or additional peanuts for the 2000 crop year that received a payment under that section.

**SEC. 104. SUGAR.**

(a) **MARKETING ASSESSMENT.**—Section 156(f) of the Agricultural Market Transition Act (7 U.S.C. 7272(f)) shall not apply with respect to the 2001 crop of sugarcane and sugar beets.

(b) **EMERGENCY FINANCIAL ASSISTANCE FOR 2000 CROP OF SUGAR BEETS.**—Notwithstanding section 815(d)(1) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A-56), in making payments under that section for quality losses for the 2000 crop of sugar beets of producers on a farm in an area covered by Manager’s Bulletin MGR-01-010 issued by the Federal Crop Insurance Corporation on March 2, 2001—

(1) the Secretary shall calculate the amount of a quality loss, regardless of whether the sugar beets are processed, on an aggregate basis by cooperative;

(2) the Secretary shall make the quality loss payments to a cooperative for distribution to cooperative members; and

(3) the amount of a quality loss, regardless of whether the sugar beets are processed, shall be equal to the difference between—

(A) the per unit payment that the producers on the farm would have received for the crop from the cooperative if the crop had not suffered a quality loss; and

(B) the average per unit payment that the producers on the farm received from the cooperative for the affected sugar beets.

**SEC. 105. HONEY.**

(a) **NONRECOURSE MARKETING ASSISTANCE LOANS.**—

(1) **IN GENERAL.**—The Secretary shall use funds of the Commodity Credit Corporation to make nonrecourse marketing assistance loans available to producers of the 2001 crop of honey.

(2) **LOAN RATE.**—The loan rate for a marketing assistance loan under paragraph (1) for honey shall be 65 cents per pound.

(3) **REPAYMENT RATE.**—The Secretary shall permit producers to repay a marketing assistance nonrecourse loan under paragraph (1) at a rate that is the lesser of—

(A) the loan rate for honey, plus interest (as determined by the Secretary); or

(B) the prevailing domestic market price for honey, as determined by the Secretary.

(b) **LOAN DEFICIENCY PAYMENTS.**—

(1) **IN GENERAL.**—The Secretary may make loan deficiency payments available to any producer of honey that, although eligible to obtain a marketing assistance loan under subsection (a), agrees to forgo obtaining the loan in return for a payment under this subsection.

(2) **AMOUNT.**—A loan deficiency payment under this subsection shall be determined by multiplying—

(A) the loan payment rate determined under paragraph (3); by

(B) the quantity of honey that the producer is eligible to place under loan, but for which the producer forgoes obtaining the loan in return for a payment under this subsection.

(3) **LOAN PAYMENT RATE.**—For the purposes of this subsection, the loan payment rate shall be the amount by which—

(A) the loan rate established under subsection (a)(2); exceeds

(B) the rate at which a loan may be repaid under subsection (a)(3).

(c) **CONVERSION OF RECOURSE LOANS.**—In order to provide an orderly transition to the loans and payments provided under this section, the Secretary shall convert recourse loans for the 2001 crop of honey outstanding on the date of enactment of this Act to nonrecourse marketing assistance loans under subsection (a).

(d) **LIMITATIONS.**—

(1) **IN GENERAL.**—The marketing assistance loan gains and loan deficiency payments that a person may receive for the 2001 crop of honey under this section shall be subject to the same limitations that apply to marketing assistance loans and loan deficiency payments received by producers of the same crop of other agricultural commodities.

(2) **FORFEITURES.**—The Secretary shall carry out this section in such a manner as to minimize forfeitures of honey marketing assistance loans.

(e) **TRANSITION ASSISTANCE.**—In the case of a producer that marketed or redeemed, before, on, or within 30 days after the date of the enactment of this Act, a quantity of an eligible 2001 crop for which the producer has not received a loan deficiency payment or marketing loan gain under this section, the producer shall be eligible to receive a payment from the Secretary under this section in an amount equal to the payment or gain that the producer would have received for that quantity of eligible production as of the date on which the producer lost beneficial interest in the quantity or redeemed the quantity, as determined by the Secretary.

#### SEC. 106. COTTONSEED.

The Secretary shall use \$15,000,000 of funds of the Commodity Credit Corporation for fiscal year 2002 to provide assistance to producers and first handlers of the 2001 crop of cottonseed.

#### SEC. 107. COMMODITY PURCHASES.

(a) **IN GENERAL.**—The Secretary shall use \$110,599,473 of funds of the Commodity Credit Corporation to purchase agricultural commodities, especially agricultural commodities that have experienced low prices during the 2000 or 2001 crop years, such as apples, apricots, asparagus, bell peppers, bison meat, black beans, black-eyed peas, blueberries

(wild and cultivated), cabbage, cantaloupe, cauliflower, chickpeas, cranberries, cucumbers, dried plums, dry peas, eggplants, lemons, lentils, melons, onions, peaches (including freestone), pears, potatoes (summer and fall), pumpkins, raisins, raspberries, red tart cherries, snap beans, spinach, strawberries, sweet corn, tomatoes, and watermelons.

(b) **GEOGRAPHIC DIVERSITY.**—The Secretary is encouraged to purchase agricultural commodities under this section in a manner that reflects the geographic diversity of agricultural production in the United States, particularly agricultural production in the Northeast and Mid-Atlantic States.

(c) **OTHER PURCHASES.**—The Secretary shall ensure that purchases of agricultural commodities under this section are in addition to purchases by the Secretary under any other law.

(d) **TRANSPORTATION AND DISTRIBUTION COSTS.**—The Secretary may use not more than \$20,000,000 of the funds made available under subsection (a) to provide assistance to States to cover costs incurred by the States in transporting and distributing agricultural commodities purchased under this section.

(e) **PURCHASES FOR SCHOOL NUTRITION PROGRAMS.**—The Secretary shall use not less than \$55,000,000 of the funds made available under subsection (a) to purchase agricultural commodities of the type distributed under section 6(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1755(a)) for distribution to schools and service institutions in accordance with section 6(a) of that Act.

#### SEC. 108. LOAN DEFICIENCY PAYMENTS.

Section 135(a)(2) of the Agricultural Market Transition Act (7 U.S.C. 7235(a)(2)) is amended by striking “2000 crop year” and inserting “each of the 2000 and 2001 crop years”.

#### SEC. 109. MILK.

(a) **EXTENSION OF MILK PRICE SUPPORT PROGRAM.**—Section 141 of the Agricultural Market Transition Act (7 U.S.C. 7251) is amended by striking “2001” each place it appears in subsections (b)(4) and (h) and inserting “2002”.

(b) **REPEAL OF RECOURSE LOAN PROGRAM FOR PROCESSORS.**—Section 142 of the Agricultural Market Transition Act (7 U.S.C. 7252) is repealed.

#### SEC. 110. PULSE CROPS.

(a) **IN GENERAL.**—The Secretary shall use \$20,000,000 of funds of the Commodity Credit Corporation to provide assistance in the form of a market loss assistance payment to owners and producers on a farm that grow dry peas, lentils, or chickpeas (collectively referred to in this section as a “pulse crop”).

(b) **COMPUTATION.**—A payment to owners and producers on a farm under this section for a pulse crop shall be equal to the product obtained by multiplying—

(1) a payment rate determined by the Secretary; by

(2) the acreage of the producers on the farm for the pulse crop determined under subsection (c).

(c) **ACREAGE.**—

(1) **IN GENERAL.**—The acreage of the producers on the farm for a pulse crop under subsection (b)(2) shall be equal to the number of acres planted to the pulse crop by the owners and producers on the farm during the 1998, 1999, or 2000 crop year, whichever is greatest.

(2) **BASIS.**—For the purpose of paragraph (1), the number of acres planted to a pulse crop by the owners and producers on the farm for a crop year shall be based on (as determined by the Secretary)—

(A) the number of acres planted to the pulse crop for the crop year, as reported to the Secretary by the owners and producers

on the farm, including any acreage that is included in reports that are filed late; or

(B) the number of acres planted to the pulse crop for the crop year for the purpose of the Federal crop insurance program established under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

#### SEC. 111. APPLES.

(a) **IN GENERAL.**—The Secretary shall use \$150,000,000 of funds of the Commodity Credit Corporation to make payments to apple producers to provide relief for the loss of markets during the 2000 crop year.

(b) **PAYMENT QUANTITY.**—

(1) **IN GENERAL.**—Subject to paragraph (2), the payment quantity of apples for which the producers on a farm are eligible for payments under this section shall be equal to the quantity of the 2000 crop of apples produced by the producers on the farm.

(2) **MAXIMUM QUANTITY.**—The payment quantity of apples for which the producers on a farm are eligible for payments under this section shall not exceed 5,000,000 pounds of apples produced on the farm.

(c) **LIMITATIONS.**—Subject to subsection (b)(2), the Secretary shall not establish a payment limitation, or gross income eligibility limitation, with respect to payments made under this section.

(d) **APPLICABILITY.**—This section applies only with respect to the 2000 crop of apples and producers of that crop.

### TITLE II—CONSERVATION

#### SEC. 201. CONSERVATION RESERVE PROGRAM.

(a) **TECHNICAL ASSISTANCE.**—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), in addition to amounts made available under section 801 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–49), the Secretary shall use \$44,000,000 of funds of the Commodity Credit Corporation to provide technical assistance under the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.).

(b) **EXTENSION OF CONTRACTS.**—Notwithstanding section 1231(e)(1) of the Food Security Act of 1985 (16 U.S.C. 3831(e)(1)), an owner or operator that has entered into a contract under the conservation reserve program that would otherwise expire during calendar year 2001 may extend the contract for 1 year.

(c) **PAYMENTS.**—

(1) **IN GENERAL.**—Subject to paragraph (2), during the 2001 and 2002 calendar years, the Secretary shall include among practices that are eligible for signing incentive payments under the conservation reserve program—

(A) the preservation of shallow water areas for wildlife;

(B) the establishment of permanent vegetative cover, such as contour grass strips and cross-wind trap strips; and

(C) the preservation of wellhead protection areas.

(2) **OTHER PRACTICES.**—The Secretary shall administer paragraph (1) in a manner that does not reduce the amount of payments made by the Secretary for other practices under the conservation reserve program.

(d) **PILOT PROGRAM FOR ENROLLMENT OF WETLAND AND BUFFER ACREAGE IN CONSERVATION RESERVE.**—

(1) **IN GENERAL.**—Section 1231(h)(4)(B) of the Food Security Act of 1985 (16 U.S.C. 3831(h)(4)(B)) is amended by inserting “(which may include emerging vegetation in water)” after “vegetative cover”.

(2) **CONFORMING AMENDMENT.**—Section 1232(a)(4) of the Food Security Act of 1985 (16 U.S.C. 3832(a)(4)) is amended by inserting

“(which may include emerging vegetation in water)” after “vegetative cover”.

**SEC. 202. WETLANDS RESERVE PROGRAM.**

(a) **MAXIMUM ENROLLMENT.**—Notwithstanding section 1237(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3837(b)(1)) and section 808 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A-52), subject to subsection (b), the Secretary shall use \$200,000,000 of funds of the Commodity Credit Corporation for enrollment of additional acres beginning in fiscal year 2002 in the wetlands reserve program established under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.).

(b) **TECHNICAL ASSISTANCE; MONITORING AND MAINTENANCE EXPENSES.**—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary shall use—

(1) not less than \$12,000,000, but not more than \$15,000,000, to provide technical assistance under the wetlands reserve program; and

(2) not less than \$8,000,000, but not more than \$10,000,000, for monitoring and maintenance expenses incurred by the Secretary for land enrolled in the wetlands reserve program as of the date of enactment of this Act.

**SEC. 203. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.**

In addition to amounts made available under section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841), the Secretary shall use \$250,000,000 of funds of the Commodity Credit Corporation to carry out the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.).

**SEC. 204. WILDLIFE HABITAT INCENTIVE PROGRAM.**

In addition to amounts made available under section 387(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a(c)), the Secretary shall use \$7,000,000 of funds of the Commodity Credit Corporation to carry out the Wildlife Habitat Incentive Program established under section 387 of that Act.

**SEC. 205. FARMLAND PROTECTION PROGRAM.**

(a) **IN GENERAL.**—In addition to amounts made available under section 388(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104-127) and section 211(a) of the Agricultural Risk Protection Act of 2000 (16 U.S.C. 3830 note; Public Law 106-224), the Secretary shall use \$40,000,000 of funds of the Commodity Credit Corporation to make payments under the farmland protection program established under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 to—

(1) any agency of any State or local government, or federally recognized Indian tribe, including farmland protection boards and land resource councils established under State law; and

(2) any organization that—

(A) is organized for, and at all times since the formation of the organization has been operated principally for, 1 or more of the conservation purposes specified in clauses (i), (ii), and (iii) of section 170(h)(4)(A) of the Internal Revenue Code of 1986;

(B) is an organization described in section 501(c)(3) of that Code that is exempt from taxation under section 501(a) of that Code;

(C) is described in section 509(a)(2) of that Code; or

(D) is described in section 509(a)(3) of that Code and is controlled by an organization described in section 509(a)(2) of that Code.

(b) **TECHNICAL ASSISTANCE.**—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary may use not more than \$3,000,000 to provide technical assistance under the farmland protection program.

**SEC. 206. RISK MANAGEMENT CONSERVATION ASSISTANCE.**

(a) **IN GENERAL.**—Notwithstanding sections 201 through 205, subject to subsection (d), of the amount of funds made available under this title (other than section 201(a)), the Secretary shall use \$100,000,000 to address critical risk management needs (including such needs under programs specified in subsection (b)) in States that are described in section 522(c)(1)(A) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)(1)(A)).

(b) **MINIMUM AMOUNT.**—Subject to subsection (d), the minimum amount each State described in subsection (a) shall receive under subsection (a) shall be \$5,000,000.

(c) **PROGRAMS.**—For the purpose of subsection (a), the programs specified in this subsection are—

(1) the wetlands reserve program established under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.);

(2) the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.);

(3) the Wildlife Habitat Incentive Program established under section 387 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a); and

(4) the farmland protection program established under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104-127).

(d) **OTHER STATES.**—The Secretary shall use any funds made available under subsection (a) that have not been obligated by June 1, 2002, to provide assistance under the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) in States that are not described in section 522(c)(1)(A) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)(1)(A)).

**TITLE III—CREDIT AND RURAL DEVELOPMENT**

**Subtitle A—Credit**

**SEC. 301. FARM ENERGY EMERGENCY LOANS.**

(a) **IN GENERAL.**—Section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a)) is amended—

(1) in the first sentence—

(A) by striking “aquaculture operations have” and inserting “aquaculture operations (i) have”; and

(B) by striking “the Disaster Relief and Emergency Assistance Act.” and inserting “the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), or (ii) have suffered or are likely to suffer substantial economic injury on or after June 1, 2000, as the result of a sharp and significant increase in energy costs or input costs from energy sources occurring on or after June 1, 2000, in connection with an energy emergency declared by the President or the Secretary.”;

(2) in the third sentence, by striking “the Disaster Relief and Emergency Assistance Act” and inserting “the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) or by an energy emergency declared by the President or the Secretary”; and

(3) in the fourth sentence—

(A) by inserting “or energy emergency” after “natural disaster” each place it appears; and

(B) by inserting “or declaration” after “emergency designation”.

(b) **FUNDING.**—Funds available for emergency loans under subtitle C of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961 et seq.) to meet the needs resulting from natural disasters shall be available to carry out the amendments made by subsection (a).

(c) **GUIDELINES.**—Not later than 30 days after the date of enactment of this Act, the Secretary shall issue such guidelines as the Secretary determines to be necessary to carry out the amendments made by subsection (a).

(d) **REPORT.**—Not later than 18 months after the date of final publication by the Secretary of the guidelines issued under subsection (c), the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the effectiveness of loans made available as a result of the amendments made by subsection (a), together with recommendations for improvements to the loans, if any.

**Subtitle B—Rural Development**

**SEC. 311. VALUE-ADDED AGRICULTURAL PRODUCT MARKET DEVELOPMENT GRANTS.**

The Secretary shall use funds made available under section 313(a) to award grants for projects under the terms and conditions provided in section 231(a) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1621 note), except that the Secretary shall give preference to bioenergy projects.

**SEC. 312. REGULATIONS; NOTICE OF ACCEPTANCE OF APPLICATIONS.**

(a) **IN GENERAL.**—Not later than 75 days after the date of enactment of this Act, the Secretary shall promulgate final regulations to carry out this subtitle.

(b) **NOTICE OF ACCEPTANCE OF APPLICATIONS.**—Not later than 20 days after the date of promulgation of regulations under subsection (a), the Secretary shall publish in the Federal Register a notice that the Secretary is accepting applications for grants for which funds are made available under this subtitle.

**SEC. 313. FUNDING.**

(a) **IN GENERAL.**—On October 1, 2001, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary \$20,000,000 to carry out section 311.

(b) **ENTITLEMENT.**—The Secretary shall be entitled to receive the funds transferred under subsection (a) and shall accept the funds.

**TITLE IV—MISCELLANEOUS**

**SEC. 401. CROP AND PASTURE FLOOD COMPENSATION PROGRAM.**

(a) **DEFINITION OF COVERED LAND.**—In this section:

(1) **IN GENERAL.**—The term “covered land” means land that—

(A) was unusable for agricultural production during the 2001 crop year as the result of flooding;

(B) was used for agricultural production during at least 1 of the 1992 through 2000 crop years; and

(C) is a contiguous parcel of land of at least 1 acre.

(2) **EXCLUSIONS.**—The term “covered land” excludes any land for which a producer is insured, enrolled, or assisted during the 2001 crop year under—

(A) a policy or plan of insurance authorized under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.);

(B) the noninsured crop assistance program operated under section 196 of the Agricultural Market Transition Act (7 U.S.C. 7333);

(C) any crop disaster program established for the 2001 crop year;

(D) the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.);

(E) the wetlands reserve program established under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.);

(F) any emergency watershed protection program or Federal easement program that prohibits crop production or grazing; or

(G) any other Federal or State water storage program, as determined by the Secretary.

(b) COMPENSATION.—The Secretary shall use not more than \$24,000,000 of funds of the Commodity Credit Corporation to compensate producers with covered land for losses from long-term flooding.

(c) PAYMENT RATE.—The payment rate for compensation provided to a producer under this section shall be equal to the average county cash rental rate per acre established by the National Agricultural Statistics Service for the 2001 crop year.

(d) PAYMENT LIMITATION.—The total amount of payments made to a person (as defined in section 1001(5) of the Food Security Act of 1985 (7 U.S.C. 1308(5))) under this section may not exceed \$40,000.

#### TITLE V—ADMINISTRATION

##### SEC. 501. OBLIGATION PERIOD.

(a) IN GENERAL.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and, to the maximum extent practicable, expend funds during fiscal year 2002 to carry out this Act and the amendments made by this Act.

(b) AVAILABILITY.—Funds described in subsection (a) shall remain available until expended.

##### SEC. 502. COMMODITY CREDIT CORPORATION.

Except as otherwise provided in this Act, the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this Act and the amendments made by this Act.

##### SEC. 503. REGULATIONS.

(a) IN GENERAL.—The Secretary may promulgate such regulations as are necessary to implement this Act and the amendments made by this Act.

(b) PROCEDURE.—The promulgation of the regulations and administration of the amendments made by this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”).

(c) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

**SA 1248.** Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

##### SEC. 1 . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting “New York,” after “New Hampshire.”;

(2) by striking paragraphs (1) and (7);

(3) in paragraph (2), by striking “Class III-A” and inserting “Class IV”;

(4) by striking paragraph (3) and inserting the following:

“(3) DURATION.—Consent for the Northeast Interstate Dairy Compact shall terminate on—

“(A) in the case of States other than New York, September 30, 2011; and

“(B) in the case of New York, September 30, 2004.”;

(5) in paragraph (4), by striking “New York.”;

(6) in paragraph (5), by striking “the projected rate of increase” and all that follows through “Secretary” and inserting “the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code”;

(7) by redesignating paragraphs (2) through (6) as paragraphs (1) through (5), respectively.

**SA 1249.** Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

##### SEC. 1 . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147(3) of the Agricultural Market Transition Act (7 U.S.C. 7256(3)) is amended by striking “September 30, 2001” and inserting “on the ending date on which certain provisions of the Agricultural Act of 1949 are not applicable to milk under section 171(b)(1)”.

**SA 1250.** Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

##### SEC. . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147(3) of the Agricultural Market Transition Act (7 U.S.C. 7256(3)) is amended by striking “2001” and inserting “2004”.

**SA 1251.** Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

##### SEC. . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147(3) of the Agricultural Market Transition Act (7 U.S.C. 7256(3)) is amended by striking “2001” and inserting “2006”.

**SA 1252.** Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricul-

tural producers; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

##### SEC. . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147(3) of the Agricultural Market Transition Act (7 U.S.C. 7256(3)) is amended by striking “2001” and inserting “2002”.

**SA 1253.** Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

##### SEC. 7 . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting “Maryland,” after “Maine.”;

(2) in paragraph (3), by striking “2001” and inserting “2004”;

(3) in paragraph (4), by striking “Maryland.”.

**SA 1254.** Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

##### SEC. 7 . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1) by inserting “Pennsylvania,” after “New Hampshire.”;

(2) in paragraph (3), by striking “2001” and inserting “2004”;

(3) in paragraph (4), by striking “Pennsylvania.”.

**SA 1255.** Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

##### SEC. 7 . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147 of the Agricultural Market transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting “Delaware,” after “Connecticut.”;

(2) in paragraph (3), by striking “2001” and inserting “2004”;

(3) in paragraph (4), by striking “Delaware.”.

**SA 1256.** Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

##### SEC. 7 . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting "New Jersey," after "New Hampshire,";

(2) in paragraph (3), by striking "2001" and inserting "2004"; and

(3) in paragraph (4), by striking "New Jersey,".

**SA 1257.** Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

**SEC. 1 . NORTHEAST INTERSTATE DAIRY COMPACT.**

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) by striking paragraphs (1), (3), and (7);

(2) in paragraph (2), by striking "Class III-A" and inserting "Class IV";

(3) in paragraph (5), by striking "the projected rate of increase" and all that follows through "Secretary" and inserting "the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code"; and

(4) by redesignating paragraphs (2), (4), (5), and (6) as paragraphs (1), (2), (3), and (4), respectively.

**SA 1258.** Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

**SEC. 7 . NORTHEAST INTERSTATE DAIRY COMPACT.**

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by striking "and Vermont" and inserting "Vermont, and Virginia";

(2) in paragraph (3), by striking "2001" and inserting "2006"; and

(3) in paragraph (4), by striking "Virginia,".

**SA 1259.** Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

**SEC. 1 . NORTHEAST INTERSTATE DAIRY COMPACT.**

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting "New York," after "New Hampshire,";

(2) by striking paragraphs (1) and (7);

(3) in paragraph (2), by striking "Class III-A" and inserting "Class IV";

(4) by striking paragraph (3) and inserting the following:

"(3) DURATION.—Consent for the Northeast Interstate Dairy Compact shall terminate on—

"(A) in the case of States other than New York, September 30, 2011; and

"(B) in the case of New York, September 30, 2006";

(5) in paragraph (4), by striking "New York,";

(6) in paragraph (5), by striking "the projected rate of increase" and all that follows through "Secretary" and inserting "the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code"; and

(7) by redesignating paragraphs (2) through (6) as paragraphs (1) through (5), respectively.

**SA 1260.** Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

**SEC. 7 . NORTHEAST INTERSTATE DAIRY COMPACT.**

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting "New Jersey," after "New Hampshire,";

(2) in paragraph (3), by striking "2001" and inserting "2006"; and

(3) in paragraph (4), by striking "New Jersey,".

**SA 1261.** Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

**SEC. 7 . NORTHEAST INTERSTATE DAIRY COMPACT.**

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting "Pennsylvania," after "New Hampshire,";

(2) in paragraph (3), by striking "2001" and inserting "2006"; and

(3) in paragraph (4), by striking "Pennsylvania,".

**SA 1262.** Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis is adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

**SEC. 7 . NORTHEAST INTERSTATE DAIRY COMPACT.**

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting "Delaware," after "Connecticut,";

(2) in paragraph (3), by striking "2001" and inserting "2006"; and

(3) in paragraph (4), by striking "Delaware,".

**SA 1263.** Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis ad-

versely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

**SEC. 7 . NORTHEAST INTERSTATE DAIRY COMPACT.**

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting "Maryland," after "Maine,";

(2) in paragraph (3), by striking "2001" and inserting "2006"; and

(3) in paragraph (4), by striking "Maryland,".

**SA 1264.** Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

**SEC. 7 . NORTHEAST INTERSTATE DAIRY COMPACT.**

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by striking "and Vermont" and inserting "Vermont, and Virginia";

(2) in paragraph (3), by striking "2001" and inserting "2004"; and

(3) in paragraph (4), by striking "Virginia,".

**SA 1265.** Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

**SEC. 1 . NORTHEAST INTERSTATE DAIRY COMPACT.**

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting "New York," after "New Hampshire,";

(2) by striking paragraphs (1) and (7);

(3) in paragraph (2), by striking "Class III-A" and inserting "Class IV";

(4) by striking paragraph (3) and inserting the following:

"(3) DURATION.—Consent for the Northeast Interstate Dairy Compact shall terminate on—

"(A) in the case of States other than New York, September 30, 2011; and

"(B) in the case of New York, September 30, 2004.";

(5) in paragraph (4), by striking "New York,".

(6) in paragraph (5), by striking "the projected rate of increase" and all that follows through "Secretary" and inserting "the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code"; and

(7) by redesignating paragraphs (2) through (6) as paragraphs (1) through (5), respectively.

**SA 1266.** Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to

the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

**SEC. 1. NORTHEAST INTERSTATE DAIRY COMPACT.**

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting “New York,” after “New Hampshire,”;

(2) by striking paragraphs (1) and (7);

(3) in paragraph (2), by striking “Class III-A” and inserting “Class IV”;

(4) in paragraph (3), by striking “2001” and inserting “2006”;

(5) in paragraph (4), by striking “New York,”.

**SA 1267.** Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

**SEC. 1. NORTHEAST INTERSTATE DAIRY COMPACT.**

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting “New York,” after “New Hampshire,”;

(2) by striking paragraphs (1) and (7);

(3) in paragraph (2), by striking “Class III-A” and inserting “Class IV”;

(4) by striking paragraph (3) and inserting the following:

“(3) DURATION.—Consent for the Northeast Interstate Dairy Compact shall terminate on—

“(A) in the case of States other than New York, September 30, 2011; and

“(B) in the case of New York, September 30, 2004.”;

(5) in paragraph (4), by striking “New York,”.

(6) in paragraph (5), by striking “the projected rate of increase” and all that follows through “Secretary” and inserting “the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code”; and

(7) by redesignating paragraphs (2) through (6) as paragraphs (1) through (5), respectively.

**SA 1268.** Mr. STEVENS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of title VII, add the following:

**SEC. 703. CERTIFICATION AND LABELING OF ORGANIC WILD SEAFOOD.**

(a) EXCLUSIVE AUTHORITY OF SECRETARY OF COMMERCE.—The Secretary of Commerce shall have exclusive authority to provide for the certification and labeling of wild seafood as organic wild seafood.

(b) RELATIONSHIP TO OTHER LAW.—The certification and labeling of wild seafood as organic wild seafood shall not be subject to the provisions of the Organic Foods Production Act of 1990 (title XXI of Public Law 101-624; 104 Stat. 3935; 7 U.S.C. 6501 et seq.).

(c) REGULATIONS.—

(1) IN GENERAL.—The Secretary of Commerce shall prescribe regulations for the certification and labeling of wild seafood as organic wild seafood.

(2) CONSIDERATIONS.—In prescribing the regulations, the Secretary—

(A) may take into consideration as guidance, to the extent practicable, the provisions of the Organic Foods Production Act of 1990 and the regulations prescribed in the administration of that Act; and

(B) shall accommodate the nature of the commercial harvesting and processing of wild fish in the United States.

(3) TIME FOR INITIAL IMPLEMENTATION.—The Secretary shall promulgate the initial regulations to carry out this section not later than one year after the date of the enactment of this Act.

**SA 1269.** Mr. STEVENS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. . SALMON.**

(a) The Secretary of the Treasury shall transfer, out of funds in the Treasury not otherwise appropriated, \$5,000,000, to remain available until expended, to respond to fisheries failures and record low salmon harvests in the State of Alaska by providing individual assistance and economic development, including the following amounts—

(1) \$10,000,000 to the Kenai Peninsular Borough;

(2) \$10,000,000 to the Association of Village Council Presidents;

(3) \$10,000,000 to the Tanana Chiefs Conference, including \$2,000,000 to address the combined impacts of poor salmon runs and the implementation of the Yukon River Salmon Treaty;

(4) \$10,000,000 to Kawerak, Inc.; and

(5) \$10,000,000 to the Bristol Bay Native Association, including funds for its revolving loan program in support of local fishermen.

(b) Amounts made in this section shall be transferred by direct lump sum payment within 30 days of enactment.

**SA 1270.** Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

**SECTION 1. MARKET LOSS ASSISTANCE.**

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act as the “Secretary”) shall, to the maximum extent practicable, use \$4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

**SEC. 2. SUPPLEMENTAL OLSEEDS PAYMENT.**

The Secretary shall use \$423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

**SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.**

The Secretary shall use \$54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.**

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use \$129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of \$13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

**SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.**

The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.**

The Secretary shall use \$84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

**SEC. 7. SPECIALTY CROPS.**

(a) BASE STATE GRANTS.—The Secretary shall use \$26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) \$500,000 to each of the several States; and

(2) \$1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use \$133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

- (1) California, \$63,320,000.
- (2) Florida, \$16,860,000.
- (3) Washington, \$9,610,000.
- (4) Idaho, \$3,670,000.
- (5) Arizona, \$3,430,000.
- (6) Michigan, \$3,250,000.
- (7) Oregon, \$3,220,000.
- (8) Georgia, \$2,730,000.
- (9) Texas, \$2,660,000.
- (10) New York, \$2,660,000.
- (11) Wisconsin, \$2,570,000.
- (12) North Carolina, \$1,540,000.
- (13) Colorado, \$1,510,000.
- (14) North Dakota, \$1,380,000.
- (15) Minnesota, \$1,320,000.
- (16) Hawaii, \$1,150,000.
- (17) New Jersey, \$1,100,000.
- (18) Pennsylvania, \$980,000.
- (19) New Mexico, \$900,000.
- (20) Maine, \$880,000.
- (21) Ohio, \$800,000.
- (22) Indiana, \$660,000.
- (23) Nebraska, \$640,000.
- (24) Massachusetts, \$640,000.
- (25) Virginia, \$620,000.
- (26) Maryland, \$500,000.
- (27) Louisiana, \$460,000.
- (28) South Carolina, \$440,000.
- (29) Tennessee, \$400,000.
- (30) Illinois, \$400,000.
- (31) Oklahoma, \$390,000.
- (32) Alabama, \$300,000.
- (33) Delaware, \$290,000.
- (34) Mississippi, \$250,000.
- (35) Kansas, \$210,000.
- (36) Arkansas, \$210,000.
- (37) Missouri, \$210,000.
- (38) Connecticut, \$180,000.
- (39) Utah, \$140,000.
- (40) Montana, \$140,000.
- (41) New Hampshire, \$120,000.
- (42) Nevada, \$120,000.
- (43) Vermont, \$120,000.
- (44) Iowa, \$100,000.
- (45) West Virginia, \$90,000.
- (46) Wyoming, \$70,000.
- (47) Kentucky, \$60,000.
- (48) South Dakota, \$40,000.
- (49) Rhode Island, \$40,000.
- (50) Alaska, \$20,000.

(c) **SPECIALTY CROP PRIORITY.**—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) **SPECIALTY CROP DEFINED.**—In this section, the term “specialty crop” means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

#### SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use \$10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

#### SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) **CONDITIONS ON PAYMENTS TO STATE.**—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

“(b) **CONDITIONS ON PAYMENT TO STATE.**—The Secretary of Agriculture shall make the

payment to the State of Georgia under subsection (a) only if the State—

“(1) contributes \$5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

“(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

“(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments.”

(b) **ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.**—Subsection (d) of such section is amended to read as follows:

“(d) **ADDITIONAL DISBURSEMENT TO COTTON GINNERS.**—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginner (as defined and provided in such section) that—

“(1) incurred a loss as the result of—

“(A) the business failure of any cotton buyer doing business in Georgia; or

“(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

“(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

“(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims”.

(c) **CONFORMING AMENDMENT.**—Subsection (c) of such section is amended by striking, “Upon the establishment of the indemnity fund, and not later than October 1, 1999, the” and inserting “The”.

#### SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed \$150,000.

#### SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) **DEADLINE FOR EXPENDITURES.**—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpended, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) **TOTAL AMOUNT OF EXPENDITURES.**—The total amount expended under this Act may not exceed \$5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

#### SEC. 12. REGULATIONS.

(a) **PROMULGATION.**—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”).

(b) **CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.**—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) **EXCEPTION.**—Section (10) shall become effective one day after the date of enactment.

**SA 1271.** Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

#### SECTION 1. MARKET LOSS ASSISTANCE.

(a) **ASSISTANCE AUTHORIZED.**—The Secretary of Agriculture (referred to in this Act as the “Secretary”) shall, to the maximum extent practicable, use \$4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

(b) **AMOUNT.**—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

#### SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use \$423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

#### SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use \$54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

#### SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) **SUPPLEMENTAL PAYMENT.**—The Secretary shall use \$129,000,000 of funds of the

Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) **SPECIAL RULE FOR GEORGIA.**—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of \$13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

**SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.**

The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.**

The Secretary shall use \$84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

**SEC. 7. SPECIALTY CROPS.**

(a) **BASE STATE GRANTS.**—The Secretary shall use \$26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) \$500,000 to each of the several States; and

(2) \$1,000,000 to the Commonwealth of Puerto Rico.

(b) **GRANTS FOR VALUE OF PRODUCTION.**—The Secretary shall use \$133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

- (1) California, \$63,320,000.
- (2) Florida, \$16,860,000.
- (3) Washington, \$9,610,000.
- (4) Idaho, \$3,670,000.
- (5) Arizona, \$3,430,000.
- (6) Michigan, \$3,250,000.
- (7) Oregon, \$3,220,000.
- (8) Georgia, \$2,730,000.
- (9) Texas, \$2,660,000.
- (10) New York, \$2,660,000
- (11) Wisconsin, \$2,570,000.
- (12) North Carolina, \$1,540,000.
- (13) Colorado, \$1,510,000.
- (14) North Dakota, \$1,380,000.
- (15) Minnesota, \$1,320,000.
- (16) Hawaii, \$1,150,000.
- (17) New Jersey, \$1,100,000.
- (18) Pennsylvania, \$980,000.
- (19) New Mexico, \$900,000.
- (20) Maine, \$880,000.
- (21) Ohio, \$800,000.
- (22) Indiana, \$660,000.
- (23) Nebraska, \$640,000.
- (24) Massachusetts, \$640,000.
- (25) Virginia, \$620,000.

- (26) Maryland, \$500,000.
- (27) Louisiana, \$460,000.
- (28) South Carolina, \$440,000.
- (29) Tennessee, \$400,000.
- (30) Illinois, \$400,000.
- (31) Oklahoma, \$390,000.
- (32) Alabama, \$300,000.
- (33) Delaware, \$290,000.
- (34) Mississippi, \$250,000.
- (35) Kansas, \$210,000.
- (36) Arkansas, \$210,000.
- (37) Missouri, \$210,000.
- (38) Connecticut, \$180,000.
- (39) Utah, \$140,000.
- (40) Montana, \$140,000.
- (41) New Hampshire, \$120,000.
- (42) Nevada, \$120,000.
- (43) Vermont, \$120,000.
- (44) Iowa, \$100,000.
- (45) West Virginia, \$90,000.
- (46) Wyoming, \$70,000.
- (47) Kentucky, \$60,000.
- (48) South Dakota, \$40,000.
- (49) Rhode Island, \$40,000.
- (50) Alaska, \$20,000.

(c) **SPECIALTY CROP PRIORITY.**—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) **SPECIALTY CROP DEFINED.**—In this section, the term “specialty crop” means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

**SEC. 8. COMMODITY ASSISTANCE PROGRAM.**

The Secretary shall use \$10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

**SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.**

(a) **CONDITIONS ON PAYMENTS TO STATE.**—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

“(b) **CONDITIONS ON PAYMENT TO STATE.**—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

“(1) contributes \$5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

“(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

“(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments.”

(b) **ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.**—Subsection (d) of such section is amended to read as follows:

“(d) **ADDITIONAL DISBURSEMENT TO COTTON GINNERS.**—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginner (as defined and provided in such section) that—

“(1) incurred a loss as the result of—

“(A) the business failure of any cotton buyer doing business in Georgia; or

“(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

“(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

“(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims”.

(c) **CONFORMING AMENDMENT.**—Subsection (c) of such section is amended by striking: “Upon the establishment of the indemnity fund, and not later than October 1, 1999, the” and inserting “The”.

**SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.**

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed \$150,000.

**SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.**

(a) **DEADLINE FOR EXPENDITURES.**—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpended, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) **TOTAL AMOUNT OF EXPENDITURES.**—The total amount expended under this Act may not exceed \$5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

**SEC. 12. REGULATIONS.**

(a) **PROMULGATION.**—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”).

(b) **CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.**—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) EXCEPTION.—Section (11) shall become effective one day after the date of enactment.

**SA 1272** Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

**SECTION 1. MARKET LOSS ASSISTANCE.**

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act as the “Secretary”) shall, to the maximum extent practicable, use \$4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

**SEC. 2. SUPPLEMENTAL OLSEEDS PAYMENT.**

The Secretary shall use \$423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

**SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.**

The Secretary shall use \$54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.**

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use \$129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of \$13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

**SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.**

The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related

Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.**

The Secretary shall use \$84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

**SEC. 7. SPECIALTY CROPS.**

(a) BASE STATE GRANTS.—The Secretary shall use \$26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) \$500,000 to each of the several States; and  
(2) \$1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use \$133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

- (1) California, \$63,320,000.
- (2) Florida, \$16,860,000.
- (3) Washington, \$9,610,000.
- (4) Idaho, \$3,670,000.
- (5) Arizona, \$3,430,000.
- (6) Michigan, \$3,250,000.
- (7) Oregon, \$3,220,000.
- (8) Georgia, \$2,730,000.
- (9) Texas, \$2,660,000.
- (10) New York, \$2,660,000
- (11) Wisconsin, \$2,570,000.
- (12) North Carolina, \$1,540,000.
- (13) Colorado, \$1,510,000.
- (14) North Dakota, \$1,380,000.
- (15) Minnesota, \$1,320,000.
- (16) Hawaii, \$1,150,000.
- (17) New Jersey, \$1,100,000.
- (18) Pennsylvania, \$980,000.
- (19) New Mexico, \$900,000.
- (20) Maine, \$880,000.
- (21) Ohio, \$800,000.
- (22) Indiana, \$660,000.
- (23) Nebraska, \$640,000.
- (24) Massachusetts, \$640,000.
- (25) Virginia, \$620,000.
- (26) Maryland, \$500,000.
- (27) Louisiana, \$460,000.
- (28) South Carolina, \$440,000.
- (29) Tennessee, \$400,000.
- (30) Illinois, \$400,000.
- (31) Oklahoma, \$390,000.
- (32) Alabama, \$300,000.
- (33) Delaware, \$290,000.
- (34) Mississippi, \$250,000.
- (35) Kansas, \$210,000.
- (36) Arkansas, \$210,000.
- (37) Missouri, \$210,000.
- (38) Connecticut, \$180,000.
- (39) Utah, \$140,000.
- (40) Montana, \$140,000.
- (41) New Hampshire, \$120,000.
- (42) Nevada, \$120,000.
- (43) Vermont, \$120,000.
- (44) Iowa, \$100,000.
- (45) West Virginia, \$90,000.
- (46) Wyoming, \$70,000.
- (47) Kentucky, \$60,000.
- (48) South Dakota, \$40,000.
- (49) Rhode Island, \$40,000.

(50) Alaska, \$20,000.

(c) SPECIALTY CROP PRIORITY.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) SPECIALTY CROP DEFINED.—In this section, the term “specialty crop” means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

**SEC. 8. COMMODITY ASSISTANCE PROGRAM.**

The Secretary shall use \$10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

**SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.**

(a) CONDITIONS ON PAYMENTS TO STATE.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

“(b) CONDITIONS ON PAYMENT TO STATE.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

“(1) contributes \$5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

“(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

“(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments.”

(b) ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.—Subsection (d) of such section is amended to read as follows:

“(d) ADDITIONAL DISBURSEMENT TO COTTON GINNERS.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginner (as defined and provided in such section) that—

“(1) incurred a loss as the result of—

“(A) the business failure of any cotton buyer doing business in Georgia; or

“(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

“(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

“(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims”.

(c) CONFORMING AMENDMENT.—Subsection (c) of such section is amended by striking: “Upon the establishment of the indemnity fund, and not later than October 1, 1999, the” and inserting “The”.

**SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.**

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed \$150,000.

**SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.**

(a) DEADLINE FOR EXPENDITURES.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpended, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) TOTAL AMOUNT OF EXPENDITURES.—The total amount expended under this Act may not exceed \$5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

**SEC. 12. REGULATIONS.**

(a) PROMULGATION.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”).

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) EXCEPTION.—Section (9) shall become effective one day after the date of enactment.

**SA 1273.** Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

**SECTION 1. MARKET LOSS ASSISTANCE.**

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act as the “Secretary”) shall, to the maximum extent practicable, use \$4,622,240,000 of funds of the Commodity Credit Corporation to

make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

**SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.**

The Secretary shall use \$423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

**SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.**

The Secretary shall use \$54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.**

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use \$129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of \$13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

**SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.**

The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.**

The Secretary shall use \$84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

**SEC. 7. SPECIALTY CROPS.**

(a) BASE STATE GRANTS.—The Secretary shall use \$26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of

Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) \$500,000 to each of the several States; and

(2) \$1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use \$133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, \$63,320,000.

(2) Florida, \$16,860,000.

(3) Washington, \$9,610,000.

(4) Idaho, \$3,670,000.

(5) Arizona, \$3,430,000.

(6) Michigan, \$3,250,000.

(7) Oregon, \$3,220,000.

(8) Georgia, \$2,730,000.

(9) Texas, \$2,660,000.

(10) New York, \$2,660,000.

(11) Wisconsin, \$2,570,000.

(12) North Carolina, \$1,540,000.

(13) Colorado, \$1,510,000.

(14) North Dakota, \$1,380,000.

(15) Minnesota, \$1,320,000.

(16) Hawaii, \$1,150,000.

(17) New Jersey, \$1,100,000.

(18) Pennsylvania, \$980,000.

(19) New Mexico, \$900,000.

(20) Maine, \$880,000.

(21) Ohio, \$800,000.

(22) Indiana, \$660,000.

(23) Nebraska, \$640,000.

(24) Massachusetts, \$640,000.

(25) Virginia, \$620,000.

(26) Maryland, \$500,000.

(27) Louisiana, \$460,000.

(28) South Carolina, \$440,000.

(29) Tennessee, \$400,000.

(30) Illinois, \$400,000.

(31) Oklahoma, \$390,000.

(32) Alabama, \$300,000.

(33) Delaware, \$290,000.

(34) Mississippi, \$250,000.

(35) Kansas, \$210,000.

(36) Arkansas, \$210,000.

(37) Missouri, \$210,000.

(38) Connecticut, \$180,000.

(39) Utah, \$140,000.

(40) Montana, \$140,000.

(41) New Hampshire, \$120,000.

(42) Nevada, \$120,000.

(43) Vermont, \$120,000.

(44) Iowa, \$100,000.

(45) West Virginia, \$90,000.

(46) Wyoming, \$70,000.

(47) Kentucky, \$60,000.

(48) South Dakota, \$40,000.

(49) Rhode Island, \$40,000.

(50) Alaska, \$20,000.

(c) SPECIALTY CROP PRIORITY.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) SPECIALTY CROP DEFINED.—In this section, the term “specialty crop” means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

**SEC. 8. COMMODITY ASSISTANCE PROGRAM.**

The Secretary shall use \$10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

**SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.**

(a) CONDITIONS ON PAYMENTS TO STATE.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug

Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

“(b) **CONDITIONS ON PAYMENT TO STATE.**—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

“(1) contributes \$5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

“(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

“(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments.”

(b) **ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.**—Subsection (d) of such section is amended to read as follows:

“(d) **ADDITIONAL DISBURSEMENT TO COTTON GINNERS.**—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

“(1) incurred a loss as the result of—

“(A) the business failure of any cotton buyer doing business in Georgia; or

“(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

“(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

“(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims”.

(c) **CONFORMING AMENDMENT.**—Subsection (c) of such section is amended by striking: “Upon the establishment of the indemnity fund, and not later than October 1, 1999, the” and inserting “The”.

**SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.**

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed \$150,000.

**SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.**

(a) **DEADLINE FOR EXPENDITURES.**—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and re-

maining unexpended by October 1, 2001, shall be deemed to be unexpended, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) **TOTAL AMOUNT OF EXPENDITURES.**—The total amount expended under this Act may not exceed \$5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

**SEC. 12. REGULATIONS.**

(a) **PROMULGATION.**—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”).

(b) **CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.**—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) **EXCEPTION.**—Section (4) shall become effective one day after the date of enactment.

**SA 1274.** Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

**SECTION 1. MARKET LOSS ASSISTANCE.**

(a) **ASSISTANCE AUTHORIZED.**—The Secretary of Agriculture (referred to in this Act as the “Secretary”) shall, to the maximum extent practicable, use \$4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) **AMOUNT.**—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

**SEC. 2. SUPPLEMENTAL OLSEEDS PAYMENT.**

The Secretary shall use \$423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

**SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.**

The Secretary shall use \$54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section

204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206-224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.**

(a) **SUPPLEMENTAL PAYMENT.**—The Secretary shall use \$129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) **SPECIAL RULE FOR GEORGIA.**—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of \$13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

**SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.**

The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.**

The Secretary shall use \$34,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

**SEC. 7. SPECIALTY CROPS.**

(a) **BASE STATE GRANTS.**—The Secretary shall use \$26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) \$500,000 to each of the several States; and

(2) \$1,000,000 to the Commonwealth of Puerto Rico.

(b) **GRANTS FOR VALUE OF PRODUCTION.**—The Secretary shall use \$133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, \$63,320,000.

(2) Florida, \$16,860,000.

(3) Washington, \$9,610,000.

(4) Idaho, \$3,670,000.

(5) Arizona, \$3,430,000.

(6) Michigan, \$3,250,000.

(7) Oregon, \$3,220,000.

(8) Georgia, \$2,730,000.

(9) Texas, \$2,660,000.

(10) New York, \$2,660,000.

(11) Wisconsin, \$2,570,000.

(12) North Carolina, \$1,540,000.

(13) Colorado, \$1,510,000.

(14) North Dakota, \$1,380,000.

- (15) Minnesota, \$1,320,000.
- (16) Hawaii, \$1,150,000.
- (17) New Jersey, \$1,100,000.
- (18) Pennsylvania, \$980,000.
- (19) New Mexico, \$900,000.
- (20) Maine, \$880,000.
- (21) Ohio, \$800,000.
- (22) Indiana, \$660,000.
- (23) Nebraska, \$640,000.
- (24) Massachusetts, \$640,000.
- (25) Virginia, \$620,000.
- (26) Maryland, \$500,000.
- (27) Louisiana, \$460,000.
- (28) South Carolina, \$440,000.
- (29) Tennessee, \$400,000.
- (30) Illinois, \$400,000.
- (31) Oklahoma, \$390,000.
- (32) Alabama, \$300,000.
- (33) Delaware, \$290,000.
- (34) Mississippi, \$250,000.
- (35) Kansas, \$210,000.
- (36) Arkansas, \$210,000.
- (37) Missouri, \$210,000.
- (38) Connecticut, \$180,000.
- (39) Utah, \$140,000.
- (40) Montana, \$140,000.
- (41) New Hampshire, \$120,000.
- (42) Nevada, \$120,000.
- (43) Vermont, \$120,000.
- (44) Iowa, \$100,000.
- (45) West Virginia, \$90,000.
- (46) Wyoming, \$70,000.
- (47) Kentucky, \$60,000.
- (48) South Dakota, \$40,000.
- (49) Rhode Island, \$40,000.
- (50) Alaska, \$20,000.

(c) **SPECIALTY CROP PRIORITY.**—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) **SPECIALTY CROP DEFINED.**—In this section, the term “specialty crop” means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

#### SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use \$10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

#### SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) **CONDITIONS ON PAYMENTS TO STATE.**—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

“(b) **CONDITIONS ON PAYMENT TO STATE.**—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

“(1) contributes \$5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

“(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cot-

ton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

“(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments.”

(b) **ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.**—Subsection (d) of such section is amended to read as follows:

“(d) **ADDITIONAL DISBURSEMENT TO COTTON GINNERS.**—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginner (as defined and provided in such section) that—

“(1) incurred a loss as the result of—

“(A) the business failure of any cotton buyer doing business in Georgia; or

“(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

“(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

“(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims”.

(c) **CONFORMING AMENDMENT.**—Subsection (c) of such section is amended by striking: “Upon the establishment of the indemnity fund, and not later than October 1, 1999, the” and inserting “The”.

#### SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed \$150,000.

#### SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) **DEADLINE FOR EXPENDITURES.**—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpended, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) **TOTAL AMOUNT OF EXPENDITURES.**—The total amount expended under this Act may not exceed \$5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

#### SEC. 12. REGULATIONS.

(a) **PROMULGATION.**—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”).

(b) **CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.**—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) **EXCEPTION.**—Section (5) shall become effective one day after the date of enactment.

**SA 1275.** Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

#### SECTION 1. MARKET LOSS ASSISTANCE.

(a) **ASSISTANCE AUTHORIZED.**—The Secretary of Agriculture (referred to in this Act as the “Secretary”) shall, to the maximum extent practicable, use \$4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

(b) **AMOUNT.**—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

#### SEC. 2. SUPPLEMENTAL OLSEEDS PAYMENT.

The Secretary shall use \$423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

#### SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use \$54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

#### SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) **SUPPLEMENTAL PAYMENT.**—The Secretary shall use \$129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) **SPECIAL RULE FOR GEORGIA.**—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of \$13,000,000 to make payments at the same

time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

**SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.**

The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.**

The Secretary shall use \$84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

**SEC. 7. SPECIALTY CROPS.**

(a) **BASE STATE GRANTS.**—The Secretary shall use \$26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) \$500,000 to each of the several States; and  
(2) \$1,000,000 to the Commonwealth of Puerto Rico.

(b) **GRANTS FOR VALUE OF PRODUCTION.**—The Secretary shall use \$133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, \$63,320,000.  
(2) Florida, \$16,860,000.  
(3) Washington, \$9,610,000.  
(4) Idaho, \$3,670,000.  
(5) Arizona, \$3,430,000.  
(6) Michigan, \$3,250,000.  
(7) Oregon, \$3,220,000.  
(8) Georgia, \$2,730,000.  
(9) Texas, \$2,660,000.  
(10) New York, \$2,660,000.  
(11) Wisconsin, \$2,570,000.  
(12) North Carolina, \$1,540,000.  
(13) Colorado, \$1,510,000.  
(14) North Dakota, \$1,380,000.  
(15) Minnesota, \$1,320,000.  
(16) Hawaii, \$1,150,000.  
(17) New Jersey, \$1,100,000.  
(18) Pennsylvania, \$980,000.  
(19) New Mexico, \$900,000.  
(20) Maine, \$880,000.  
(21) Ohio, \$800,000.  
(22) Indiana, \$660,000.  
(23) Nebraska, \$640,000.  
(24) Massachusetts, \$640,000.  
(25) Virginia, \$620,000.  
(26) Maryland, \$500,000.  
(27) Louisiana, \$460,000.  
(28) South Carolina, \$440,000.  
(29) Tennessee, \$400,000.  
(30) Illinois, \$400,000.  
(31) Oklahoma, \$390,000.  
(32) Alabama, \$300,000.  
(33) Delaware, \$290,000.  
(34) Mississippi, \$250,000.  
(35) Kansas, \$210,000.  
(36) Arkansas, \$210,000.  
(37) Missouri, \$210,000.  
(38) Connecticut, \$180,000.  
(39) Utah, \$140,000.  
(40) Montana, \$140,000.

(41) New Hampshire, \$120,000.  
(42) Nevada, \$120,000.  
(43) Vermont, \$120,000.  
(44) Iowa, \$100,000.  
(45) West Virginia, \$90,000.  
(46) Wyoming, \$70,000.  
(47) Kentucky, \$60,000.  
(48) South Dakota, \$40,000.  
(49) Rhode Island, \$40,000.  
(50) Alaska, \$20,000.

(c) **SPECIALTY CROP PRIORITY.**—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) **SPECIALTY CROP DEFINED.**—In this section, the term “specialty crop” means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

**SEC. 8. COMMODITY ASSISTANCE PROGRAM.**

The Secretary shall use \$10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

**SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.**

(a) **CONDITIONS ON PAYMENTS TO STATE.**—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

“(b) **CONDITIONS ON PAYMENT TO STATE.**—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

“(1) contributes \$5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

“(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

“(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments.”

(b) **ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.**—Subsection (d) of such section is amended to read as follows:

“(d) **ADDITIONAL DISBURSEMENT TO COTTON GINNERS.**—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginner (as defined and provided in such section) that—

“(1) incurred a loss as the result of—  
“(A) the business failure of any cotton buyer doing business in Georgia; or

“(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the

buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

“(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

“(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims”.

(c) **CONFORMING AMENDMENT.**—Subsection (c) of such section is amended by striking: “Upon the establishment of the indemnity fund, and not later than October 1, 1999, the” and inserting “The”.

**SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.**

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed \$150,000.

**SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.**

(a) **DEADLINE FOR EXPENDITURES.**—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpended, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) **TOTAL AMOUNT OF EXPENDITURES.**—The total amount expended under this Act may not exceed \$5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

**SEC. 12. REGULATIONS.**

(a) **PROMULGATION.**—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”).

(b) **CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.**—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) **EXCEPTION.**—Section (6) shall become effective one day after the date of enactment.

**SA 1276.** Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

**SECTION 1. MARKET LOSS ASSISTANCE.**

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act as the “Secretary”) shall, to the maximum extent practicable, use \$4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

**SEC. 2. SUPPLEMENTAL OLSEEDS PAYMENT.**

The Secretary shall use \$423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

**SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.**

The Secretary shall use \$54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.**

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use \$129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of \$13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

**SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.**

The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.**

The Secretary shall use \$84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421

note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

**SEC. 7. SPECIALTY CROPS.**

(a) BASE STATE GRANTS.—The Secretary shall use \$26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) \$500,000 to each of the several States; and

(2) \$1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use \$133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

- (1) California, \$63,320,000.
- (2) Florida, \$16,860,000.
- (3) Washington, \$9,610,000.
- (4) Idaho, \$3,670,000.
- (5) Arizona, \$3,430,000.
- (6) Michigan, \$3,250,000.
- (7) Oregon, \$3,220,000.
- (8) Georgia, \$2,730,000.
- (9) Texas, \$2,660,000.
- (10) New York, \$2,660,000.
- (11) Wisconsin, \$2,570,000.
- (12) North Carolina, \$1,540,000.
- (13) Colorado, \$1,510,000.
- (14) North Dakota, \$1,380,000.
- (15) Minnesota, \$1,320,000.
- (16) Hawaii, \$1,150,000.
- (17) New Jersey, \$1,100,000.
- (18) Pennsylvania, \$980,000.
- (19) New Mexico, \$900,000.
- (20) Maine, \$880,000.
- (21) Ohio, \$800,000.
- (22) Indiana, \$660,000.
- (23) Nebraska, \$640,000.
- (24) Massachusetts, \$640,000.
- (25) Virginia, \$620,000.
- (26) Maryland, \$500,000.
- (27) Louisiana, \$460,000.
- (28) South Carolina, \$440,000.
- (29) Tennessee, \$400,000.
- (30) Illinois, \$400,000.
- (31) Oklahoma, \$390,000.
- (32) Alabama, \$300,000.
- (33) Delaware, \$290,000.
- (34) Mississippi, \$250,000.
- (35) Kansas, \$210,000.
- (36) Arkansas, \$210,000.
- (37) Missouri, \$210,000.
- (38) Connecticut, \$180,000.
- (39) Utah, \$140,000.
- (40) Montana, \$140,000.
- (41) New Hampshire, \$120,000.
- (42) Nevada, \$120,000.
- (43) Vermont, \$120,000.
- (44) Iowa, \$100,000.
- (45) West Virginia, \$90,000.
- (46) Wyoming, \$70,000.
- (47) Kentucky, \$60,000.
- (48) South Dakota, \$40,000.
- (49) Rhode Island, \$40,000.
- (50) Alaska, \$20,000.

(c) SPECIALTY CROP PRIORITY.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) SPECIALTY CROP DEFINED.—In this section, the term “specialty crop” means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

**SEC. 8. COMMODITY ASSISTANCE PROGRAM.**

The Secretary shall use \$10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and in-

direct costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

**SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.**

(a) CONDITIONS ON PAYMENTS TO STATE.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

“(b) CONDITIONS ON PAYMENT TO STATE.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

“(1) contributes \$5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

“(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

“(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments.”

(b) ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.—Subsection (d) of such section is amended to read as follows:

“(d) ADDITIONAL DISBURSEMENT TO COTTON GINNERS.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

“(1) incurred a loss as the result of—

“(A) the business failure of any cotton buyer doing business in Georgia; or

“(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

“(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

“(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims”.

(c) CONFORMING AMENDMENT.—Subsection (c) of such section is amended by striking: “Upon the establishment of the indemnity fund, and not later than October 1, 1999, the” and inserting “The”.

**SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.**

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified

in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed \$150,000.

**SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.**

(a) **DEADLINE FOR EXPENDITURES.**—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpended, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) **TOTAL AMOUNT OF EXPENDITURES.**—The total amount expended under this Act may not exceed \$5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

**SEC. 12. REGULATIONS.**

(a) **PROMULGATION.**—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) **CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.**—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) **EXCEPTION.**—Section (7) shall become effective one day after the date of enactment.

**SA 1277.** Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

**SECTION 1. MARKET LOSS ASSISTANCE.**

(a) **ASSISTANCE AUTHORIZED.**—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use \$4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) **AMOUNT.**—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

**SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.**

The Secretary shall use \$423,510,000 of funds of the Commodity Credit Corporation to

make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

**SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.**

The Secretary shall use \$54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206-224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.**

(a) **SUPPLEMENTAL PAYMENT.**—The Secretary shall use \$129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) **SPECIAL RULE FOR GEORGIA.**—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of \$13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

**SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.**

The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.**

The Secretary shall use \$84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

**SEC. 7. SPECIALTY CROPS.**

(a) **BASE STATE GRANTS.**—The Secretary shall use \$26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) \$500,000 to each of the several States; and

(2) \$1,000,000 to the Commonwealth of Puerto Rico.

(b) **GRANTS FOR VALUE OF PRODUCTION.**—The Secretary shall use \$133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, \$63,320,000.

(2) Florida, \$16,860,000.

(3) Washington, \$9,610,000.

(4) Idaho, \$3,670,000.  
 (5) Arizona, \$3,430,000.  
 (6) Michigan, \$3,250,000.  
 (7) Oregon, \$3,220,000.  
 (8) Georgia, \$2,730,000.  
 (9) Texas, \$2,660,000.  
 (10) New York, \$2,660,000.  
 (11) Wisconsin, \$2,570,000.  
 (12) North Carolina, \$1,540,000.  
 (13) Colorado, \$1,510,000.  
 (14) North Dakota, \$1,380,000.  
 (15) Minnesota, \$1,320,000.  
 (16) Hawaii, \$1,150,000.  
 (17) New Jersey, \$1,100,000.  
 (18) Pennsylvania, \$980,000.  
 (19) New Mexico, \$900,000.  
 (20) Maine, \$880,000.  
 (21) Ohio, \$800,000.  
 (22) Indiana, \$660,000.  
 (23) Nebraska, \$640,000.  
 (24) Massachusetts, \$640,000.  
 (25) Virginia, \$620,000.  
 (26) Maryland, \$500,000.  
 (27) Louisiana, \$460,000.  
 (28) South Carolina, \$440,000.  
 (29) Tennessee, \$400,000.  
 (30) Illinois, \$400,000.  
 (31) Oklahoma, \$390,000.  
 (32) Alabama, \$300,000.  
 (33) Delaware, \$290,000.  
 (34) Mississippi, \$250,000.  
 (35) Kansas, \$210,000.  
 (36) Arkansas, \$210,000.  
 (37) Missouri, \$210,000.  
 (38) Connecticut, \$180,000.  
 (39) Utah, \$140,000.  
 (40) Montana, \$140,000.  
 (41) New Hampshire, \$120,000.  
 (42) Nevada, \$120,000.  
 (43) Vermont, \$120,000.  
 (44) Iowa, \$100,000.  
 (45) West Virginia, \$90,000.  
 (46) Wyoming, \$70,000.  
 (47) Kentucky, \$60,000.  
 (48) South Dakota, \$40,000.  
 (49) Rhode Island, \$40,000.  
 (50) Alaska, \$20,000.

(c) **SPECIALTY CROP PRIORITY.**—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) **SPECIALTY CROP DEFINED.**—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

**SEC. 8. COMMODITY ASSISTANCE PROGRAM.**

The Secretary shall use \$10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

**SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.**

(a) **CONDITIONS ON PAYMENTS TO STATE.**—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

"(b) **CONDITIONS ON PAYMENT TO STATE.**—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes \$5,000,000 to the indemnity fund and agrees to expend all amounts in the

indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

“(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

“(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments.”

(b) **ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.**—Subsection (d) of such section is amended to read as follows:

“(d) **ADDITIONAL DISBURSEMENT TO COTTON GINNERS.**—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

“(1) incurred a loss as the result of—

“(A) the business failure of any cotton buyer doing business in Georgia; or

“(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

“(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

“(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims”.

(c) **CONFORMING AMENDMENT.**—Subsection (c) of such section is amended by striking: “Upon the establishment of the indemnity fund, and not later than October 1, 1999, the” and inserting “The”.

**SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.**

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed \$150,000.

**SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.**

(a) **DEADLINE FOR EXPENDITURES.**—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpended, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) **TOTAL AMOUNT OF EXPENDITURES.**—The total amount expended under this Act may not exceed \$5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

**SEC. 12. REGULATIONS.**

(a) **PROMULGATION.**—As soon as practicable after the date of the enactment of this Act,

the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”).

(b) **CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.**—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) **EXCEPTION.**—Section (8) shall become effective one day after the date of enactment.

**SA 1278.** Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

**SECTION 1. MARKET LOSS ASSISTANCE.**

(a) **ASSISTANCE AUTHORIZED.**—The Secretary of Agriculture (referred to in this Act as the “Secretary”) shall, to the maximum extent practicable, use \$4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

(b) **AMOUNT.**—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

**SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.**

The Secretary shall use \$423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

**SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.**

The Secretary shall use \$54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.**

(a) **SUPPLEMENTAL PAYMENT.**—The Secretary shall use \$129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of

2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) **SPECIAL RULE FOR GEORGIA.**—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of \$13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

**SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.**

The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.**

The Secretary shall use \$34,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

**SEC. 7. SPECIALTY CROPS.**

(a) **BASE STATE GRANTS.**—The Secretary shall use \$26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) \$500,000 to each of the several States; and

(2) \$1,000,000 to the Commonwealth of Puerto Rico.

(b) **GRANTS FOR VALUE OF PRODUCTION.**—The Secretary shall use \$133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, \$63,320,000.

(2) Florida, \$16,860,000.

(3) Washington, \$9,610,000.

(4) Idaho, \$3,670,000.

(5) Arizona, \$3,430,000.

(6) Michigan, \$3,250,000.

(7) Oregon, \$3,220,000.

(8) Georgia, \$2,730,000.

(9) Texas, \$2,660,000.

(10) New York, \$2,660,000

(11) Wisconsin, \$2,570,000.

(12) North Carolina, \$1,540,000.

(13) Colorado, \$1,510,000.

(14) North Dakota, \$1,380,000.

(15) Minnesota, \$1,320,000.

(16) Hawaii, \$1,150,000.

(17) New Jersey, \$1,100,000.

(18) Pennsylvania, \$980,000.

(19) New Mexico, \$900,000.

(20) Maine, \$880,000.

(21) Ohio, \$800,000.

(22) Indiana, \$660,000.

(23) Nebraska, \$640,000.

(24) Massachusetts, \$640,000.

(25) Virginia, \$620,000.

(26) Maryland, \$500,000.

(27) Louisiana, \$460,000.

(28) South Carolina, \$440,000.

(29) Tennessee, \$400,000.

- (30) Illinois, \$400,000.
- (31) Oklahoma, \$390,000.
- (32) Alabama, \$300,000.
- (33) Delaware, \$290,000.
- (34) Mississippi, \$250,000.
- (35) Kansas, \$210,000.
- (36) Arkansas, \$210,000.
- (37) Missouri, \$210,000.
- (38) Connecticut, \$180,000.
- (39) Utah, \$140,000.
- (40) Montana, \$140,000.
- (41) New Hampshire, \$120,000.
- (42) Nevada, \$120,000.
- (43) Vermont, \$120,000.
- (44) Iowa, \$100,000.
- (45) West Virginia, \$90,000.
- (46) Wyoming, \$70,000.
- (47) Kentucky, \$60,000.
- (48) South Dakota, \$40,000.
- (49) Rhode Island, \$40,000.
- (50) Alaska, \$20,000.

(c) **SPECIALTY CROP PRIORITY.**—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) **SPECIALTY CROP DEFINED.**—In this section, the term “specialty crop” means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

#### SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use \$10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

#### SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) **CONDITIONS ON PAYMENTS TO STATE.**—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

“(b) **CONDITIONS ON PAYMENT TO STATE.**—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

“(1) contributes \$5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

“(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

“(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments.”

(b) **ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.**—Subsection (d) of such section is amended to read as follows:

“(d) **ADDITIONAL DISBURSEMENT TO COTTON GINNERS.**—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton pro-

ducers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

“(1) incurred a loss as the result of—

“(A) the business failure of any cotton buyer doing business in Georgia; or

“(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

“(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

“(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims”.

(c) **CONFORMING AMENDMENT.**—Subsection (c) of such section is amended by striking: “Upon the establishment of the indemnity fund, and not later than October 1, 1999, the” and inserting “The”.

#### SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed \$150,000.

#### SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) **DEADLINE FOR EXPENDITURES.**—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpended, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) **TOTAL AMOUNT OF EXPENDITURES.**—The total amount expended under this Act may not exceed \$5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

#### SEC. 12. REGULATIONS.

(a) **PROMULGATION.**—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”).

(b) **CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.**—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) **EXCEPTION.**—Section (2) shall become effective one day after the date of enactment.

**SA 1279.** Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

#### SECTION 1. MARKET LOSS ASSISTANCE.

(a) **ASSISTANCE AUTHORIZED.**—The Secretary of Agriculture (referred to in this Act as the “Secretary”) shall, to the maximum extent practicable, use \$4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) **AMOUNT.**—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

#### SEC. 2. SUPPLEMENTAL OLSEEDS PAYMENT.

The Secretary shall use \$423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

#### SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use \$54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

#### SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) **SUPPLEMENTAL PAYMENT.**—The Secretary shall use \$129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) **SPECIAL RULE FOR GEORGIA.**—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of \$13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

#### SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of

wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

**SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.**

The Secretary shall use \$84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

**SEC. 7. SPECIALTY CROPS.**

(a) **BASE STATE GRANTS.**—The Secretary shall use \$26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) \$500,000 to each of the several States; and

(2) \$1,000,000 to the Commonwealth of Puerto Rico.

(b) **GRANTS FOR VALUE OF PRODUCTION.**—The Secretary shall use \$133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

- (1) California, \$63,320,000.
- (2) Florida, \$16,860,000.
- (3) Washington, \$9,610,000.
- (4) Idaho, \$3,670,000.
- (5) Arizona, \$3,430,000.
- (6) Michigan, \$3,250,000.
- (7) Oregon, \$3,220,000.
- (8) Georgia, \$2,730,000.
- (9) Texas, \$2,660,000.
- (10) New York, \$2,660,000
- (11) Wisconsin, \$2,570,000.
- (12) North Carolina, \$1,540,000.
- (13) Colorado, \$1,510,000.
- (14) North Dakota, \$1,380,000.
- (15) Minnesota, \$1,320,000.
- (16) Hawaii, \$1,150,000.
- (17) New Jersey, \$1,100,000.
- (18) Pennsylvania, \$980,000.
- (19) New Mexico, \$900,000.
- (20) Maine, \$880,000.
- (21) Ohio, \$800,000.
- (22) Indiana, \$660,000.
- (23) Nebraska, \$640,000.
- (24) Massachusetts, \$640,000.
- (25) Virginia, \$620,000.
- (26) Maryland, \$500,000.
- (27) Louisiana, \$460,000.
- (28) South Carolina, \$440,000.
- (29) Tennessee, \$400,000.
- (30) Illinois, \$400,000.
- (31) Oklahoma, \$390,000.
- (32) Alabama, \$300,000.
- (33) Delaware, \$290,000.
- (34) Mississippi, \$250,000.
- (35) Kansas, \$210,000.
- (36) Arkansas, \$210,000.
- (37) Missouri, \$210,000.
- (38) Connecticut, \$180,000.
- (39) Utah, \$140,000.
- (40) Montana, \$140,000.
- (41) New Hampshire, \$120,000.
- (42) Nevada, \$120,000.
- (43) Vermont, \$120,000.
- (44) Iowa, \$100,000.
- (45) West Virginia, \$90,000.
- (46) Wyoming, \$70,000.
- (47) Kentucky, \$60,000.
- (48) South Dakota, \$40,000.
- (49) Rhode Island, \$40,000.
- (50) Alaska, \$20,000.

(c) **SPECIALTY CROP PRIORITY.**—As a condition on the receipt of a grant under this sec-

tion, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) **SPECIALTY CROP DEFINED.**—In this section, the term “specialty crop” means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

**SEC. 8. COMMODITY ASSISTANCE PROGRAM.**

The Secretary shall use \$10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

**SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.**

(a) **CONDITIONS ON PAYMENTS TO STATE.**—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

“(b) **CONDITIONS ON PAYMENT TO STATE.**—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

“(1) contributes \$5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

“(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

“(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments.”

(b) **ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.**—Subsection (d) of such section is amended to read as follows:

“(d) **ADDITIONAL DISBURSEMENT TO COTTON GINNERS.**—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginner (as defined and provided in such section) that—

“(1) incurred a loss as the result of—

“(A) the business failure of any cotton buyer doing business in Georgia; or

“(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

“(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

“(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title

2 of the Official Code of Georgia applicable to cotton ginner claims”.

(c) **CONFORMING AMENDMENT.**—Subsection (c) of such section is amended by striking: “Upon the establishment of the indemnity fund, and not later than October 1, 1999, the” and inserting “The”.

**SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.**

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed \$150,000.

**SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.**

(a) **DEADLINE FOR EXPENDITURES.**—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpended, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) **TOTAL AMOUNT OF EXPENDITURES.**—The total amount expended under this Act may not exceed \$5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

**SEC. 12. REGULATIONS.**

(a) **PROMULGATION.**—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”).

(b) **CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.**—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) **EXCEPTION.**—Section (3) shall become effective one day after the date of enactment.

**SA 1280.** Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 20, line 5, strike “2000 crop year” and insert “2000 and 2001 crop years.”

On page 20, line 23, strike “2000 crop of apples and producers of that crop” and insert “2000 and 2001 crops of apples and producers of those crops.”

**SA 1281.** Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the

continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 9, line 7, strike "\$16,940,000" and insert "\$10,940,000."

On page 10, line 3, strike "\$220,000,000" and insert "\$226,000,000."

**SA 1282.** Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 7, line 4, strike "\$55,210,000" and insert "\$50,210,000."

On page 10, line 3, strike "\$220,000,000" and insert "\$225,000,000."

**SA 1283.** Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 4, line 3, strike "\$500,000,000" and insert "\$460,000,000."

On page 24, line 24, strike "\$40,000,000" and insert "\$80,000,000."

**SA 1284.** Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 4, line 3, strike "\$500,000,000" and insert "\$450,000,000."

On page 10, line 3, strike "\$220,000,000" and insert "\$270,000,000."

**SA 1285.** Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 21, line 19, strike "1 year" and insert "2 years."

**SA 1286.** Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 20, line 16, strike "5,000,000" and insert "10,000,000."

**SA 1287.** Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 4, line 3, strike "\$500,000,000" and insert "\$480,000,000."

On page 29, line 14, strike "\$20,000,000" and insert "\$40,000,000."

**SA 1288.** Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the

continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 4, line 3, strike "\$500,000,000" and insert "\$420,000,000."

On page 24, line 24, strike "\$40,000,000" and insert "\$120,000,000."

**SA 1289.** Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 4, line 3, strike "\$500,000,000" and insert "\$450,000,000."

On page 20, line 3, strike "\$150,000,000" and insert "\$200,000,000."

**SA 1290.** Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 4, line 3, strike "\$500,000,000" and insert "\$400,000,000."

On page 20, line 3, strike "\$150,000,000" and insert "\$250,000,000."

**SA 1291.** Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 45, after line 25, insert the following:

**SEC. 604. SUDDEN OAK DEATH SYNDROME CONTROL.**

(a) RESEARCH, MONITORING, AND TREATMENT OF SUDDEN OAK DEATH SYNDROME.—

(1) IN GENERAL.—The Secretary of Agriculture shall carry out a sudden oak death syndrome research, monitoring, and treatment program to develop methods to control, manage, or eradicate sudden oak death syndrome from oak trees on both public and private land.

(2) RESEARCH, MONITORING, AND TREATMENT ACTIVITIES.—In carrying out the program under paragraph (1), the Secretary may—

(A) conduct open space, roadside, and aerial surveys;

(B) provide monitoring technique workshops;

(C) develop baseline information on the distribution, condition, and mortality rates of oaks in California and the Pacific Northwest;

(D) maintain a geographic information system database;

(E) conduct research activities, including research on forest pathology, Phytophthora ecology, forest insects associated with oak decline, urban forestry, arboriculture, forest ecology, fire management, silviculture, landscape ecology, and epidemiology;

(F) evaluate the susceptibility of oaks and other vulnerable species throughout the United States; and

(G) develop and apply treatments.

(b) MANAGEMENT, REGULATION, AND FIRE PREVENTION.—

(1) IN GENERAL.—The Secretary shall conduct sudden oak death syndrome management, regulation, and fire prevention activities to reduce the threat of fire and fallen trees killed by sudden oak death syndrome.

(2) MANAGEMENT, REGULATION, AND FIRE PREVENTION ACTIVITIES.—In carrying out paragraph (1), the Secretary may—

(A) conduct hazard tree assessments;

(B) provide grants to local units of government for hazard tree removal, disposal and recycling, assessment and management of restoration and mitigation projects, green waste treatment facilities, reforestation, resistant tree breeding, and exotic weed control;

(C) increase and improve firefighting and emergency response capabilities in areas where fire hazard has increased due to oak die-off;

(D) treat vegetation to prevent fire, and assessment of fire risk, in areas heavily infected with sudden oak death syndrome;

(E) conduct national surveys and inspections of—

(i) commercial rhododendron and blueberry nurseries; and

(ii) native rhododendron and huckleberry plants;

(F) provide for monitoring of oaks and other vulnerable species throughout the United States to ensure early detection; and

(G) provide diagnostic services.

(c) EDUCATION AND OUTREACH.—

(1) IN GENERAL.—The Secretary shall conduct education and outreach activities to make information available to the public on sudden oak death syndrome.

(2) EDUCATION AND OUTREACH ACTIVITIES.—In carrying out paragraph (1), the Secretary may—

(A) develop and distribute educational materials for homeowners, arborists, urban foresters, park managers, public works personnel, recreationists, nursery workers, landscapers, naturalists, firefighting personnel, and other individuals, as the Secretary determines appropriate;

(B) design and maintain a website to provide information on sudden oak death syndrome; and

(C) provide financial and technical support to States, local governments, and nonprofit organizations providing information on sudden oak death syndrome.

(d) SUDDEN OAK DEATH SYNDROME ADVISORY COMMITTEE.—

(1) ESTABLISHMENT.—

(A) IN GENERAL.—The Secretary shall establish a Sudden Oak Death Syndrome Advisory Committee (referred to in this subsection as the "Committee") to assist the Secretary in carrying out this Act.

(B) MEMBERSHIP.—

(i) COMPOSITION.—The Committee shall consist of—

(I) 1 representative of the Animal and Plant Health Inspection Service, to be appointed by the Administrator of the Animal and Plant Health Inspection Service;

(II) 1 representative of the Forest Service, to be appointed by the Chief of the Forest Service;

(III) 1 representative of the Agricultural Research Service, to be appointed by the Administrator of the Agricultural Research Service;

(IV) 2 individuals appointed by the Secretary from each of the States affected by sudden oak death syndrome; and

(V) any individual, to be appointed by the Secretary, in consultation with the Governors of the affected States, that the Secretary determines—

(aa) has an interest or expertise in sudden oak death syndrome; and

(bb) would contribute to the Committee.

(ii) DATE OF APPOINTMENTS.—The appointment of a member of the Committee shall be made not later than 90 days after the date of enactment of this Act.

(C) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Committee have been appointed, the Committee shall hold the initial meeting of the Committee.

## (2) DUTIES.—

(A) IMPLEMENTATION PLAN.—The Committee shall prepare a comprehensive implementation plan to address the management, control, and eradication of sudden oak death syndrome.

## (B) REPORTS.—

(i) INTERIM REPORT.—Not later than 1 year after the date of enactment of this Act, the Committee shall submit to Congress the implementation plan prepared under subparagraph (A).

(ii) FINAL REPORT.—Not later than 3 years after the date of enactment of this Act, the Committee shall submit to Congress a report that contains—

(I) a summary of the activities of the Committee;

(II) an accounting of funds received and expended by the Committee; and

(III) findings and recommendations of the Committee.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each of fiscal years 2002 through 2007—

(1) to carry out subsection (a), \$7,500,000, of which up to \$1,500,000 shall be used for treatment;

(2) to carry out subsection (b), \$6,000,000;

(3) to carry out subsection (c), \$500,000; and

(4) to carry out subsection (d), \$250,000.

**SA 1292.** Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 45, after line 25, insert the following:

**SEC. 604. SUDDEN OAK DEATH SYNDROME CONTROL.**

(a) RESEARCH, MONITORING, AND TREATMENT OF SUDDEN OAK DEATH SYNDROME.—

(1) IN GENERAL.—The Secretary of Agriculture shall carry out a sudden oak death syndrome research, monitoring, and treatment program to develop methods to control, manage, or eradicate sudden oak death syndrome from oak trees on both public and private land.

(2) RESEARCH, MONITORING, AND TREATMENT ACTIVITIES.—In carrying out the program under paragraph (1), the Secretary may—

(A) conduct open space, roadside, and aerial surveys;

(B) provide monitoring technique workshops;

(C) develop baseline information on the distribution, condition, and mortality rates of oaks in California and the Pacific Northwest;

(D) maintain a geographic information system database;

(E) conduct research activities, including research on forest pathology, Phytophthora ecology, forest insects associated with oak decline, urban forestry, arboriculture, forest ecology, fire management, silviculture, landscape ecology, and epidemiology;

(F) evaluate the susceptibility of oaks and other vulnerable species throughout the United States; and

(G) develop and apply treatments.

(b) MANAGEMENT, REGULATION, AND FIRE PREVENTION.—

(1) IN GENERAL.—The Secretary shall conduct sudden oak death syndrome management, regulation, and fire prevention activities to reduce the threat of fire and fallen trees killed by sudden oak death syndrome.

(2) MANAGEMENT, REGULATION, AND FIRE PREVENTION ACTIVITIES.—In carrying out paragraph (1), the Secretary may—

(A) conduct hazard tree assessments;

(B) provide grants to local units of government for hazard tree removal, disposal and recycling, assessment and management of restoration and mitigation projects, green waste treatment facilities, reforestation, resistant tree breeding, and exotic weed control;

(C) increase and improve firefighting and emergency response capabilities in areas where fire hazard has increased due to oak die-off;

(D) treat vegetation to prevent fire, and assessment of fire risk, in areas heavily infected with sudden oak death syndrome;

(E) conduct national surveys and inspections of—

(i) commercial rhododendron and blueberry nurseries; and

(ii) native rhododendron and huckleberry plants;

(F) provide for monitoring of oaks and other vulnerable species throughout the United States to ensure early detection; and

(G) provide diagnostic services.

(c) EDUCATION AND OUTREACH.—

(1) IN GENERAL.—The Secretary shall conduct education and outreach activities to make information available to the public on sudden oak death syndrome.

(2) EDUCATION AND OUTREACH ACTIVITIES.—In carrying out paragraph (1), the Secretary may—

(A) develop and distribute educational materials for homeowners, arborists, urban foresters, park managers, public works personnel, recreationists, nursery workers, landscapers, naturalists, firefighting personnel, and other individuals, as the Secretary determines appropriate;

(B) design and maintain a website to provide information on sudden oak death syndrome; and

(C) provide financial and technical support to States, local governments, and nonprofit organizations providing information on sudden oak death syndrome.

(d) SUDDEN OAK DEATH SYNDROME ADVISORY COMMITTEE.—

(1) ESTABLISHMENT.—

(A) IN GENERAL.—The Secretary shall establish a Sudden Oak Death Syndrome Advisory Committee (referred to in this subsection as the “Committee”) to assist the Secretary in carrying out this Act.

(B) MEMBERSHIP.—

(i) COMPOSITION.—The Committee shall consist of—

(I) 1 representative of the Animal and Plant Health Inspection Service, to be appointed by the Administrator of the Animal and Plant Health Inspection Service;

(II) 1 representative of the Forest Service, to be appointed by the Chief of the Forest Service;

(III) 1 representative of the Agricultural Research Service, to be appointed by the Administrator of the Agricultural Research Service;

(IV) 2 individuals appointed by the Secretary from each of the States affected by sudden oak death syndrome; and

(V) any individual, to be appointed by the Secretary, in consultation with the Governors of the affected States, that the Secretary determines—

(aa) has an interest or expertise in sudden oak death syndrome; and

(bb) would contribute to the Committee.

(ii) DATE OF APPOINTMENTS.—The appointment of a member of the Committee shall be made not later than 90 days after the date of enactment of this Act.

(C) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Committee have been appointed, the Committee shall hold the initial meeting of the Committee.

(2) DUTIES.—

(A) IMPLEMENTATION PLAN.—The Committee shall prepare a comprehensive implementation plan to address the management, control, and eradication of sudden oak death syndrome.

## (B) REPORTS.—

(i) INTERIM REPORT.—Not later than 1 year after the date of enactment of this Act, the Committee shall submit to Congress the implementation plan prepared under subparagraph (A).

(ii) FINAL REPORT.—Not later than 3 years after the date of enactment of this Act, the Committee shall submit to Congress a report that contains—

(I) a summary of the activities of the Committee;

(II) an accounting of funds received and expended by the Committee; and

(III) findings and recommendations of the Committee.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each of fiscal years 2002 through 2007—

(1) to carry out subsection (a), \$7,500,000, of which up to \$1,500,000 shall be used for treatment;

(2) to carry out subsection (b), \$6,000,000;

(3) to carry out subsection (c), \$500,000; and

(4) to carry out subsection (d), \$250,000.

**SA 1293.** Ms. SNOWE (for herself and Ms. COLLINS) submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 12, between lines 3 and 4, insert the following:

(e) NORTHEAST INTERSTATE DAIRY COMPACT.—Section 147(3) of the Agricultural Market Transition Act (7 U.S.C. 7256(3)) is amended by striking “September 30, 2001” and inserting “the ending date applicable to milk under section 171(b)(1)”.

**SA 1294.** Ms. SNOWE (for herself and Mrs. FEINSTEIN) submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

**SEC. 7. CORPORATE AVERAGE FUEL ECONOMY STANDARDS.**

Section 320 of the Department of Transportation and Related Agencies Appropriations Act, 2001 (114 Stat. 1356, 1356A–28), is repealed.

**SA 1295.** Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

In lieu of the matter proposed to be inserted, insert the following:

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) SHORT TITLE.—This Act may be cited as the “Emergency Agricultural Assistance Act of 2001”.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—MARKET LOSS ASSISTANCE

Sec. 101. Market loss assistance.

Sec. 102. Oilseeds.  
 Sec. 103. Peanuts.  
 Sec. 104. Sugar.  
 Sec. 105. Honey.  
 Sec. 106. Wool and mohair.  
 Sec. 107. Cottonseed.  
 Sec. 108. Commodity purchases.  
 Sec. 109. Loan deficiency payments.  
 Sec. 110. Milk.  
 Sec. 111. Pulse crops.  
 Sec. 112. Tobacco.  
 Sec. 113. Apples.

#### TITLE II—ADMINISTRATION

Sec. 201. Obligation period.  
 Sec. 202. Commodity Credit Corporation.  
 Sec. 203. Regulations.

#### TITLE I—MARKET LOSS ASSISTANCE

##### SEC. 101. MARKET LOSS ASSISTANCE.

(a) IN GENERAL.—The Secretary of Agriculture (referred to in this Act as the “Secretary”) shall use funds of the Commodity Credit Corporation to provide assistance in the form of a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT AND MANNER.—In providing payments under this section, the Secretary shall—

(1) use the same contract payment rates as are used under section 802(b) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000 (7 U.S.C. 1421 note; Public Law 106-78); and

(2) provide the payments in a manner that is consistent with section 802(c) of that Act.

##### SEC. 102. OILSEEDS.

(a) IN GENERAL.—The Secretary shall use \$500,000,000 of funds of the Commodity Credit Corporation to make payments to producers of the 2001 crop of oilseeds that are eligible to obtain a marketing assistance loan under section 131 of the Agricultural Market Transition Act (7 U.S.C. 7231).

(b) COMPUTATION.—A payment to producers on a farm under this section for an oilseed shall be equal to the product obtained by multiplying—

(1) a payment rate determined by the Secretary;

(2) the acreage of the producers on the farm for the oilseed, as determined under subsection (c); and

(3) the yield of the producers on the farm for the oilseed, as determined under subsection (d).

##### (c) ACREAGE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the acreage of the producers on the farm for an oilseed under subsection (b)(2) shall be equal to the number of acres planted to the oilseed by the producers on the farm during the 1998, 1999, or 2000 crop year, whichever is greatest, as reported by the producers on the farm to the Secretary (including any acreage reports that are filed late).

(2) NEW PRODUCERS.—In the case of producers on a farm that planted acreage to an oilseed during the 2001 crop year but not the 1998, 1999, or 2000 crop year, the acreage of the producers for the oilseed under subsection (b)(2) shall be equal to the number of acres planted to the oilseed by the producers on the farm during the 2001 crop year, as reported by the producers on the farm to the Secretary (including any acreage reports that are filed late).

##### (d) YIELD.—

(1) SOYBEANS.—Except as provided in paragraph (3), in the case of soybeans, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average county yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 1998, 1999, or 2000 crop year.

(2) OTHER OILSEEDS.—Except as provided in paragraph (3), in the case of oilseeds other than soybeans, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average national yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 1998, 1999, or 2000 crop year.

(3) NEW PRODUCERS.—In the case of producers on a farm that planted acreage to an oilseed during the 2001 crop year but not the 1998, 1999, or 2000 crop year, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average county yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 2001 crop year.

(4) DATA SOURCE.—To the maximum extent available, the Secretary shall use data provided by the National Agricultural Statistics Service to carry out this subsection.

##### SEC. 103. PEANUTS.

The Secretary shall use \$55,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1421 note; Public Law 106-224) to producers of quota peanuts or additional peanuts for the 2000 crop year that received a payment under that section.

##### SEC. 104. SUGAR.

(a) MARKETING ASSESSMENT.—Section 156(f) of the Agricultural Market Transition Act (7 U.S.C. 7272(f)) shall not apply with respect to the 2001 crop of sugarcane and sugar beets.

(b) EMERGENCY FINANCIAL ASSISTANCE FOR 2000 CROP OF SUGAR BEETS.—Notwithstanding section 815(d)(1) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A-56), in making payments under that section for quality losses for the 2000 crop of sugar beets of producers on a farm in an area covered by Manager’s Bulletin MGR-01-010 issued by the Federal Crop Insurance Corporation on March 2, 2001—

(1) the Secretary shall calculate the amount of a quality loss, regardless of whether the sugar beets are processed, on an aggregate basis by cooperative;

(2) the Secretary shall make the quality loss payments to a cooperative for distribution to cooperative members; and

(3) the amount of a quality loss, regardless of whether the sugar beets are processed, shall be equal to the difference between—

(A) the per unit payment that the producers on the farm would have received for the crop from the cooperative if the crop had not suffered a quality loss; and

(B) the average per unit payment that the producers on the farm received from the cooperative for the affected sugar beets.

##### SEC. 105. HONEY.

(a) IN GENERAL.—The Secretary shall use funds of the Commodity Credit Corporation to make nonrecourse loans available to producers of the 2001 crop of honey on fair and

reasonable terms and conditions, as determined by the Secretary.

(b) LOAN RATE.—The loan rate for a loan under subsection (a) for honey shall be equal to 85 percent of the simple average price received by producers of honey, as determined by the Secretary, during the marketing years for the immediately preceding 5 crops of honey, excluding the year in which the average price was the highest and the year in which the average price was the lowest.

##### SEC. 106. WOOL AND MOHAIR.

(a) IN GENERAL.—The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A-55), to producers of wool, and producers of mohair, for the 2000 marketing year that received a payment under that section.

(b) PAYMENT RATE.—The Secretary shall adjust the payment rate specified in that section to reflect the amount made available for payments under this section.

##### SEC. 107. COTTONSEED.

(a) FISCAL YEAR 2001.—The Secretary shall use \$34,000,000 of funds of the Commodity Credit Corporation for fiscal year 2001 to provide assistance to producers and first handlers of the 2000 crop of cottonseed.

(b) FISCAL YEAR 2002.—The Secretary shall use \$66,000,000 of funds of the Commodity Credit Corporation for fiscal year 2002 to provide assistance to producers and first handlers of the 2001 crop of cottonseed.

##### SEC. 108. COMMODITY PURCHASES.

(a) IN GENERAL.—The Secretary shall use \$220,000,000 of funds of the Commodity Credit Corporation to purchase agricultural commodities, especially agricultural commodities that have experienced low prices during the 2000 or 2001 crop years, such as apples, apricots, asparagus, bell peppers, bison meat, black beans, black-eyed peas, blueberries (wild and cultivated), cabbage, cantaloupe, cauliflower, chickpeas, cranberries, cucumbers, dried plums, dry peas, eggplants, lemons, lentils, melons, onions, peaches (including freestone), pears, potatoes (summer and fall), pumpkins, raisins, raspberries, red tart cherries, snap beans, spinach, strawberries, sweet corn, tomatoes, and watermelons.

(b) GEOGRAPHIC DIVERSITY.—The Secretary is encouraged to purchase agricultural commodities under this section in a manner that reflects the geographic diversity of agricultural production in the United States.

(c) OTHER PURCHASES.—The Secretary shall ensure that purchases of agricultural commodities under this section are in addition to purchases by the Secretary under any other law.

(d) TRANSPORTATION AND DISTRIBUTION COSTS.—The Secretary may use not more than \$20,000,000 of the funds made available under subsection (a) to provide assistance to States to cover costs incurred by the States in transporting and distributing agricultural commodities purchased under this section.

(e) PURCHASES FOR SCHOOL NUTRITION PROGRAMS.—The Secretary shall use not less than \$55,000,000 of the funds made available under subsection (a) to purchase agricultural commodities of the type distributed under section 6(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1755(a)) for distribution to schools and service institutions in accordance with section 6(a) of that Act.

##### SEC. 109. LOAN DEFICIENCY PAYMENTS.

Section 135(a)(2) of the Agricultural Market Transition Act (7 U.S.C. 7235(a)(2)) is amended by striking “2000 crop year” and inserting “each of the 2000 and 2001 crop years”.

**SEC. 110. MILK.**

(a) EXTENSION OF MILK PRICE SUPPORT PROGRAM.—Section 141 of the Agricultural Market Transition Act (7 U.S.C. 7251) is amended by striking “2001” each place it appears in subsections (b)(4) and (h) and inserting “2002”.

(b) REPEAL OF RECOURSE LOAN PROGRAM FOR PROCESSORS.—Section 142 of the Agricultural Market Transition Act (7 U.S.C. 7252) is repealed.

**SEC. 111. PULSE CROPS.**

(a) IN GENERAL.—The Secretary shall use \$20,000,000 of funds of the Commodity Credit Corporation to provide assistance in the form of a market loss assistance payment to owners and producers on a farm that grow dry peas, lentils, or chickpeas (collectively referred to in this section as a “pulse crop”).

(b) COMPUTATION.—A payment to owners and producers on a farm under this section for a pulse crop shall be equal to the product obtained by multiplying—

(1) a payment rate determined by the Secretary; by

(2) the acreage of the producers on the farm for the pulse crop determined under subsection (c).

**(c) ACREAGE.—**

(1) IN GENERAL.—The acreage of the producers on the farm for a pulse crop under subsection (b)(2) shall be equal to the number of acres planted to the pulse crop by the owners and producers on the farm during the 1998, 1999, or 2000 crop year, whichever is greatest.

(2) BASIS.—For the purpose of paragraph (1), the number of acres planted to a pulse crop by the owners and producers on the farm for a crop year shall be based on (as determined by the Secretary)—

(A) the number of acres planted to the pulse crop for the crop year, as reported to the Secretary by the owners and producers on the farm, including any acreage that is included in reports that are filed late; or

(B) the number of acres planted to the pulse crop for the crop year for the purpose of the Federal crop insurance program established under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

**SEC. 112. TOBACCO.****(a) TOBACCO PAYMENTS.—**

(1) DEFINITIONS.—In this subsection:

(A) ELIGIBLE PERSON.—The term “eligible person” means a person that—

(i) owns a farm for which, regardless of temporary transfers or undermarketings, a basic quota or allotment for eligible tobacco is established for the 2001 crop year under part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.);

(ii) controls the farm from which, under the quota or allotment for the relevant period, eligible tobacco is marketed, could have been marketed, or can be marketed, taking into account temporary transfers; or

(iii) grows, could have grown, or can grow eligible tobacco that is marketed, could have been marketed, or can be marketed under the quota or allotment for the 2001 crop year, taking into account temporary transfers.

(B) ELIGIBLE TOBACCO.—The term “eligible tobacco” means each of the following kinds of tobacco:

(i) Flue-cured tobacco, comprising types 11, 12, 13, and 14.

(ii) Fire-cured tobacco, comprising types 21, 22, and 23.

(iii) Dark air-cured tobacco, comprising types 35 and 36.

(iv) Virginia sun-cured tobacco, comprising type 37.

(v) Burley tobacco, comprising type 31.

(vi) Cigar-filler and cigar-binder tobacco, comprising types 42, 43, 44, 54, and 55.

(2) PAYMENTS.—Not later than September 30, 2002, the Secretary shall use funds of the Commodity Credit Corporation to make payments under this subsection.

(3) POUNDAGE PAYMENT QUANTITIES.—For the purposes of this subsection, individual tobacco quotas and allotments shall be converted to poundage payment quantities as follows:

(A) FLUE-CURED AND BURLEY TOBACCO.—In the case of Flue-cured tobacco (types 11, 12, 13, and 14) and Burley tobacco (type 31), the poundage payment quantity shall equal the number of pounds of the basic poundage quota of the kind of tobacco, irrespective of temporary transfers or undermarketings, under part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) for the 2001 crop year.

(B) OTHER KINDS OF ELIGIBLE TOBACCO.—In the case of each other kind of eligible tobacco, individual allotments shall be converted to poundage payment quantities by multiplying—

(i) the number of acres that may, irrespective of temporary transfers or undermarketings, be devoted, without penalty, to the production of the kind of tobacco under the allotment under part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) for the 2001 crop year; by

(ii)(I) in the case of fire-cured tobacco (type 21), 1,630 pounds per acre;

(II) in the case of fire-cured tobacco (types 22 and 23), 2,601 pounds per acre;

(III) in the case of dark air-cured tobacco (types 35 and 36), 2,337 pounds per acre;

(IV) in the case of Virginia sun-cured tobacco (type 37), 1,512 pounds per acre; and

(V) in the case of cigar-filler and cigar-binder tobacco (types 42, 43, 44, 54, and 55), 2,165 pounds per acre.

(4) AVAILABLE PAYMENT AMOUNTS.—The available payment amount for pounds of a payment quantity under paragraph (2) shall be equal to—

(A) in the case of fire-cured tobacco (types 21, 22, and 23) and dark air-cured tobacco (types 35 and 36), 26 cents per pound; and

(B) in the case of each other kind of eligible tobacco not covered by subparagraph (A), 13 cents per pound.

(5) DIVISION OF PAYMENTS AMONG ELIGIBLE PERSONS.—

(A) IN GENERAL.—Payments available with respect to a pound of payment quantity, as determined under paragraph (4), shall be made available to eligible persons in accordance with this paragraph.

(B) FLUE-CURED AND CIGAR TOBACCO.—In the case of payments made available in a State under paragraph (2) for Flue-cured tobacco (types 11, 12, 13, and 14) and cigar-filler and cigar-binder tobacco (types 42, 43, 44, 54, and 55), the Secretary shall distribute (as determined by the Secretary)—

(i) 50 percent of the payments to eligible persons that are owners described in paragraph (1)(A)(i); and

(ii) 50 percent of the payments to eligible persons that are growers described in paragraph (1)(A)(iii).

(C) OTHER KINDS OF ELIGIBLE TOBACCO.—In the case of payments made available in a State under paragraph (2) for each other kind of eligible tobacco not covered by subparagraph (A), the Secretary shall distribute (as determined by the Secretary)—

(i) 33⅓ percent of the payments to eligible persons that are owners described in paragraph (1)(A)(i);

(ii) 33⅓ percent of the payments to eligible persons that are controllers described in paragraph (1)(A)(ii); and

(iii) 33⅓ percent of the payments to eligible persons that are growers described in paragraph (1)(A)(iii).

(6) STANDARDS.—In carrying out this subsection, the Secretary shall use, to the maximum extent practicable, the same standards for payments that were used for making payments under section 204(b) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1421 note; Public Law 106-224).

(7) JUDICIAL REVIEW.—A determination by the Secretary under this subsection shall not be subject to judicial review.

**(b) GRADING OF PRICE-SUPPORT TOBACCO.—**

(1) IN GENERAL.—Not later than November 30, 2001, the Secretary shall conduct a referendum among producers of each kind of tobacco that is eligible for price support under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) to determine whether the producers favor the mandatory grading of the tobacco by the Secretary.

(2) MANDATORY GRADING.—If the Secretary determines that mandatory grading of each kind of tobacco described in paragraph (1) is favored by a majority of the producers voting in the referendum, effective for the 2002 and subsequent marketing years, the Secretary shall ensure that all kinds of the tobacco are graded at the time of sale.

(3) JUDICIAL REVIEW.—A determination by the Secretary under this subsection shall not be subject to judicial review.

**SEC. 113. APPLES.**

(a) IN GENERAL.—The Secretary shall use \$150,000,000 of funds of the Commodity Credit Corporation to make payments to apple producers to provide relief for the loss of markets during the 2000 crop year.

**(b) PAYMENT QUANTITY.—**

(1) IN GENERAL.—Subject to paragraph (2), the payment quantity of apples for which the producers on a farm are eligible for payments under this section shall be equal to the quantity of the 2000 crop of apples produced by the producers on the farm.

(2) MAXIMUM QUANTITY.—The payment quantity of apples for which the producers on a farm are eligible for payments under this section shall not exceed 5,000,000 pounds of apples produced on the farm.

(c) LIMITATIONS.—Subject to subsection (b)(2), the Secretary shall not establish a payment limitation, or gross income eligibility limitation, with respect to payments made under this section.

(d) APPLICABILITY.—This section applies only with respect to the 2000 crop of apples and producers of that crop.

**TITLE II—ADMINISTRATION****SEC. 201. OBLIGATION PERIOD.**

(a) FISCAL YEAR 2001.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out the following:

(1) Section 101.

(2) Section 107(a).

(b) FISCAL YEAR 2002.—

(1) IN GENERAL.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and, to the maximum extent practicable, expend funds during fiscal year 2002 to carry out title I (other than sections 101 and 107(a)).

(2) AVAILABILITY.—Funds described in paragraph (1) shall remain available until expended.

**SEC. 202. COMMODITY CREDIT CORPORATION.**

Except as otherwise provided in this Act, the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this Act.

**SEC. 203. REGULATIONS.**

(a) IN GENERAL.—The Secretary may promulgate such regulations as are necessary to implement this Act and the amendments made by this Act.

(b) PROCEDURE.—The promulgation of the regulations and administration of the amendments made by this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(c) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

**SA 1296.** Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

In lieu of the matter proposed to be inserted, insert the following:

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) SHORT TITLE.—This Act may be cited as the "Emergency Agricultural Assistance Act of 2001".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

**TITLE I—MARKET LOSS ASSISTANCE**

Sec. 101. Market loss assistance.

Sec. 102. Oilseeds.

Sec. 103. Peanuts.

Sec. 104. Sugar.

Sec. 105. Honey.

Sec. 106. Wool and mohair.

Sec. 107. Cottonseed.

Sec. 108. Commodity purchases.

Sec. 109. Loan deficiency payments.

Sec. 110. Milk.

Sec. 111. Pulse crops.

Sec. 112. Tobacco.

Sec. 113. Apples.

**TITLE II—ADMINISTRATION**

Sec. 201. Obligation period.

Sec. 202. Commodity Credit Corporation.

Sec. 203. Regulations.

**TITLE I—MARKET LOSS ASSISTANCE**

**SEC. 101. MARKET LOSS ASSISTANCE.**

(a) IN GENERAL.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall use funds of the Commodity Credit Corporation to provide assistance in the form of a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT AND MANNER.—In providing payments under this section, the Secretary shall—

(1) use the same contract payment rates as are used under section 802(b) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000 (7 U.S.C. 1421 note; Public Law 106-78); and

(2) provide the payments in a manner that is consistent with section 802(c) of that Act.

**SEC. 102. OILSEEDS.**

(a) IN GENERAL.—The Secretary shall use \$500,000,000 of funds of the Commodity Credit Corporation to make payments to producers of the 2001 crop of oilseeds that are eligible to obtain a marketing assistance loan under section 131 of the Agricultural Market Transition Act (7 U.S.C. 7231).

(b) COMPUTATION.—A payment to producers on a farm under this section for an oilseed shall be equal to the product obtained by multiplying—

(1) a payment rate determined by the Secretary;

(2) the acreage of the producers on the farm for the oilseed, as determined under subsection (c); and

(3) the yield of the producers on the farm for the oilseed, as determined under subsection (d).

(c) ACREAGE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the acreage of the producers on the farm for an oilseed under subsection (b)(2) shall be equal to the number of acres planted to the oilseed by the producers on the farm during the 1998, 1999, or 2000 crop year, whichever is greatest, as reported by the producers on the farm to the Secretary (including any acreage reports that are filed late).

(2) NEW PRODUCERS.—In the case of producers on a farm that planted acreage to an oilseed during the 2001 crop year but not the 1998, 1999, or 2000 crop year, the acreage of the producers for the oilseed under subsection (b)(2) shall be equal to the number of acres planted to the oilseed by the producers on the farm during the 2001 crop year, as reported by the producers on the farm to the Secretary (including any acreage reports that are filed late).

(d) YIELD.—

(1) SOYBEANS.—Except as provided in paragraph (3), in the case of soybeans, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average county yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 1998, 1999, or 2000 crop year.

(2) OTHER OILSEEDS.—Except as provided in paragraph (3), in the case of oilseeds other than soybeans, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average national yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 1998, 1999, or 2000 crop year.

(3) NEW PRODUCERS.—In the case of producers on a farm that planted acreage to an oilseed during the 2001 crop year but not the 1998, 1999, or 2000 crop year, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average county yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 2001 crop year.

(4) DATA SOURCE.—To the maximum extent available, the Secretary shall use data provided by the National Agricultural Statistics Service to carry out this subsection.

**SEC. 103. PEANUTS.**

The Secretary shall use \$55,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1421 note; Public Law 106-224) to producers of quota peanuts or additional peanuts for the 2000 crop year that received a payment under that section.

**SEC. 104. SUGAR.**

(a) MARKETING ASSESSMENT.—Section 156(f) of the Agricultural Market Transition Act (7 U.S.C. 7272(f)) shall not apply with respect to the 2001 crop of sugarcane and sugar beets.

(b) EMERGENCY FINANCIAL ASSISTANCE FOR 2000 CROP OF SUGAR BEETS.—Notwithstanding section 815(d)(1) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A-56), in making payments under that section for quality losses for the 2000 crop of sugar beets of producers on a farm in an area covered by Manager's Bulletin MGR-01-010 issued by the Federal Crop Insurance Corporation on March 2, 2001—

(1) the Secretary shall calculate the amount of a quality loss, regardless of whether the sugar beets are processed, on an aggregate basis by cooperative;

(2) the Secretary shall make the quality loss payments to a cooperative for distribution to cooperative members; and

(3) the amount of a quality loss, regardless of whether the sugar beets are processed, shall be equal to the difference between—

(A) the per unit payment that the producers on the farm would have received for the crop from the cooperative if the crop had not suffered a quality loss; and

(B) the average per unit payment that the producers on the farm received from the cooperative for the affected sugar beets.

**SEC. 105. HONEY.**

(a) IN GENERAL.—The Secretary shall use funds of the Commodity Credit Corporation to make nonrecourse loans available to producers of the 2001 crop of honey on fair and reasonable terms and conditions, as determined by the Secretary.

(b) LOAN RATE.—The loan rate for a loan under subsection (a) for honey shall be equal to 85 percent of the simple average price received by producers of honey, as determined by the Secretary, during the marketing years for the immediately preceding 5 crops of honey, excluding the year in which the average price was the highest and the year in which the average price was the lowest.

**SEC. 106. WOOL AND MOHAIR.**

(a) IN GENERAL.—The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A-55), to producers of wool, and producers of mohair, for the 2000 marketing year that received a payment under that section.

(b) PAYMENT RATE.—The Secretary shall adjust the payment rate specified in that section to reflect the amount made available for payments under this section.

**SEC. 107. COTTONSEED.**

(a) FISCAL YEAR 2001.—The Secretary shall use \$34,000,000 of funds of the Commodity Credit Corporation for fiscal year 2001 to provide assistance to producers and first handlers of the 2000 crop of cottonseed.

(b) FISCAL YEAR 2002.—The Secretary shall use \$66,000,000 of funds of the Commodity Credit Corporation for fiscal year 2002 to provide assistance to producers and first handlers of the 2001 crop of cottonseed.

**SEC. 108. COMMODITY PURCHASES.**

(a) IN GENERAL.—The Secretary shall use \$220,000,000 of funds of the Commodity Credit Corporation to purchase agricultural commodities, especially agricultural commodities that have experienced low prices during the 2000 or 2001 crop years, such as apples, apricots, asparagus, bell peppers, bison meat, black beans, black-eyed peas, blueberries (wild and cultivated), cabbage, cantaloupe,

cauliflower, chickpeas, cranberries, cucumbers, dried plums, dry peas, eggplants, lemons, lentils, melons, onions, peaches (including freestone), pears, potatoes (summer and fall), pumpkins, raisins, raspberries, red tart cherries, snap beans, spinach, strawberries, sweet corn, tomatoes, and watermelons.

(b) **GEOGRAPHIC DIVERSITY.**—The Secretary is encouraged to purchase agricultural commodities under this section in a manner that reflects the geographic diversity of agricultural production in the United States.

(c) **OTHER PURCHASES.**—The Secretary shall ensure that purchases of agricultural commodities under this section are in addition to purchases by the Secretary under any other law.

(d) **TRANSPORTATION AND DISTRIBUTION COSTS.**—The Secretary may use not more than \$20,000,000 of the funds made available under subsection (a) to provide assistance to States to cover costs incurred by the States in transporting and distributing agricultural commodities purchased under this section.

(e) **PURCHASES FOR SCHOOL NUTRITION PROGRAMS.**—The Secretary shall use not less than \$55,000,000 of the funds made available under subsection (a) to purchase agricultural commodities of the type distributed under section 6(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1755(a)) for distribution to schools and service institutions in accordance with section 6(a) of that Act.

#### SEC. 109. LOAN DEFICIENCY PAYMENTS.

Section 135(a)(2) of the Agricultural Market Transition Act (7 U.S.C. 7235(a)(2)) is amended by striking “2000 crop year” and inserting “each of the 2000 and 2001 crop years”.

#### SEC. 110. MILK.

(a) **EXTENSION OF MILK PRICE SUPPORT PROGRAM.**—Section 141 of the Agricultural Market Transition Act (7 U.S.C. 7251) is amended by striking “2001” each place it appears in subsections (b)(4) and (h) and inserting “2002”.

(b) **REPEAL OF RECOURSE LOAN PROGRAM FOR PROCESSORS.**—Section 142 of the Agricultural Market Transition Act (7 U.S.C. 7252) is repealed.

#### SEC. 111. PULSE CROPS.

(a) **IN GENERAL.**—The Secretary shall use \$20,000,000 of funds of the Commodity Credit Corporation to provide assistance in the form of a market loss assistance payment to owners and producers on a farm that grow dry peas, lentils, or chickpeas (collectively referred to in this section as a “pulse crop”).

(b) **COMPUTATION.**—A payment to owners and producers on a farm under this section for a pulse crop shall be equal to the product obtained by multiplying—

(1) a payment rate determined by the Secretary; by

(2) the acreage of the producers on the farm for the pulse crop determined under subsection (c).

(c) **ACREAGE.**—

(1) **IN GENERAL.**—The acreage of the producers on the farm for a pulse crop under subsection (b)(2) shall be equal to the number of acres planted to the pulse crop by the owners and producers on the farm during the 1998, 1999, or 2000 crop year, whichever is greatest.

(2) **BASIS.**—For the purpose of paragraph (1), the number of acres planted to a pulse crop by the owners and producers on the farm for a crop year shall be based on (as determined by the Secretary)—

(A) the number of acres planted to the pulse crop for the crop year, as reported to the Secretary by the owners and producers on the farm, including any acreage that is included in reports that are filed late; or

(B) the number of acres planted to the pulse crop for the crop year for the purpose

of the Federal crop insurance program established under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

#### SEC. 112. TOBACCO.

(a) **TOBACCO PAYMENTS.**—

(1) **DEFINITIONS.**—In this subsection:

(A) **ELIGIBLE PERSON.**—The term “eligible person” means a person that—

(i) owns a farm for which, regardless of temporary transfers or undermarketings, a basic quota or allotment for eligible tobacco is established for the 2001 crop year under part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.);

(ii) controls the farm from which, under the quota or allotment for the relevant period, eligible tobacco is marketed, could have been marketed, or can be marketed, taking into account temporary transfers; or

(iii) grows, could have grown, or can grow eligible tobacco that is marketed, could have been marketed, or can be marketed under the quota or allotment for the 2001 crop year, taking into account temporary transfers.

(B) **ELIGIBLE TOBACCO.**—The term “eligible tobacco” means each of the following kinds of tobacco:

(i) Flue-cured tobacco, comprising types 11, 12, 13, and 14.

(ii) Fire-cured tobacco, comprising types 21, 22, and 23.

(iii) Dark air-cured tobacco, comprising types 35 and 36.

(iv) Virginia sun-cured tobacco, comprising type 37.

(v) Burley tobacco, comprising type 31.

(vi) Cigar-filler and cigar-binder tobacco, comprising types 42, 43, 44, 54, and 55.

(2) **PAYMENTS.**—Not later than September 30, 2002, the Secretary shall use funds of the Commodity Credit Corporation to make payments under this subsection.

(3) **POUNDRAGE PAYMENT QUANTITIES.**—For the purposes of this subsection, individual tobacco quotas and allotments shall be converted to poundage payment quantities as follows:

(A) **FLUE-CURED AND BURLEY TOBACCO.**—In the case of Flue-cured tobacco (types 11, 12, 13, and 14) and Burley tobacco (type 31), the poundage payment quantity shall equal the number of pounds of the basic poundage quota of the kind of tobacco, irrespective of temporary transfers or undermarketings, under part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) for the 2001 crop year.

(B) **OTHER KINDS OF ELIGIBLE TOBACCO.**—In the case of each other kind of eligible tobacco, individual allotments shall be converted to poundage payment quantities by multiplying—

(i) the number of acres that may, irrespective of temporary transfers or undermarketings, be devoted, without penalty, to the production of the kind of tobacco under the allotment under part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) for the 2001 crop year; by

(ii)(I) in the case of fire-cured tobacco (type 21), 1,630 pounds per acre;

(II) in the case of fire-cured tobacco (types 22 and 23), 2,601 pounds per acre;

(III) in the case of dark air-cured tobacco (types 35 and 36), 2,337 pounds per acre;

(IV) in the case of Virginia sun-cured tobacco (type 37), 1,512 pounds per acre; and

(V) in the case of cigar-filler and cigar-binder tobacco (types 42, 43, 44, 54, and 55), 2,165 pounds per acre.

(4) **AVAILABLE PAYMENT AMOUNTS.**—The available payment amount for pounds of a payment quantity under paragraph (2) shall be equal to—

(A) in the case of fire-cured tobacco (types 21, 22, and 23) and dark air-cured tobacco (types 35 and 36), 26 cents per pound; and

(B) in the case of each other kind of eligible tobacco not covered by subparagraph (A), 13 cents per pound.

(5) **DIVISION OF PAYMENTS AMONG ELIGIBLE PERSONS.**—

(A) **IN GENERAL.**—Payments available with respect to a pound of payment quantity, as determined under paragraph (4), shall be made available to eligible persons in accordance with this paragraph.

(B) **FLUE-CURED AND CIGAR TOBACCO.**—In the case of payments made available in a State under paragraph (2) for Flue-cured tobacco (types 11, 12, 13, and 14) and cigar-filler and cigar-binder tobacco (types 42, 43, 44, 54, and 55), the Secretary shall distribute (as determined by the Secretary)—

(i) 50 percent of the payments to eligible persons that are owners described in paragraph (1)(A)(i); and

(ii) 50 percent of the payments to eligible persons that are growers described in paragraph (1)(A)(iii).

(C) **OTHER KINDS OF ELIGIBLE TOBACCO.**—In the case of payments made available in a State under paragraph (2) for each other kind of eligible tobacco not covered by subparagraph (A), the Secretary shall distribute (as determined by the Secretary)—

(i) 33¼ percent of the payments to eligible persons that are owners described in paragraph (1)(A)(i);

(ii) 33¼ percent of the payments to eligible persons that are controllers described in paragraph (1)(A)(ii); and

(iii) 33¼ percent of the payments to eligible persons that are growers described in paragraph (1)(A)(iii).

(6) **STANDARDS.**—In carrying out this subsection, the Secretary shall use, to the maximum extent practicable, the same standards for payments that were used for making payments under section 204(b) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1421 note; Public Law 106-224).

(7) **JUDICIAL REVIEW.**—A determination by the Secretary under this subsection shall not be subject to judicial review.

(b) **GRADING OF PRICE-SUPPORT TOBACCO.**—

(1) **IN GENERAL.**—Not later than November 30, 2001, the Secretary shall conduct a referendum among producers of each kind of tobacco that is eligible for price support under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) to determine whether the producers favor the mandatory grading of the tobacco by the Secretary.

(2) **MANDATORY GRADING.**—If the Secretary determines that mandatory grading of each kind of tobacco described in paragraph (1) is favored by a majority of the producers voting in the referendum, effective for the 2002 and subsequent marketing years, the Secretary shall ensure that all kinds of the tobacco are graded at the time of sale.

(3) **JUDICIAL REVIEW.**—A determination by the Secretary under this subsection shall not be subject to judicial review.

#### SEC. 113. APPLES.

(a) **IN GENERAL.**—The Secretary shall use \$150,000,000 of funds of the Commodity Credit Corporation to make payments to apple producers to provide relief for the loss of markets during the 2000 crop year.

(b) **PAYMENT QUANTITY.**—

(1) **IN GENERAL.**—Subject to paragraph (2), the payment quantity of apples for which the producers on a farm are eligible for payments under this section shall be equal to the quantity of the 2000 crop of apples produced by the producers on the farm.

(2) **MAXIMUM QUANTITY.**—The payment quantity of apples for which the producers on a farm are eligible for payments under

this section shall not exceed 5,000,000 pounds of apples produced on the farm.

(c) LIMITATIONS.—Subject to subsection (b)(2), the Secretary shall not establish a payment limitation, or gross income eligibility limitation, with respect to payments made under this section.

(d) APPLICABILITY.—This section applies only with respect to the 2000 crop of apples and producers of that crop.

## TITLE II—ADMINISTRATION

### SEC. 201. OBLIGATION PERIOD.

(a) FISCAL YEAR 2001.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out the following:

- (1) Section 101.
- (2) Section 107(a).

(b) FISCAL YEAR 2002.—

(1) IN GENERAL.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and, to the maximum extent practicable, expend funds during fiscal year 2002 to carry out title I (other than sections 101 and 107(a)).

(2) AVAILABILITY.—Funds described in paragraph (1) shall remain available until expended.

### SEC. 202. COMMODITY CREDIT CORPORATION.

Except as otherwise provided in this Act, the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this Act.

### SEC. 203. REGULATIONS.

(a) IN GENERAL.—The Secretary may promulgate such regulations as are necessary to implement this Act and the amendments made by this Act.

(b) PROCEDURE.—The promulgation of the regulations and administration of the amendments made by this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(c) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

**SA 1297.** Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike sections 1 and 2 and insert the following:

#### SECTION 1. MARKET LOSS ASSISTANCE.

(a) IN GENERAL.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall use funds of the Commodity Credit Corporation to provide assistance in the form of a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT AND MANNER.—In providing payments under this section, the Secretary shall—

(1) use the same contract payment rates as are used under section 802(b) of the Agri-

culture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000 (7 U.S.C. 1421 note; Public Law 106-78); and

(2) provide the payments in a manner that is consistent with section 802(c) of that Act.

#### SEC. 2. OILSEEDS.

(a) IN GENERAL.—The Secretary shall use \$500,000,000 of funds of the Commodity Credit Corporation to make payments to producers of the 2001 crop of oilseeds that are eligible to obtain a marketing assistance loan under section 131 of the Agricultural Market Transition Act (7 U.S.C. 7231).

(b) COMPUTATION.—A payment to producers on a farm under this section for an oilseed shall be equal to the product obtained by multiplying—

(1) a payment rate determined by the Secretary;

(2) the acreage of the producers on the farm for the oilseed, as determined under subsection (c); and

(3) the yield of the producers on the farm for the oilseed, as determined under subsection (d).

(c) ACREAGE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the acreage of the producers on the farm for an oilseed under subsection (b)(2) shall be equal to the number of acres planted to the oilseed by the producers on the farm during the 1998, 1999, or 2000 crop year, whichever is greatest, as reported by the producers on the farm to the Secretary (including any acreage reports that are filed late).

(2) NEW PRODUCERS.—In the case of producers on a farm that planted acreage to an oilseed during the 2001 crop year but not the 1998, 1999, or 2000 crop year, the acreage of the producers for the oilseed under subsection (b)(2) shall be equal to the number of acres planted to the oilseed by the producers on the farm during the 2001 crop year, as reported by the producers on the farm to the Secretary (including any acreage reports that are filed late).

(d) YIELD.—

(1) SOYBEANS.—Except as provided in paragraph (3), in the case of soybeans, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average county yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 1998, 1999, or 2000 crop year.

(2) OTHER OILSEEDS.—Except as provided in paragraph (3), in the case of oilseeds other than soybeans, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average national yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 1998, 1999, or 2000 crop year.

(3) NEW PRODUCERS.—In the case of producers on a farm that planted acreage to an oilseed during the 2001 crop year but not the 1998, 1999, or 2000 crop year, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average county yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 2001 crop.

(4) DATA SOURCE.—To the maximum extent available, the Secretary shall use data provided by the National Agricultural Statistics Service to carry out this subsection.

(c) OBLIGATION PERIOD.—The Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out this section.

#### SEC. 11. OBLIGATION PERIOD.

(a) FISCAL YEAR 2001.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out this Act (other than section 2).

(b) FISCAL YEAR 2002.—

(1) IN GENERAL.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and, to the maximum extent practicable, expend funds during fiscal year 2002 to carry out section 2.

(2) AVAILABILITY.—Funds described in paragraph (1) shall remain available until expended.

**SA 1298.** Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike section 11 and insert the following:

## TITLE II—CONSERVATION

### SEC. 201. CONSERVATION RESERVE PROGRAM.

(a) TECHNICAL ASSISTANCE.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), in addition to amounts made available under section 801 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A-49), the Secretary shall use \$44,000,000 of funds of the Commodity Credit Corporation to provide technical assistance under the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.).

(b) EXTENSION OF CONTRACTS.—Notwithstanding section 1231(e)(1) of the Food Security Act of 1985 (16 U.S.C. 3831(e)(1)), an owner or operator that has entered into a contract under the conservation reserve program that would otherwise expire during calendar year 2001 may extend the contract for 1 year.

(c) PAYMENTS.—

(1) IN GENERAL.—Subject to paragraph (2), during the 2001 and 2002 calendar years, the Secretary shall include among practices that are eligible for payments under the conservation reserve program—

(A) the preservation of shallow water areas for wildlife;

(B) the establishment of permanent vegetative cover, such as contour grass strips and cross-wind trap strips; and

(C) the preservation of wellhead protection areas.

(2) OTHER PRACTICES.—The Secretary shall administer paragraph (1) in a manner that does not reduce the amount of payments made by the Secretary for other practices under the conservation reserve program.

(d) PILOT PROGRAM FOR ENROLLMENT OF WETLAND AND BUFFER ACREAGE IN CONSERVATION RESERVE.—

(1) IN GENERAL.—Section 1231(h)(4)(B) of the Food Security Act of 1985 (16 U.S.C. 3831(h)(4)(B)) is amended by inserting "(which may include emerging vegetation in water)" after "vegetative cover".

(2) CONFORMING AMENDMENT.—Section 1232(a)(4) of the Food Security Act of 1985 (16

U.S.C. 3832(a)(4) is amended by inserting "(which may include emerging vegetation in water)" after "vegetative cover".

#### SEC. 202. WETLANDS RESERVE PROGRAM.

(a) **MAXIMUM ENROLLMENT.**—Notwithstanding section 1237(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3837(b)(1)) and section 808 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A-52), subject to subsection (b), the Secretary shall use \$200,000,000 of funds of the Commodity Credit Corporation for enrollment of additional acres beginning in fiscal year 2002 in the wetlands reserve program established under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.).

(b) **TECHNICAL ASSISTANCE; MONITORING AND MAINTENANCE EXPENSES.**—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary shall use—

(1) not less than \$12,000,000, but not more than \$15,000,000, to provide technical assistance under the wetlands reserve program; and

(2) not less than \$8,000,000, but not more than \$10,000,000, for monitoring and maintenance expenses incurred by the Secretary for land enrolled in the wetlands reserve program as of the date of enactment of this Act.

#### SEC. 203. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.

In addition to amounts made available under section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841), the Secretary shall use \$250,000,000 of funds of the Commodity Credit Corporation to carry out the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.).

#### SEC. 204. WILDLIFE HABITAT INCENTIVE PROGRAM.

In addition to amounts made available under section 387(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a(c)), the Secretary shall use \$7,000,000 of funds of the Commodity Credit Corporation to carry out the Wildlife Habitat Incentive Program established under section 387 of that Act.

#### SEC. 205. FARMLAND PROTECTION PROGRAM.

(a) **IN GENERAL.**—In addition to amounts made available under section 388(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104-127) and section 211(a) of the Agricultural Risk Protection Act of 2000 (16 U.S.C. 3830 note; Public Law 106-224), the Secretary shall use \$40,000,000 of funds of the Commodity Credit Corporation to make payments under the farmland protection program established under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 to—

(1) any agency of any State or local government, or federally recognized Indian tribe, including farmland protection boards and land resource councils established under State law; and

(2) any organization that—

(A) is organized for, and at all times since the formation of the organization has been operated principally for, 1 or more of the conservation purposes specified in clauses (i), (ii), and (iii) of section 170(h)(4)(A) of the Internal Revenue Code of 1986;

(B) is an organization described in section 501(c)(3) of that Code that is exempt from taxation under section 501(a) of that Code;

(C) is described in section 509(a)(2) of that Code; or

(D) is described in section 509(a)(3) of that Code and is controlled by an organization described in section 509(a)(2) of that Code.

(b) **TECHNICAL ASSISTANCE.**—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary may use not more than \$3,000,000 to provide technical assistance under the farmland protection program.

#### SEC. 206. RISK MANAGEMENT CONSERVATION ASSISTANCE.

(a) **IN GENERAL.**—Notwithstanding sections 201 through 205, subject to subsection (d), of the amount of funds made available under this title (other than section 201(a)), the Secretary shall use \$100,000,000 to address critical risk management needs (including such needs under programs specified in subsection (b)) in States that are described in section 522(c)(1)(A) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)(1)(A)).

(b) **MINIMUM AMOUNT.**—Subject to subsection (d), the minimum amount each State described in subsection (a) shall receive under subsection (a) shall be \$5,000,000.

(c) **PROGRAMS.**—For the purpose of subsection (a), the programs specified in this subsection are—

(1) the wetlands reserve program established under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.);

(2) the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.);

(3) the Wildlife Habitat Incentive Program established under section 387 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a); and

(4) the farmland protection program established under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104-127).

(d) **OTHER STATES.**—The Secretary shall use any funds made available under subsection (a) that have not been obligated by June 1, 2002, to provide assistance under the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) in States that are not described in section 522(c)(1)(A) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)(1)(A)).

### TITLE III—ADMINISTRATION

#### SEC. 301. OBLIGATION PERIOD.

(a) **FISCAL YEAR 2001.**—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out this Act (other than title II).

(b) **FISCAL YEAR 2002.**—

(1) **IN GENERAL.**—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and, to the maximum extent practicable, expend funds during fiscal year 2002 to carry out title II.

(2) **AVAILABILITY.**—Funds described in paragraph (1) shall remain available until expended.

#### SEC. 302. COMMODITY CREDIT CORPORATION.

Except as otherwise provided in this Act, the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this Act.

**SA 1299.** Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike sections 1 and 2 and insert the following:

#### SECTION 1. MARKET LOSS ASSISTANCE.

(a) **IN GENERAL.**—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall use funds of the Commodity Credit Corporation to provide assistance in the form of a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

(b) **AMOUNT AND MANNER.**—In providing payments under this section, the Secretary shall—

(1) use the same contract payment rates as are used under section 802(b) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000 (7 U.S.C. 1421 note; Public Law 106-78); and

(2) provide the payments in a manner that is consistent with section 802(c) of that Act.

#### SEC. 2. OILSEEDS.

(a) **IN GENERAL.**—The Secretary shall use \$500,000,000 of funds of the Commodity Credit Corporation to make payments to producers of the 2001 crop of oilseeds that are eligible to obtain a marketing assistance loan under section 131 of the Agricultural Market Transition Act (7 U.S.C. 7231).

(b) **COMPUTATION.**—A payment to producers on a farm under this section for an oilseed shall be equal to the product obtained by multiplying—

(1) a payment rate determined by the Secretary;

(2) the acreage of the producers on the farm for the oilseed, as determined under subsection (c); and

(3) the yield of the producers on the farm for the oilseed, as determined under subsection (d).

(c) **ACREAGE.**—

(1) **IN GENERAL.**—Except as provided in paragraph (2), the acreage of the producers on the farm for an oilseed under subsection (b)(2) shall be equal to the number of acres planted to the oilseed by the producers on the farm during the 1998, 1999, or 2000 crop year, whichever is greatest, as reported by the producers on the farm to the Secretary (including any acreage reports that are filed late).

(2) **NEW PRODUCERS.**—In the case of producers on a farm that planted acreage to an oilseed during the 2001 crop year but not the 1998, 1999, or 2000 crop year, the acreage of the producers for the oilseed under subsection (b)(2) shall be equal to the number of acres planted to the oilseed by the producers on the farm during the 2001 crop year, as reported by the producers on the farm to the Secretary (including any acreage reports that are filed late).

(d) **YIELD.**—

(1) **SOYBEANS.**—Except as provided in paragraph (3), in the case of soybeans, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average county yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 1998, 1999, or 2000 crop year.

(2) **OTHER OILSEEDS.**—Except as provided in paragraph (3), in the case of oilseeds other than soybeans, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average national yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the

greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 1998, 1999, or 2000 crop year.

(3) **NEW PRODUCERS.**—In the case of producers on a farm that planted acreage to an oilseed during the 2001 crop year but not the 1998, 1999, or 2000 crop year, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average county yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 2001 crop.

(4) **DATA SOURCE.**—To the maximum extent available, the Secretary shall use data provided by the National Agricultural Statistics Service to carry out this subsection.

(c) **OBLIGATION PERIOD.**—The Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out this section.

Strike section 11 and insert the following:  
**SEC. 11. OBLIGATION PERIOD.**

(a) **FISCAL YEAR 2001.**—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out this Act (other than section 2).

(b) **FISCAL YEAR 2002.**—

(1) **IN GENERAL.**—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and, to the maximum extent practicable, expend funds during fiscal year 2002 to carry out section 2.

(2) **AVAILABILITY.**—Funds described in paragraph (1) shall remain available until expended.

**SA 1300.** Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246 to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike section 11 and insert the following:  
**TITLE II—CONSERVATION**

**SEC. 201. CONSERVATION RESERVE PROGRAM.**

(a) **TECHNICAL ASSISTANCE.**—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), in addition to amounts made available under section 801 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–49), the Secretary shall use \$44,000,000 of funds of the Commodity Credit Corporation to provide technical assistance under the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.).

(b) **EXTENSION OF CONTRACTS.**—Notwithstanding section 1231(e)(1) of the Food Security Act of 1985 (16 U.S.C. 3831(e)(1)), an owner or operator that has entered into a contract under the conservation reserve program that would otherwise expire during calendar year 2001 may extend the contract for 1 year.

(c) **PAYMENTS.**—

(1) **IN GENERAL.**—Subject to paragraph (2), during the 2001 and 2002 calendar years, the Secretary shall include among practices that are eligible for payments under the conservation reserve program—

(A) the preservation of shallow water areas for wildlife;

(B) the establishment of permanent vegetative cover, such as contour grass strips and cross-wind trap strips; and

(C) the preservation of wellhead protection areas.

(2) **OTHER PRACTICES.**—The Secretary shall administer paragraph (1) in a manner that does not reduce the amount of payments made by the Secretary for other practices under the conservation reserve program.

(d) **PILOT PROGRAM FOR ENROLLMENT OF WETLAND AND BUFFER ACREAGE IN CONSERVATION RESERVE.**—

(1) **IN GENERAL.**—Section 1231(h)(4)(B) of the Food Security Act of 1985 (16 U.S.C. 3831(h)(4)(B)) is amended by inserting “(which may include emerging vegetation in water)” after “vegetative cover”.

(2) **CONFORMING AMENDMENT.**—Section 1232(a)(4) of the Food Security Act of 1985 (16 U.S.C. 3832(a)(4)) is amended by inserting “(which may include emerging vegetation in water)” after “vegetative cover”.

**SEC. 202. WETLANDS RESERVE PROGRAM.**

(a) **MAXIMUM ENROLLMENT.**—Notwithstanding section 1237(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3837(b)(1)) and section 808 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–52), subject to subsection (b), the Secretary shall use \$200,000,000 of funds of the Commodity Credit Corporation for enrollment of additional acres beginning in fiscal year 2002 in the wetlands reserve program established under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.).

(b) **TECHNICAL ASSISTANCE; MONITORING AND MAINTENANCE EXPENSES.**—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary shall use—

(1) not less than \$12,000,000, but not more than \$15,000,000, to provide technical assistance under the wetlands reserve program; and

(2) not less than \$8,000,000, but not more than \$10,000,000, for monitoring and maintenance expenses incurred by the Secretary for land enrolled in the wetlands reserve program as of the date of enactment of this Act.

**SEC. 203. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.**

In addition to amounts made available under section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841), the Secretary shall use \$250,000,000 of funds of the Commodity Credit Corporation to carry out the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.).

**SEC. 204. WILDLIFE HABITAT INCENTIVE PROGRAM.**

In addition to amounts made available under section 387(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a(c)), the Secretary shall use \$7,000,000 of funds of the Commodity Credit Corporation to carry out the Wildlife Habitat Incentive Program established under section 387 of that Act.

**SEC. 205. FARMLAND PROTECTION PROGRAM.**

(a) **IN GENERAL.**—In addition to amounts made available under section 388(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104–127) and section 211(a) of the Agricultural Risk Protection Act of 2000 (16 U.S.C. 3830 note; Public Law 106–224), the Secretary shall use \$40,000,000 of funds of the Commodity Credit Corporation to make payments under the farmland protection program established under section 388 of the

Federal Agriculture Improvement and Reform Act of 1996 to—

(1) any agency of any State or local government, or federally recognized Indian tribe, including farmland protection boards and land resource councils established under State law; and

(2) any organization that—

(A) is organized for, and at all times since the formation of the organization has been operated principally for, 1 or more of the conservation purposes specified in clauses (i), (ii), and (iii) of section 170(h)(4)(A) of the Internal Revenue Code of 1986;

(B) is an organization described in section 501(c)(3) of that Code that is exempt from taxation under section 501(a) of that Code;

(C) is described in section 509(a)(2) of that Code; or

(D) is described in section 509(a)(3) of that Code and is controlled by an organization described in section 509(a)(2) of that Code.

(b) **TECHNICAL ASSISTANCE.**—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary may use not more than \$3,000,000 to provide technical assistance under the farmland protection program.

**SEC. 206. RISK MANAGEMENT CONSERVATION ASSISTANCE.**

(a) **IN GENERAL.**—Notwithstanding sections 201 through 205, subject to subsection (d), of the amount of funds made available under this title (other than section 201(a)), the Secretary shall use \$100,000,000 to address critical risk management needs (including such needs under programs specified in subsection (b)) in States that are described in section 522(c)(1)(A) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)(1)(A)).

(b) **MINIMUM AMOUNT.**—Subject to subsection (d), the minimum amount each State described in subsection (a) shall receive under subsection (a) shall be \$5,000,000.

(c) **PROGRAMS.**—For the purpose of subsection (a), the programs specified in this subsection are—

(1) the wetlands reserve program established under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.);

(2) the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.);

(3) the Wildlife Habitat Incentive Program established under section 387 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a); and

(4) the farmland protection program established under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104–127).

(d) **OTHER STATES.**—The Secretary shall use any funds made available under subsection (a) that have not been obligated by June 1, 2002, to provide assistance under the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) in States that are not described in section 522(c)(1)(A) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)(1)(A)).

**TITLE III—ADMINISTRATION**

**SEC. 301. OBLIGATION PERIOD.**

(a) **FISCAL YEAR 2001.**—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out this Act (other than title II).

(b) **FISCAL YEAR 2002.**—

(1) **IN GENERAL.**—Except as otherwise provided in this Act, the Secretary and the

Commodity Credit Corporation shall obligate and, to the maximum extent practicable, expend funds during fiscal year 2002 to carry out title II.

(2) AVAILABILITY.—Funds described in paragraph (1) shall remain available until expended.

**SEC. 302. COMMODITY CREDIT CORPORATION.**

Except as otherwise provided in this Act, the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this Act.

**SA 1301.** Mr. TORRICELLI submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers, which was ordered to lie on the table; as follows:

At the appropriate place insert:

For necessary expenses involved in making indemnity payments to qualified dairy farmers for milk or cows producing such milk and manufacturers, the Secretary of Agriculture through the Commodity Credit Corporation shall make available funds not exceeding \$500,000,000.

**SA 1302.** Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers, which was ordered to lie on the table; as follows:

Strike section 11 and insert the following:

**TITLE II—CONSERVATION**

**SEC. 201. CONSERVATION RESERVE PROGRAM.**

(a) TECHNICAL ASSISTANCE.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), in addition to amounts made available under section 801 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–49), the Secretary shall use \$44,000,000 of funds of the Commodity Credit Corporation to provide technical assistance under the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.).

(b) EXTENSION OF CONTRACTS.—Notwithstanding section 1231(e)(1) of the Food Security Act of 1985 (16 U.S.C. 3831(e)(1)), an owner or operator that has entered into a contract under the conservation reserve program that would otherwise expire during calendar year 2001 may extend the contract for 1 year.

(c) PAYMENTS.—

(1) IN GENERAL.—Subject to paragraph (2), during the 2001 and 2002 calendar years, the Secretary shall include among practices that are eligible for payments under the conservation reserve program—

(A) the preservation of shallow water areas for wildlife;

(B) the establishment of permanent vegetative cover, such as contour grass strips and cross-wind trap strips; and

(C) the preservation of wellhead protection areas.

(2) OTHER PRACTICES.—The Secretary shall administer paragraph (1) in a manner that does not reduce the amount of payments made by the Secretary for other practices under the conservation reserve program.

(d) PILOT PROGRAM FOR ENROLLMENT OF WETLAND AND BUFFER ACREAGE IN CONSERVATION RESERVE.—

(1) IN GENERAL.—Section 1231(h)(4)(B) of the Food Security Act of 1985 (16 U.S.C.

3831(h)(4)(B)) is amended by inserting “(which may include emerging vegetation in water)” after “vegetative cover”.

(2) CONFORMING AMENDMENT.—Section 1232(a)(4) of the Food Security Act of 1985 (16 U.S.C. 3832(a)(4)) is amended by inserting “(which may include emerging vegetation in water)” after “vegetative cover”.

**SEC. 202. WETLANDS RESERVE PROGRAM.**

(a) MAXIMUM ENROLLMENT.—Notwithstanding section 1237(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3837(b)(1)) and section 808 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–52), subject to subsection (b), the Secretary shall use \$200,000,000 of funds of the Commodity Credit Corporation for enrollment of additional acres beginning in fiscal year 2002 in the wetlands reserve program established under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.).

(b) TECHNICAL ASSISTANCE; MONITORING AND MAINTENANCE EXPENSES.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary shall use—

(1) not less than \$12,000,000, but not more than \$15,000,000, to provide technical assistance under the wetlands reserve program; and

(2) not less than \$8,000,000, but not more than \$10,000,000, for monitoring and maintenance expenses incurred by the Secretary for land enrolled in the wetlands reserve program as of the date of enactment of this Act.

**SEC. 203. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.**

In addition to amounts made available under section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841), the Secretary shall use \$250,000,000 of funds of the Commodity Credit Corporation to carry out the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.).

**SEC. 204. WILDLIFE HABITAT INCENTIVE PROGRAM.**

In addition to amounts made available under section 387(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a(c)), the Secretary shall use \$7,000,000 of funds of the Commodity Credit Corporation to carry out the Wildlife Habitat Incentive Program established under section 387 of that Act.

**SEC. 205. FARMLAND PROTECTION PROGRAM.**

(a) IN GENERAL.—In addition to amounts made available under section 388(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104–127) and section 211(a) of the Agricultural Risk Protection Act of 2000 (16 U.S.C. 3830 note; Public Law 106–224), the Secretary shall use \$40,000,000 of funds of the Commodity Credit Corporation to make payments under the farmland protection program established under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 to—

(1) any agency of any State or local government, or federally recognized Indian tribe, including farmland protection boards and land resource councils established under State law; and

(2) any organization that—

(A) is organized for, and at all times since the formation of the organization has been operated principally for, 1 or more of the conservation purposes specified in clauses (i), (ii), and (iii) of section 170(h)(4)(A) of the Internal Revenue Code of 1986;

(B) is an organization described in section 501(c)(3) of that Code that is exempt from taxation under section 501(a) of that Code;

(C) is described in section 509(a)(2) of that Code; or

(D) is described in section 509(a)(3) of that Code and is controlled by an organization described in section 509(a)(2) of that Code.

(b) TECHNICAL ASSISTANCE.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary may use not more than \$3,000,000 to provide technical assistance under the farmland protection program.

**TITLE III—ADMINISTRATION**

**SEC. 301. OBLIGATION PERIOD.**

(a) FISCAL YEAR 2001.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out this Act (other than title II).

(b) FISCAL YEAR 2002.—

(1) IN GENERAL.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and, to the maximum extent practicable, expend funds during fiscal year 2002 to carry out title II.

(2) AVAILABILITY.—Funds described in paragraph (1) shall remain available until expended.

**SEC. 302. COMMODITY CREDIT CORPORATION.**

Except as otherwise provided in this Act, the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this Act.

**SA 1303.** Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike section 11 and insert the following:

**TITLE II—CONSERVATION**

**SEC. 201. CONSERVATION RESERVE PROGRAM.**

(a) TECHNICAL ASSISTANCE.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), in addition to amounts made available under section 801 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–49), the Secretary shall use \$44,000,000 of funds of the Commodity Credit Corporation to provide technical assistance under the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.).

(b) EXTENSION OF CONTRACTS.—Notwithstanding section 1231(e)(1) of the Food Security Act of 1985 (16 U.S.C. 3831(e)(1)), an owner or operator that has entered into a contract under the conservation reserve program that would otherwise expire during calendar year 2001 may extend the contract for 1 year.

(c) PAYMENTS.—

(1) IN GENERAL.—Subject to paragraph (2), during the 2001 and 2002 calendar years, the Secretary shall include among practices that are eligible for payments under the conservation reserve program—

(A) the preservation of shallow water areas for wildlife;

(B) the establishment of permanent vegetative cover, such as contour grass strips and cross-wind trap strips; and

(C) the preservation of wellhead protection areas.

(2) OTHER PRACTICES.—The Secretary shall administer paragraph (1) in a manner that does not reduce the amount of payments made by the Secretary for other practices under the conservation reserve program.

(d) PILOT PROGRAM FOR ENROLLMENT OF WETLAND AND BUFFER ACREAGE IN CONSERVATION RESERVE.—

(1) IN GENERAL.—Section 1231(h)(4)(B) of the Food Security Act of 1985 (16 U.S.C. 3831(h)(4)(B)) is amended by inserting “(which may include emerging vegetation in water)” after “vegetative cover”.

(2) CONFORMING AMENDMENT.—Section 1232(a)(4) of the Food Security Act of 1985 (16 U.S.C. 3832(a)(4)) is amended by inserting “(which may include emerging vegetation in water)” after “vegetative cover”.

#### SEC. 202. WETLANDS RESERVE PROGRAM.

(a) MAXIMUM ENROLLMENT.—Notwithstanding section 1237(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3837(b)(1)) and section 808 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–52), subject to subsection (b), the Secretary shall use \$200,000,000 of funds of the Commodity Credit Corporation for enrollment of additional acres beginning in fiscal year 2002 in the wetlands reserve program established under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.).

(b) TECHNICAL ASSISTANCE; MONITORING AND MAINTENANCE EXPENSES.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary shall use—

(1) not less than \$12,000,000, but not more than \$15,000,000, to provide technical assistance under the wetlands reserve program; and

(2) not less than \$8,000,000, but not more than \$10,000,000, for monitoring and maintenance expenses incurred by the Secretary for land enrolled in the wetlands reserve program as of the date of enactment of this Act.

#### SEC. 203. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.

In addition to amounts made available under section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841), the Secretary shall use \$250,000,000 of funds of the Commodity Credit Corporation to carry out the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.).

#### SEC. 204. WILDLIFE HABITAT INCENTIVE PROGRAM.

In addition to amounts made available under section 387(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a(c)), the Secretary shall use \$7,000,000 of funds of the Commodity Credit Corporation to carry out the Wildlife Habitat Incentive Program established under section 387 of that Act.

#### SEC. 205. FARMLAND PROTECTION PROGRAM.

(a) IN GENERAL.—In addition to amounts made available under section 388(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104–127) and section 211(a) of the Agricultural Risk Protection Act of 2000 (16 U.S.C. 3830 note; Public Law 106–224), the Secretary shall use \$40,000,000 of funds of the Commodity Credit Corporation to make payments under the farmland protection program established under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 to—

(1) any agency of any State or local government, or federally recognized Indian tribe, including farmland protection boards

and land resource councils established under State law; and

(2) any organization that—

(A) is organized for, and at all times since the formation of the organization has been operated principally for, 1 or more of the conservation purposes specified in clauses (i), (ii), and (iii) of section 170(h)(4)(A) of the Internal Revenue Code of 1986;

(B) is an organization described in section 501(c)(3) of that Code that is exempt from taxation under section 501(a) of that Code;

(C) is described in section 509(a)(2) of that Code; or

(D) is described in section 509(a)(3) of that Code and is controlled by an organization described in section 509(a)(2) of that Code.

(b) TECHNICAL ASSISTANCE.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary may use not more than \$3,000,000 to provide technical assistance under the farmland protection program.

### TITLE III—ADMINISTRATION

#### SEC. 301. OBLIGATION PERIOD.

(a) FISCAL YEAR 2001.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out this Act (other than title II).

(b) FISCAL YEAR 2002.—

(1) IN GENERAL.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and, to the maximum extent practicable, expend funds during fiscal year 2002 to carry out title II.

(2) AVAILABILITY.—Funds described in paragraph (1) shall remain available until expended.

#### SEC. 302. COMMODITY CREDIT CORPORATION.

Except as otherwise provided in this Act, the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this Act.

**SA 1304.** Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike section 1 and insert the following:

#### SECTION 1. MARKET LOSS ASSISTANCE.

(a) IN GENERAL.—The Secretary of Agriculture (referred to in this Act as the “Secretary”) shall use funds of the Commodity Credit Corporation to provide assistance in the form of a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT AND MANNER.—In providing payments under this section, the Secretary shall—

(1) use the same contract payment rates as are used under section 802(b) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000 (7 U.S.C. 1421 note; Public Law 106–78); and

(2) provide the payments in a manner that is consistent with section 802(c) of that Act.

**SA 1305.** Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike section 11 and insert the following:

#### SEC. 11. OBLIGATION PERIOD.

Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out this Act.

**SA 1306.** Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike section 11 and insert the following:

#### SEC. 11. OBLIGATION PERIOD.

Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out this Act.

**SA 1307.** Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike section 1 and insert the following:

#### SECTION 1. MARKET LOSS ASSISTANCE.

(a) IN GENERAL.—The Secretary of Agriculture (referred to in this Act as the “Secretary”) shall use funds of the Commodity Credit Corporation to provide assistance in the form of a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT AND MANNER.—In providing payments under this section, the Secretary shall—

(1) use the same contract payment rates as are used under section 802(b) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000 (7 U.S.C. 1421 note; Public Law 106–78); and

(2) provide the payments in a manner that is consistent with section 802(c) of that Act.

**SA 1308.** Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 28, Line 14, add the Committee on Health, Education, Labor, and Pensions.

**SA 1309.** Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 20, line 10, strike the words “the quantity of the 2000 crop” and replace with “the highest quantity of any single crop year between 1999 and 2001.”

**SA 1310.** Mr. KERRY submitted an amendment intended to be proposed by him to the bill H.R. 2620, 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, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 34, line 2, strike "\$60,000,000" and insert "\$80,000,000".

On Page 21, line 24 strike "\$615,000,000" and insert "\$635,000,000".

**SA 1311.** Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. . . . PROHIBITION ON HUMAN CLONING.**

(a) IN GENERAL.—Title 18, United States Code, is amended by inserting after chapter 15, the following:

**"CHAPTER 16—HUMAN CLONING**

"Sec. "301. Definitions. "302. Prohibition on human cloning.

**"§ 301. Definitions**

"In this chapter:

"(1) HUMAN CLONING.—The term 'human cloning' means human asexual reproduction, accomplished by introducing the nuclear material of a human somatic cell into a fertilized or unfertilized oocyte whose nucleus has been removed or inactivated to produce a living organism (at any stage of development) with a human or predominantly human genetic constitution.

"(2) SOMATIC CELL.—The term 'somatic cell' means a diploid cell (having a complete set of chromosomes) obtained or derived from a living or deceased human body at any stage of development.

**"§ 302. Prohibition on human cloning**

"(a) IN GENERAL.—It shall be unlawful for any person or entity, public or private, in or affecting interstate commerce—

"(1) to perform or attempt to perform human cloning;

"(2) to participate in an attempt to perform human cloning; or

"(3) to ship or receive the product of human cloning for any purpose.

"(b) IMPORTATION.—It shall be unlawful for any person or entity, public or private, to import the product of human cloning for any purpose.

"(c) PENALTIES.—

"(1) IN GENERAL.—Any person or entity that is convicted of violating any provision of this section shall be fined under this section or imprisoned not more than 10 years, or both.

"(2) CIVIL PENALTY.—Any person or entity that is convicted of violating any provision of this section shall be subject to, in the case of a violation that involves the derivation of a pecuniary gain, a civil penalty of not less than \$1,000,000 and not more than an amount equal to the amount of the gross gain multiplied by 2, if that amount is greater than \$1,000,000.

"(d) SCIENTIFIC RESEARCH.—Nothing in this section shall restrict areas of scientific research not specifically prohibited by this section, including research in the use of nuclear transfer or other cloning techniques to produce molecules, DNA, cells other than human embryos, tissues, organs, plants, or animals other than humans."

(b) CLERICAL AMENDMENT.—The table of chapters for part I of title 18, United States Code, is amended by inserting after the item relating to chapter 15 the following:

**"16. Human Cloning ..... 301".**

**SA 1312.** Mrs. CLINTON submitted an amendment intended to be proposed by

her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 20, strike lines 2 through 5 and insert the following:

(a) IN GENERAL.—The Secretary shall use \$250,000,000 of funds of the Commodity Credit Corporation to make payments to apple producers to provide relief for the loss of markets during the 2000 crop year, of which \$100,000,000 shall be derived by transfer from the amount authorized to be used for the purpose described in section 102(a).

**SA 1313.** Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 20, line 16, strike "5,000,000" and insert "10,000,000".

**SA 1314.** Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 10, lines 3 and 4, strike "\$220,000,000 of funds of the Commodity Credit Corporation" and insert "\$270,000,000 of funds of the Commodity Credit Corporation (of which \$50,000,000 shall be derived by transfer from the amount authorized to be used for the purpose described in section 102(a))".

**SA 1315.** Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Beginning on page 24, strike line 24 and all that follows through page 25, line 2, and insert the following: "\$80,000,000 of funds of the Commodity Credit Corporation to make payments under the farmland protection program established under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104-127), of which \$40,000,000 shall be derived by transfer from the amount authorized to—".

**SA 1316.** Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 21, line 19, strike "1 year" and insert "2 years".

**SA 1317.** Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 20, strike lines 5 through 24 and insert the following:

(b) PAYMENT QUANTITY.—

(1) IN GENERAL.—Subject to paragraph (2), the payment quantity of apples for which the

producers on a farm are eligible for payments under this section shall be equal to the quantity of the 2000 crop of apples produced by the producers on the farm.

(2) MAXIMUM QUANTITY.—The payment quantity of apples for which the producers on a farm are eligible for payments under this section shall not exceed 5,000,000 pounds of apples produced on the farm.

(c) LIMITATIONS.—Subject to subsection (b)(2), the Secretary shall not establish a payment limitation, or gross income eligibility limitation, with respect to payments made under this section.

(d) APPLICABILITY.—This section applies only with respect to the 2000 and 2001 crops of apples and producers of those crops.

**SA 1318.** Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 4, line 3, strike "\$500,000,000" and insert "\$100,000,000".

**SA 1319.** Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 9, line 19, strike "\$34,000,000" and insert "\$3,400,000".

**SA 1320.** Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Beginning on page 13, line 19, strike all text through page 14, line 14, and insert the following in lieu thereof:

"ELIGIBLE PERSON.—The Term 'eligible person' means only residents of American Samoa."

**SA 1321.** Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 10, line 3, strike "\$220,000,000" and insert "\$22,000,000".

**SA 1322.** Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 12, line 6, strike "\$20,000,000" and insert "\$5,000,000".

**SA 1323.** Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 36, line 18, strike "\$18,000,000" and insert "\$1,800,000".

**SA 1324.** Mr. SCHUMER submitted an amendment intended to be proposed by

him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 43, line 24, strike "\$24,000,000" and insert "\$2,400,000."

**SA 1325.** Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Beginning on page 7, line 3, strike all text beginning with "SEC. 103. PEANUTS." through page 20, line 5, and insert the following in lieu thereof:

**"SEC. 103. APPLES.**

(a) IN GENERAL.—The Secretary shall use \$300,000,000 of funds of the Commodity Credit Corporation to make payments to apple producers to provide relief for the loss of markets during the 2000 crop year."

**SA 1326.** Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 10, line 7, strike "bison meat,"

**SA 1327.** Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Beginning on page 10, line 15, through page 10, line 16, strike "is encouraged to purchase" and insert the following in lieu thereof: "is required to purchase".

**SA 1328.** Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agriculture producers; which was ordered to lie on the table; as follows:

On page 7, line 4, strike "\$55,210,000" and insert "\$15,000,000."

**SA 1329.** Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agriculture producers; which was ordered to lie on the table; as follows:

On page 9, line 7, strike "\$16,940,000" and insert "\$5,000,000."

**SA 1330.** Mrs. LINCOLN submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agriculture producers; which was ordered to lie on the table; as follows:

At the appropriate place add the following:

**SEC. 802. REDUCTION IN AMOUNTS.**

Notwithstanding any other provision of this Act, each amount provided by this Act (other than amounts provided under sections 101 and 107(a) and title II) is reduced by 7.1 percent.

**SA 1331.** Mrs. LINCOLN submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agriculture producers; which was ordered to lie on the table; as follows:

At the appropriate place add the following:

**SEC. 802. REDUCTION IN AMOUNTS.**

Notwithstanding any other provision of this Act, each amount provided by this Act (other than amounts provided under sections 101 and 107(a) and title II) is reduced by 7.1 percent.

**SA 1332.** Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place add the following:

SEC. 1. The Secretary of Agriculture shall administer Dairy Market Mitigation Payments in the amount of \$5000 to each United States dairy farmer producing milk as of the date of enactment.

SEC. 2. The Secretary of Agriculture shall make an additional Compact Adjustment Payment of \$2500 to each dairy farmer who has sold milk into the Northeast Dairy Compact during the previous 1 year prior to enactment.

SEC. 3. The Secretary of Agriculture shall study and report, within six months of enactment, on the effectiveness of 7 USC 608(c), and issue recommendations for strengthening enforcement and increasing compliance.

**SA 1333.** Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place add the following:

SEC. 1. The Secretary of Agriculture shall administer Dairy Market Mitigation Payments in the amount of \$5000 to each United States dairy farmer producing milk as of the date of enactment.

SEC. 2. The Secretary of Agriculture shall make an additional Compact Adjustment Payment of \$2500 to each dairy farmer who has sold milk into the Northeast Dairy Compact during the previous 1 year prior to enactment.

SEC. 3. The Secretary of Agriculture shall study and report, within six months of enactment, on the effectiveness of 7 USC 608(c), and issue recommendations for strengthening enforcement and increasing compliance.

**SA 1334.** Mr. TORRICELLI submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place insert:

The amount of \$500,000,000 shall be made available for necessary expenses involved in making indemnity payments to dairy farmers in the states designated by the Secretary of Agriculture for milk or cows producing such milk and manufacturers of dairy products who have been directed to remove their milk or dairy products from commercial

markets because it contained residues of chemicals registered and approved for use by the Federal Government, and in making indemnity payments for milk, or cows producing such milk, at a fair market value to any dairy farmer who is directed to remove his milk from commercial markets because of: (1) presence of products of nuclear radiation or fallout if such contamination is not due to the fault of the farmer; or (2) residues of chemicals or toxic substances not included under the first sentence of the Act of August 13, 1968 (7 U.S.C. 450j), if such chemicals or toxic substances were not used in a manner contrary to applicable regulations or labeling instructions provided at the time of use and the contamination is not due to the fault of the farmer, \$450,000, to remain available until expended (7 U.S.C. 2209b): *Provided*, That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of the farmers' willful failure to follow procedures prescribed by the Federal Government: *Provided further*, That this amount shall be transferred to the Commodity Credit Corporation: *Provided further*, That the Secretary is authorized to utilize the services, facilities, and authorities of the Commodity Credit Corporation for the purpose of making dairy indemnity disbursements.

**SA 1335.** Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**TITLE VII—DAIRY CONSUMERS AND PRODUCERS PROTECTION**

**SEC. 701. NORTHEAST INTERSTATE DAIRY COMPACT.**

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by striking "States" and all that follows through "Vermont" and inserting "States of Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont";

(2) by striking paragraphs (1), (3), and (7);

(3) in paragraph (2), by striking "Class III-A" and inserting "Class IV";

(4) by striking paragraph (4) and inserting the following:

"(4) ADDITIONAL STATE.—Ohio is the only additional State that may join the Northeast Interstate Dairy Compact.";

(5) in paragraph (5), by striking "the projected rate of increase" and all that follows through "Secretary" and inserting "the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code"; and

(6) by redesignating paragraphs (2), (4), (5), and (6) as paragraphs (1), (2), (3), and (4), respectively.

**SEC. 702. SOUTHERN DAIRY COMPACT.**

(a) IN GENERAL.—Congress consents to the Southern Dairy Compact entered into among the States of Alabama, Arkansas, Georgia, Kansas, Kentucky, Louisiana, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Virginia, and West Virginia, subject to the following conditions:

(1) LIMITATION OF MANUFACTURING PRICE REGULATION.—The Southern Dairy Compact Commission may not regulate Class II, Class

III, or Class IV milk used for manufacturing purposes or any other milk, other than Class I, or fluid milk, as defined by a Federal milk marketing order issued under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Act of 1937 (referred to in this section as a "Federal milk marketing order") unless Congress has first consented to and approved such authority by a law enacted after the date of enactment of this joint resolution.

(2) **ADDITIONAL STATES.**—Florida, Nebraska, and Texas are the only additional States that may join the Southern Dairy Compact, individually or otherwise.

(3) **COMPENSATION OF COMMODITY CREDIT CORPORATION.**—Before the end of each fiscal year in which a Compact price regulation is in effect, the Southern Dairy Compact Commission shall compensate the Commodity Credit Corporation for the cost of any purchases of milk and milk products by the Corporation that result from the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code.

(4) **MILK MARKETING ORDER ADMINISTRATOR.**—At the request of the Southern Dairy Compact Commission, the Administrator of the applicable Federal milk marketing order shall provide technical assistance to the Compact Commission and be compensated for that assistance.

(b) **COMPACT.**—The Southern Dairy Compact is substantially as follows:

**"ARTICLE I. STATEMENT OF PURPOSE, FINDINGS AND DECLARATION OF POLICY**  
**"§ 1. Statement of purpose, findings and declaration of policy**

"The purpose of this compact is to recognize the interstate character of the southern dairy industry and the prerogative of the states under the United States Constitution to form an interstate commission for the southern region. The mission of the commission is to take such steps as are necessary to assure the continued viability of dairy farming in the south, and to assure consumers of an adequate, local supply of pure and wholesome milk.

"The participating states find and declare that the dairy industry is an essential agricultural activity of the south. Dairy farms, and associated suppliers, marketers, processors and retailers are an integral component of the region's economy. Their ability to provide a stable, local supply of pure, wholesome milk is a matter of great importance to the health and welfare of the region.

"The participating states further find that dairy farms are essential and they are an integral part of the region's rural communities. The farms preserve land for agricultural purposes and provide needed economic stimuli for rural communities.

"In establishing their constitutional regulatory authority over the region's fluid milk market by this compact, the participating states declare their purpose that this compact neither displace the federal order system nor encourage the merging of federal orders. Specific provisions of the compact itself set forth this basic principle.

"Designed as a flexible mechanism able to adjust to changes in a regulated marketplace, the compact also contains a contingency provision should the federal order system be discontinued. In that event, the interstate commission is authorized to regulate the marketplace in replacement of the order system. This contingent authority does not anticipate such a change, however, and should not be so construed. It is only provided should developments in the market

other than establishment of this compact result in discontinuance of the order system.

"By entering into this compact, the participating states affirm that their ability to regulate the price which southern dairy farmers receive for their product is essential to the public interest. Assurance of a fair and equitable price for dairy farmers ensures their ability to provide milk to the market and the vitality of the southern dairy industry, with all the associated benefits.

"Recent, dramatic price fluctuations, with a pronounced downward trend, threaten the viability and stability of the southern dairy region. Historically, individual state regulatory action had been an effective emergency remedy available to farmers confronting a distressed market. The federal order system, implemented by the Agricultural Marketing Agreement Act of 1937, establishes only minimum prices paid to producers for raw milk, without preempting the power of states to regulate milk prices above the minimum levels so established.

"In today's regional dairy marketplace, cooperative, rather than individual state action is needed to more effectively address the market disarray. Under our constitutional system, properly authorized states acting cooperatively may exercise more power to regulate interstate commerce than they may assert individually without such authority. For this reason, the participating states invoke their authority to act in common agreement, with the consent of Congress, under the compact clause of the Constitution.

**"ARTICLE II. DEFINITIONS AND RULES OF CONSTRUCTION**  
**"§ 2. Definitions**

"For the purposes of this compact, and of any supplemental or concurring legislation enacted pursuant thereto, except as may be otherwise required by the context:

"(1) 'Class I milk' means milk disposed of in fluid form or as a fluid milk product, subject to further definition in accordance with the principles expressed in subdivision (b) of section three.

"(2) 'Commission' means the Southern Dairy Compact Commission established by this compact.

"(3) 'Commission marketing order' means regulations adopted by the commission pursuant to sections nine and ten of this compact in place of a terminated federal marketing order or state dairy regulation. Such order may apply throughout the region or in any part or parts thereof as defined in the regulations of the commission. Such order may establish minimum prices for any or all classes of milk.

"(4) 'Compact' means this interstate compact.

"(5) 'Compact over-order price' means a minimum price required to be paid to producers for Class I milk established by the commission in regulations adopted pursuant to sections nine and ten of this compact, which is above the price established in federal marketing orders or by state farm price regulations in the regulated area. Such price may apply throughout the region or in any part or parts thereof as defined in the regulations of the commission.

"(6) 'Milk' means the lactical secretion of cows and includes all skim, butterfat, or other constituents obtained from separation or any other process. The term is used in its broadest sense and may be further defined by the commission for regulatory purposes.

"(7) 'Partially regulated plant' means a milk plant not located in a regulated area but having Class I distribution within such area. Commission regulations may exempt plants having such distribution or receipts in amounts less than the limits defined therein.

"(8) 'Participating state' means a state which has become a party to this compact by the enactment of concurring legislation.

"(9) 'Pool plant' means any milk plant located in a regulated area.

"(10) 'Region' means the territorial limits of the states which are parties to this compact.

"(11) 'Regulated area' means any area within the region governed by and defined in regulations establishing a compact over-order price or commission marketing order.

"(12) 'State dairy regulation' means any state regulation of dairy prices, and associated assessments, whether by statute, marketing order or otherwise.

**"§ 3. Rules of construction**

"(a) This compact shall not be construed to displace existing federal milk marketing orders or state dairy regulation in the region but to supplement them. In the event some or all federal orders in the region are discontinued, the compact shall be construed to provide the commission the option to replace them with one or more commission marketing orders pursuant to this compact.

"(b) The compact shall be construed liberally in order to achieve the purposes and intent enunciated in section one. It is the intent of this compact to establish a basic structure by which the commission may achieve those purposes through the application, adaptation and development of the regulatory techniques historically associated with milk marketing and to afford the commission broad flexibility to devise regulatory mechanisms to achieve the purposes of this compact. In accordance with this intent, the technical terms which are associated with market order regulation and which have acquired commonly understood general meanings are not defined herein but the commission may further define the terms used in this compact and develop additional concepts and define additional terms as it may find appropriate to achieve its purposes.

**"ARTICLE III. COMMISSION ESTABLISHED**  
**"§ 4. Commission established**

"There is hereby created a commission to administer the compact, composed of delegations from each state in the region. The commission shall be known as the Southern Dairy Compact Commission. A delegation shall include not less than three nor more than five persons. Each delegation shall include at least one dairy farmer who is engaged in the production of milk at the time of appointment or reappointment, and one consumer representative. Delegation members shall be residents and voters of, and subject to such confirmation process as is provided for in the appointing state. Delegation members shall serve no more than three consecutive terms with no single term of more than four years, and be subject to removal for cause. In all other respects, delegation members shall serve in accordance with the laws of the state represented. The compensation, if any, of the members of a state delegation shall be determined and paid by each state, but their expenses shall be paid by the commission.

**"§ 5. Voting requirements**

"All actions taken by the commission, except for the establishment or termination of an over-order price or commission marketing order, and the adoption, amendment or rescission of the commission's by-laws, shall be by majority vote of the delegations present. Each state delegation shall be entitled to one vote in the conduct of the commission's affairs. Establishment or termination of an over-order price or commission marketing order shall require at least a two-thirds vote of the delegations present. The establishment of a regulated area which covers all or part of a participating state shall

require also the affirmative vote of that state's delegation. A majority of the delegations from the participating states shall constitute a quorum for the conduct of the commission's business.

#### “§ 6. Administration and management

“(a) The commission shall elect annually from among the members of the participating state delegations a chairperson, a vice-chairperson, and a treasurer. The commission shall appoint an executive director and fix his or her duties and compensation. The executive director shall serve at the pleasure of the commission, and together with the treasurer, shall be bonded in an amount determined by the commission. The commission may establish through its by-laws an executive committee composed of one member elected by each delegation.

“(b) The commission shall adopt by-laws for the conduct of its business by a two-thirds vote, and shall have the power by the same vote to amend and rescind these by-laws. The commission shall publish its by-laws in convenient form with the appropriate agency or officer in each of the participating states. The by-laws shall provide for appropriate notice to the delegations of all commission meetings and hearings and of the business to be transacted at such meetings or hearings. Notice also shall be given to other agencies or officers of participating states as provided by the laws of those states.

“(c) The commission shall file an annual report with the Secretary of Agriculture of the United States, and with each of the participating states by submitting copies to the governor, both houses of the legislature, and the head of the state department having responsibilities for agriculture.

“(d) In addition to the powers and duties elsewhere prescribed in this compact, the commission shall have the power:

“(1) To sue and be sued in any state or federal court;

“(2) To have a seal and alter the same at pleasure;

“(3) To acquire, hold, and dispose of real and personal property by gift, purchase, lease, license, or other similar manner, for its corporate purposes;

“(4) To borrow money and issue notes, to provide for the rights of the holders thereof and to pledge the revenue of the commission as security therefor, subject to the provisions of section eighteen of this compact;

“(5) To appoint such officers, agents, and employees as it may deem necessary, prescribe their powers, duties and qualifications; and

“(6) To create and abolish such offices, employments and positions as it deems necessary for the purposes of the compact and provide for the removal, term, tenure, compensation, fringe benefits, pension, and retirement rights of its officers and employees. The commission may also retain personal services on a contract basis.

#### “§ 7. Rulemaking power

“In addition to the power to promulgate a compact over-order price or commission marketing orders as provided by this compact, the commission is further empowered to make and enforce such additional rules and regulations as it deems necessary to implement any provisions of this compact, or to effectuate in any other respect the purposes of this compact.

#### “ARTICLE IV. POWERS OF THE COMMISSION

#### “§ 8. Powers to promote regulatory uniformity, simplicity, and interstate cooperation

“The commission is hereby empowered to:

“(1) Investigate or provide for investigations or research projects designed to review

the existing laws and regulations of the participating states, to consider their administration and costs, to measure their impact on the production and marketing of milk and their effects on the shipment of milk and milk products within the region.

“(2) Study and recommend to the participating states joint or cooperative programs for the administration of the dairy marketing laws and regulations and to prepare estimates of cost savings and benefits of such programs.

“(3) Encourage the harmonious relationships between the various elements in the industry for the solution of their material problems. Conduct symposia or conferences designed to improve industry relations, or a better understanding of problems.

“(4) Prepare and release periodic reports on activities and results of the commission's efforts to the participating states.

“(5) Review the existing marketing system for milk and milk products and recommend changes in the existing structure for assembly and distribution of milk which may assist, improve or promote more efficient assembly and distribution of milk.

“(6) Investigate costs and charges for producing, hauling, handling, processing, distributing, selling and for all other services performed with respect to milk.

“(7) Examine current economic forces affecting producers, probable trends in production and consumption, the level of dairy farm prices in relation to costs, the financial conditions of dairy farmers, and the need for an emergency order to relieve critical conditions on dairy farms.

#### “§ 9. Equitable farm prices

“(a) The powers granted in this section and section ten shall apply only to the establishment of a compact over-order price, so long as federal milk marketing orders remain in effect in the region. In the event that any or all such orders are terminated, this article shall authorize the commission to establish one or more commission marketing orders, as herein provided, in the region or parts thereof as defined in the order.

“(b) A compact over-order price established pursuant to this section shall apply only to Class I milk. Such compact over-order price shall not exceed one dollar and fifty cents per gallon at Atlanta, Ga., however, this compact over-order price shall be adjusted upward or downward at other locations in the region to reflect differences in minimum federal order prices. Beginning in nineteen hundred ninety, and using that year as a base, the foregoing one dollar fifty cents per gallon maximum shall be adjusted annually by the rate of change in the Consumer Price Index as reported by the Bureau of Labor Statistics of the United States Department of Labor. For purposes of the pooling and equalization of an over-order price, the value of milk used in other use classifications shall be calculated at the appropriate class price established pursuant to the applicable federal order or state dairy regulation and the value of unregulated milk shall be calculated in relation to the nearest prevailing class price in accordance with and subject to such adjustments as the commission may prescribe in regulations.

“(c) A commission marketing order shall apply to all classes and uses of milk.

“(d) The commission is hereby empowered to establish a compact over-order price for milk to be paid by pool plants and partially regulated plants. The commission is also empowered to establish a compact over-order price to be paid by all other handlers receiving milk from producers located in a regulated area. This price shall be established either as a compact over-order price or by one or more commission marketing orders.

Whenever such a price has been established by either type of regulation, the legal obligation to pay such price shall be determined solely by the terms and purpose of the regulation without regard to the situs of the transfer of title, possession or any other factors not related to the purposes of the regulation and this compact. Producer-handlers as defined in an applicable federal market order shall not be subject to a compact over-order price. The commission shall provide for similar treatment of producer-handlers under commission marketing orders.

“(e) In determining the price, the commission shall consider the balance between production and consumption of milk and milk products in the regulated area, the costs of production including, but not limited to the price of feed, the cost of labor including the reasonable value of the producer's own labor and management, machinery expense, and interest expense, the prevailing price for milk outside the regulated area, the purchasing power of the public and the price necessary to yield a reasonable return to the producer and distributor.

“(f) When establishing a compact over-order price, the commission shall take such other action as is necessary and feasible to help ensure that the over-order price does not cause or compensate producers so as to generate local production of milk in excess of those quantities necessary to assure consumers of an adequate supply for fluid purposes.

“(g) The commission shall whenever possible enter into agreements with state or federal agencies for exchange of information or services for the purpose of reducing regulatory burden and cost of administering the compact. The commission may reimburse other agencies for the reasonable cost of providing these services.

#### “§ 10. Optional provisions for pricing order

“Regulations establishing a compact over-order price or a commission marketing order may contain, but shall not be limited to any of the following:

“(1) Provisions classifying milk in accordance with the form in which or purpose for which it is used, or creating a flat pricing program.

“(2) With respect to a commission marketing order only, provisions establishing or providing a method for establishing separate minimum prices for each use classification prescribed by the commission, or a single minimum price for milk purchased from producers or associations of producers.

“(3) With respect to an over-order minimum price, provisions establishing or providing a method for establishing such minimum price for Class I milk.

“(4) Provisions for establishing either an over-order price or a commission marketing order may make use of any reasonable method for establishing such price or prices including flat pricing and formula pricing. Provision may also be made for location adjustments, zone differentials and for competitive credits with respect to regulated handlers who market outside the regulated area.

“(5) Provisions for the payment to all producers and associations of producers delivering milk to all handlers of uniform prices for all milk so delivered, irrespective of the uses made of such milk by the individual handler to whom it is delivered, or for the payment of producers delivering milk to the same handler of uniform prices for all milk delivered by them.

“(A) With respect to regulations establishing a compact over-order price, the commission may establish one equalization pool within the regulated area for the sole purpose of equalizing returns to producers throughout the regulated area.

“(B) With respect to any commission marketing order, as defined in section two, subdivision three, which replaces one or more terminated federal orders or state dairy regulations, the marketing area of now separate state or federal orders shall not be merged without the affirmative consent of each state, voting through its delegation, which is partly or wholly included within any such new marketing area.

“(6) Provisions requiring persons who bring Class I milk into the regulated area to make compensatory payments with respect to all such milk to the extent necessary to equalize the cost of milk purchased by handlers subject to a compact over-order price or commission marketing order. No such provisions shall discriminate against milk producers outside the regulated area. The provisions for compensatory payments may require payment of the difference between the Class I price required to be paid for such milk in the state of production by a federal milk marketing order or state dairy regulation and the Class I price established by the compact over-order price or commission marketing order.

“(7) Provisions specially governing the pricing and pooling of milk handled by partially regulated plants.

“(8) Provisions requiring that the account of any person regulated under the compact over-order price shall be adjusted for any payments made to or received by such persons with respect to a producer settlement fund of any federal or state milk marketing order or other state dairy regulation within the regulated area.

“(9) Provision requiring the payment by handlers of an assessment to cover the costs of the administration and enforcement of such order pursuant to Article VII, Section 18(a).

“(10) Provisions for reimbursement to participants of the Women, Infants and Children Special Supplemental Food Program of the United States Child Nutrition Act of 1966.

“(11) Other provisions and requirements as the commission may find are necessary or appropriate to effectuate the purposes of this compact and to provide for the payment of fair and equitable minimum prices to producers.

#### “ARTICLE V. RULEMAKING PROCEDURE

##### “§ 11. Rulemaking procedure

“Before promulgation of any regulations establishing a compact over-order price or commission marketing order, including any provision with respect to milk supply under subsection 9(f), or amendment thereof, as provided in Article IV, the commission shall conduct an informal rulemaking proceeding to provide interested persons with an opportunity to present data and views. Such rulemaking proceeding shall be governed by section four of the Federal Administrative Procedure Act, as amended (5 U.S.C. §553). In addition, the commission shall, to the extent practicable, publish notice of rulemaking proceedings in the official register of each participating state. Before the initial adoption of regulations establishing a compact over-order price or a commission marketing order and thereafter before any amendment with regard to prices or assessments, the commission shall hold a public hearing. The commission may commence a rulemaking proceeding on its own initiative or may in its sole discretion act upon the petition of any person including individual milk producers, any organization of milk producers or handlers, general farm organizations, consumer or public interest groups, and local, state or federal officials.

##### “§ 12. Findings and referendum

“(a) In addition to the concise general statement of basis and purpose required by

section 4(b) of the Federal Administrative Procedure Act, as amended (5 U.S.C. §553(c)), the commission shall make findings of fact with respect to:

“(1) Whether the public interest will be served by the establishment of minimum milk prices to dairy farmers under Article IV.

“(2) What level of prices will assure that producers receive a price sufficient to cover their costs of production and will elicit an adequate supply of milk for the inhabitants of the regulated area and for manufacturing purposes.

“(3) Whether the major provisions of the order, other than those fixing minimum milk prices, are in the public interest and are reasonably designed to achieve the purposes of the order.

“(4) Whether the terms of the proposed regional order or amendment are approved by producers as provided in section thirteen.

##### “§ 13. Producer referendum

“(a) For the purpose of ascertaining whether the issuance or amendment of regulations establishing a compact over-order price or a commission marketing order, including any provision with respect to milk supply under subsection 9(f), is approved by producers, the commission shall conduct a referendum among producers. The referendum shall be held in a timely manner, as determined by regulation of the commission. The terms and conditions of the proposed order or amendment shall be described by the commission in the ballot used in the conduct of the referendum, but the nature, content, or extent of such description shall not be a basis for attacking the legality of the order or any action relating thereto.

“(b) An order or amendment shall be deemed approved by producers if the commission determines that it is approved by at least two-thirds of the voting producers who, during a representative period determined by the commission, have been engaged in the production of milk the price of which would be regulated under the proposed order or amendment.

“(c) For purposes of any referendum, the commission shall consider the approval or disapproval by any cooperative association of producers, qualified under the provisions of the Act of Congress of February 18, 1922, as amended, known as the Capper-Volstead Act, bona fide engaged in marketing milk, or in rendering services for or advancing the interests of producers of such commodity, as the approval or disapproval of the producers who are members or stockholders in, or under contract with, such cooperative association of producers, except as provided in subdivision (1) hereof and subject to the provisions of subdivision (2) through (5) hereof.

“(1) No cooperative which has been formed to act as a common marketing agency for both cooperatives and individual producers shall be qualified to block vote for either.

“(2) Any cooperative which is qualified to block vote shall, before submitting its approval or disapproval in any referendum, give prior written notice to each of its members as to whether and how it intends to cast its vote. The notice shall be given in a timely manner as established, and in the form prescribed, by the commission.

“(3) Any producer may obtain a ballot from the commission in order to register approval or disapproval of the proposed order.

“(4) A producer who is a member of a cooperative which has provided notice of its intent to approve or not to approve a proposed order, and who obtains a ballot and with such ballot expresses his approval or disapproval of the proposed order, shall notify the commission as to the name of the cooperative of which he or she is a member, and

the commission shall remove such producer's name from the list certified by such cooperative with its corporate vote.

“(5) In order to insure that all milk producers are informed regarding the proposed order, the commission shall notify all milk producers that an order is being considered and that each producer may register his approval or disapproval with the commission either directly or through his or her cooperative.

##### “§ 14. Termination of over-order price or marketing order

“(a) The commission shall terminate any regulations establishing an over-order price or commission marketing order issued under this article whenever it finds that such order or price obstructs or does not tend to effectuate the declared policy of this compact.

“(b) The commission shall terminate any regulations establishing an over-order price or a commission marketing order issued under this article whenever it finds that such termination is favored by a majority of the producers who, during a representative period determined by the commission, have been engaged in the production of milk the price of which is regulated by such order; but such termination shall be effective only if announced on or before such date as may be specified in such marketing agreement or order.

“(c) The termination or suspension of any order or provision thereof, shall not be considered an order within the meaning of this article and shall require no hearing, but shall comply with the requirements for informal rulemaking prescribed by section four of the Federal Administrative Procedure Act, as amended (5 U.S.C. §553).

#### “ARTICLE VI. ENFORCEMENT

##### “§ 15. Records; reports; access to premises

“(a) The commission may by rule and regulation prescribe record keeping and reporting requirements for all regulated persons. For purposes of the administration and enforcement of this compact, the commission is authorized to examine the books and records of any regulated person relating to his or her milk business and for that purpose, the commission's properly designated officers, employees, or agents shall have full access during normal business hours to the premises and records of all regulated persons.

“(b) Information furnished to or acquired by the commission officers, employees, or its agents pursuant to this section shall be confidential and not subject to disclosure except to the extent that the commission deems disclosure to be necessary in any administrative or judicial proceeding involving the administration or enforcement of this compact, an over-order price, a compact marketing order, or other regulations of the commission. The commission may promulgate regulations further defining the confidentiality of information pursuant to this section. Nothing in this section shall be deemed to prohibit (i) the issuance of general statements based upon the reports of a number of handlers, which do not identify the information furnished by any person, or (ii) the publication by direction of the commission of the name of any person violating any regulation of the commission, together with a statement of the particular provisions violated by such person.

“(c) No officer, employee, or agent of the commission shall intentionally disclose information, by inference or otherwise, which is made confidential pursuant to this section. Any person violating the provisions of this section shall, upon conviction, be subject to a fine of not more than one thousand dollars or to imprisonment for not more

than one year, or to both, and shall be removed from office. The commission shall refer any allegation of a violation of this section to the appropriate state enforcement authority or United States Attorney.

**“§ 16. Subpoena; hearings and judicial review**

“(a) The commission is hereby authorized and empowered by its members and its properly designated officers to administer oaths and issue subpoenas throughout all signatory states to compel the attendance of witnesses and the giving of testimony and the production of other evidence.

“(b) Any handler subject to an order may file a written petition with the commission stating that any such order or any provision of any such order or any obligation imposed in connection therewith is not in accordance with law and praying for a modification thereof or to be exempted therefrom. He shall thereupon be given an opportunity for a hearing upon such petition, in accordance with regulations made by the commission. After such hearing, the commission shall make a ruling upon the prayer of such petition which shall be final, if in accordance with law.

“(c) The district courts of the United States in any district in which such handler is an inhabitant, or has his principal place of business, are hereby vested with jurisdiction to review such ruling, provided a complaint for that purpose is filed within thirty days from the date of the entry of such ruling. Service of process in such proceedings may be had upon the commission by delivering to it a copy of the complaint. If the court determines that such ruling is not in accordance with law, it shall remand such proceedings to the commission with directions either (1) to make such ruling as the court shall determine to be in accordance with law, or (2) to take such further proceedings as, in its opinion, the law requires. The pendency of proceedings instituted pursuant to this subdivision shall not impede, hinder, or delay the commission from obtaining relief pursuant to section seventeen. Any proceedings brought pursuant to section seventeen, except where brought by way of counterclaim in proceedings instituted pursuant to this section, shall abate whenever a final decree has been rendered in proceedings between the same parties, and covering the same subject matter, instituted pursuant to this section.

**“§ 17. Enforcement with respect to handlers**

“(a) Any violation by a handler of the provisions of regulations establishing an over-order price or a commission marketing order, or other regulations adopted pursuant to this compact shall:

“(1) Constitute a violation of the laws of each of the signatory states. Such violation shall render the violator subject to a civil penalty in an amount as may be prescribed by the laws of each of the participating states, recoverable in any state or federal court of competent jurisdiction. Each day such violation continues shall constitute a separate violation.

“(2) Constitute grounds for the revocation of license or permit to engage in the milk business under the applicable laws of the participating states.

“(b) With respect to handlers, the commission shall enforce the provisions of this compact, regulations establishing an over-order price, a commission marketing order or other regulations adopted hereunder by:

“(1) Commencing an action for legal or equitable relief brought in the name of the commission of any state or federal court of competent jurisdiction; or

“(2) Referral to the state agency for enforcement by judicial or administrative remedy with the agreement of the appropriate state agency of a participating state.

“(c) With respect to handlers, the commission may bring an action for injunction to enforce the provisions of this compact or the order or regulations adopted thereunder without being compelled to allege or prove that an adequate remedy of law does not exist.

**“ARTICLE VII. FINANCE**

**“§ 18. Finance of start-up and regular costs**

“(a) To provide for its start-up costs, the commission may borrow money pursuant to its general power under section six, subdivision (d), paragraph four. In order to finance the costs of administration and enforcement of this compact, including payback of start-up costs, the commission is hereby empowered to collect an assessment from each handler who purchases milk from producers within the region. If imposed, this assessment shall be collected on a monthly basis for up to one year from the date the commission convenes, in an amount not to exceed \$.015 per hundredweight of milk purchased from producers during the period of the assessment. The initial assessment may apply to the projected purchases of handlers for the two-month period following the date the commission convenes. In addition, if regulations establishing an over-order price or a compact marketing order are adopted, they may include an assessment for the specific purpose of their administration. These regulations shall provide for establishment of a reserve for the commission's ongoing operating expenses.

“(b) The commission shall not pledge the credit of any participating state or of the United States. Notes issued by the commission and all other financial obligations incurred by it, shall be its sole responsibility and no participating state or the United States shall be liable therefor.

**“§ 19. Audit and accounts**

“(a) The commission shall keep accurate accounts of all receipts and disbursements, which shall be subject to the audit and accounting procedures established under its rules. In addition, all receipts and disbursements of funds handled by the commission shall be audited yearly by a qualified public accountant and the report of the audit shall be included in and become part of the annual report of the commission.

“(b) The accounts of the commission shall be open at any reasonable time for inspection by duly constituted officers of the participating states and by any persons authorized by the commission.

“(c) Nothing contained in this article shall be construed to prevent commission compliance with laws relating to audit or inspection of accounts by or on behalf of any participating state or of the United States.

**“ARTICLE VIII. ENTRY INTO FORCE; ADDITIONAL MEMBERS AND WITHDRAWAL**

**“§ 20. Entry into force; additional members**

“The compact shall enter into force effective when enacted into law by any three states of the group of states composed of Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia and when the consent of Congress has been obtained.

**“§ 21. Withdrawal from compact**

“Any participating state may withdraw from this compact by enacting a statute repealing the same, but no such withdrawal shall take effect until one year after notice in writing of the withdrawal is given to the commission and the governors of all other participating states. No withdrawal shall affect any liability already incurred by or chargeable to a participating state prior to the time of such withdrawal.

**“§ 22. Severability**

“If any part or provision of this compact is adjudged invalid by any court, such judgment shall be confined in its operation to the part or provision directly involved in the controversy in which such judgment shall have been rendered and shall not affect or impair the validity of the remainder of this compact. In the event Congress consents to this compact subject to conditions, said conditions shall not impair the validity of this compact when said conditions are accepted by three or more compacting states. A compacting state may accept the conditions of Congress by implementation of this compact.”

**SEC. 703. PACIFIC NORTHWEST DAIRY COMPACT.**

Congress consents to a Pacific Northwest Dairy Compact proposed for the States of California, Oregon, and Washington, subject to the following conditions:

(1) TEXT.—The text of the Pacific Northwest Dairy Compact shall be identical to the text of the Southern Dairy Compact, except as follows:

(A) References to “south”, “southern”, and “Southern” shall be changed to “Pacific Northwest”.

(B) In section 9(b), the reference to “Atlanta, Georgia” shall be changed to “Seattle, Washington”.

(C) In section 20, the reference to “any three” and all that follows shall be changed to “California, Oregon, and Washington.”

(2) LIMITATION OF MANUFACTURING PRICE REGULATION.—The Dairy Compact Commission established to administer the Pacific Northwest Dairy Compact (referred to in this section as the “Commission”) may not regulate Class II, Class III, or Class IV milk used for manufacturing purposes or any other milk, other than Class I, or fluid milk, as defined by a Federal milk marketing order issued under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Act of 1937 (referred to in this section as a “Federal milk marketing order”).

(3) EFFECTIVE DATE.—Congressional consent under this section takes effect on the date (not later than 3 year after the date of enactment of this Act) on which the Pacific Northwest Dairy Compact is entered into by the second of the 3 States specified in the matter preceding paragraph (1).

(4) COMPENSATION OF COMMODITY CREDIT CORPORATION.—Before the end of each fiscal year in which a price regulation is in effect under the Pacific Northwest Dairy Compact, the Commission shall compensate the Commodity Credit Corporation for the cost of any purchases of milk and milk products by the Corporation that result from the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code.

(5) MILK MARKETING ORDER ADMINISTRATOR.—At the request of the Commission, the Administrator of the applicable Federal milk marketing order shall provide technical assistance to the Commission and be compensated for that assistance.

**SEC. 704. INTERMOUNTAIN DAIRY COMPACT.**

Congress consents to an Intermountain Dairy Compact proposed for the States of Colorado, Nevada, and Utah, subject to the following conditions:

(1) TEXT.—The text of the Intermountain Dairy Compact shall be identical to the text of the Southern Dairy Compact, except as follows:

(A) In section 1, the references to “southern” and “south” shall be changed to “Intermountain” and “Intermountain region”, respectively.

(B) References to "Southern" shall be changed to "Intermountain".

(C) In section 9(b), the reference to "Atlanta, Georgia" shall be changed to "Salt Lake City, Utah".

(D) In section 20, the reference to "any three" and all that follows shall be changed to "Colorado, Nevada, and Utah".

(2) **LIMITATION OF MANUFACTURING PRICE REGULATION.**—The Dairy Compact Commission established to administer the Intermountain Dairy Compact (referred to in this section as the "Commission") may not regulate Class II, Class III, or Class IV milk used for manufacturing purposes or any other milk, other than Class I, or fluid milk, as defined by a Federal milk marketing order issued under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Act of 1937 (referred to in this section as a "Federal milk marketing order").

(3) **EFFECTIVE DATE.**—Congressional consent under this section takes effect on the date (not later than 3 year after the date of enactment of this Act) on which the Intermountain Dairy Compact is entered into by the second of the 3 States specified in the matter preceding paragraph (1).

(4) **COMPENSATION OF COMMODITY CREDIT CORPORATION.**—Before the end of each fiscal year in which a price regulation is in effect under the Intermountain Dairy Compact, the Commission shall compensate the Commodity Credit Corporation for the cost of any purchases of milk and milk products by the Corporation that result from the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code.

(5) **MILK MARKETING ORDER ADMINISTRATOR.**—At the request of the Commission, the Administrator of the applicable Federal milk marketing order shall provide technical assistance to the Commission and be compensated for that assistance.

**SA 1336.** Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 2620, 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, 2002, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

**SEC. \_\_\_\_ . RELEASE OF HOME PROGRAM FUNDS.**

Notwithstanding the requirement regarding commitment of funds in the first sentence of section 288(b) of the HOME Investment Partnerships Act (42 U.S.C. 12838(b)), the Secretary of Housing and Urban Development (in this section referred to as the "Secretary") shall approve the release of funds under that section to the Arkansas Development Finance Authority (in this section referred to as the "ADFA") for projects, if—

(1) funds were committed to those projects on or before June 12, 2001;

(2) those projects had not been completed as of June 12, 2001;

(3) the ADFA has fully carried out its responsibilities as described in section 288(a); and

(4) the Secretary has approved the certification that meets the requirements of section 288(c) with respect to those projects.

**SA 1337.** Mr. HUTCHINSON submitted an amendment intended to be

proposed by him to the bill H.R. 2620, 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, 2002, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

**SEC. \_\_\_\_ . TORNADO SHELTERS GRANTS.**

(a) **CDBG ELIGIBLE ACTIVITIES.**—

(1) **IN GENERAL.**—Section 105(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)) is amended—

(A) in paragraph (22), by striking "and" at the end;

(B) in paragraph (23), by striking the period at the end and inserting a semicolon;

(C) in paragraph (24), by striking "and" at the end;

(D) in paragraph (25), by striking the period at the end and inserting "and"; and

(E) by adding at the end the following:

"(26) the construction or improvement of tornado- or storm-safe shelters for manufactured housing parks and residents of other manufactured housing, the acquisition of real property for sites for such shelters, and the provision of assistance (including loans and grants) to nonprofit or for-profit entities (including owners of such parks) for such construction, improvement, or acquisition, except that a shelter assisted with amounts made available pursuant to this paragraph—

"(A) shall be located in a neighborhood consisting predominantly of persons of low- and moderate-income; and

"(B) may not be made available exclusively for use of the residents of a particular manufactured housing park or of other manufactured housing, but shall generally serve the residents of the area in which it is located."

(2) **AUTHORIZATION OF APPROPRIATIONS.**—In addition to any amounts otherwise made available for grants under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.), there is authorized to be appropriated for assistance only for activities pursuant to section 105(a)(26) of that Act, as added by this section, \$50,000,000 for fiscal year 2002.

(b) **USE OF AMERICAN PRODUCTS.**—

(1) **PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.**—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available for the activities authorized under the amendments made by this section should be American-made.

(2) **NOTICE REQUIREMENT.**—In providing financial assistance to, or entering into any contract with, any entity using funds made available for the activities authorized under the amendments made by this section, the Secretary of Housing and Urban Development, to the greatest extent practicable, shall provide to that entity a notice describing the statement made in paragraph (1) by the Congress.

**SA 1338.** Ms. MIKULSKI (for herself and Mr. BOND) proposed an amendment to amendment SA 1214 submitted by Ms. MIKULSKI and intended to be proposed to the bill (H.R. 2620) making appropriations for the Department 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, 2002; and for other purposes; as follows:

At the end of Section 214, add the following:

Public Housing Authorities in Iowa that are a part of a city government shall not be required to comply with section 2(b) of the United States Housing Act of 1937, as amended, regarding the requirement that a public housing agency shall contain not less than one member who is directly assisted by the public housing authority during fiscal year 2002.

On page 62, between lines 13 and 14, insert the following:

**SEC. 218. ENDOWMENT FUNDS.**

Of the amounts appropriated in the Consolidated Appropriations Act, 2001 (Public Law 106-554), for the operation of an historical archive at the University of South Carolina, Department of Archives, South Carolina, such funds shall be available to the University of South Carolina to fund an endowment for the operation of an historical archive at the University of South Carolina, Department of Archives, South Carolina, without fiscal year limitation.

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . HAWAIIAN HOMELANDS.**

Section 247 of the National Housing Act (12 U.S.C. 1715z-12) is amended—

(1) in subsection (d), by striking paragraphs (1) and (2) and inserting the following:

"(1) **NATIVE HAWAIIAN.**—The term 'native Hawaiian' means any descendant of not less than one-half part of the blood of the races inhabiting the Hawaiian Islands before January 1, 1778, or, in the case of an individual who is awarded an interest in a lease of Hawaiian home lands through transfer or succession, such lower percentage as may be established for such transfer or succession under section 208 or 209 of the Hawaiian Homes Commission Act of 1920 (42 Stat. 111), or under the corresponding provision of the Constitution of the State of Hawaii adopted under section 4 of the Act entitled 'An Act to provide for the admission of the State of Hawaii into the Union', approved March 18, 1959 (73 Stat. 5).

"(2) **HAWAIIAN HOME LANDS.**—The term 'Hawaiian home lands' means all lands given the status of Hawaiian home lands under section 204 of the Hawaiian Homes Commission Act of 1920 (42 Stat. 110), or under the corresponding provision of the Constitution of the State of Hawaii adopted under section 4 of the Act entitled 'An Act to provide for the admission of the State of Hawaii into the Union', approved March 18, 1959 (73 Stat. 5)."; and

(2) by adding at the end the following:

"(e) **CERTIFICATION OF ELIGIBILITY FOR EXISTING LESSEES.**—Possession of a lease of Hawaiian home lands issued under section 207(a) of the Hawaiian Homes Commission Act of 1920 (42 Stat. 110), shall be sufficient to certify eligibility to receive a mortgage under this subchapter."

At the appropriate place insert the following:

**SEC. \_\_\_\_ . RELEASE OF HOME PROGRAM FUNDS.**

Notwithstanding the requirement regarding commitment of funds in the first sentence of section 288(b) of the HOME Investment Partnerships Act (42 U.S.C. 12838(b)), the Secretary of Housing and Urban Development (in this section referred to as the "Secretary") shall approve the release of funds under that section to the Arkansas Development Finance Authority (in this section referred to as the "ADFA") for projects, if—

(1) funds were committed to those projects on or before June 12, 2001;

(2) those projects had not been completed as of June 12, 2001;

(3) the ADFA has fully carried out its responsibilities as described in section 288(a); and

(4) the Secretary has approved the certification that meets the requirements of section 288(c) with respect to those projects.

(4) the Secretary has approved the certification that meets the requirements of section 288(c) with respect to those projects.

On page 18, after line 20, add the following:

SEC. 110. (a) STUDY OF VISCOSUPPLEMENTATION.—The Secretary of Veterans Affairs shall carry out a study of the benefits and costs of using viscosupplementation as a means of treating degenerative knee diseases in veterans instead of, or as a means of delaying, knee replacement. The study shall consider the benefits and costs of the procedure for veterans and the effect of the use of the procedure on the provision of medical care by the Department of Veterans Affairs.

(b) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the study carried out under subsection (a). The report shall set forth the results of the study, and include such other information regarding the study, including recommendations as a result of the study, as the Secretary considers appropriate.

(c) FUNDING.—The Secretary shall carry out the study under subsection (a) using amounts available to the Secretary under this title under the heading "MEDICAL AND PROSTHETIC RESEARCH".

At the appropriate place insert the following:

SEC. . Notwithstanding any other provision of law with respect to this or any other fiscal year, the Housing Authority of Baltimore City may use the remaining balance of the grant award of \$20,000,000 made to such authority for development efforts at Hollander Ridge in Baltimore, Maryland with funds appropriated for fiscal year 1996 under the heading "Public Housing Demolition, Site Revitalization, and Replacement Housing Grants" for the rehabilitation of the Claremont Homes project and for the provision of affordable housing in areas within the City of Baltimore either (1) designated by the partial consent decree in *Thompson v. HUD* as non-impacted census tracts or (2) designated by said authority as either strong neighborhoods experiencing private investment or dynamic growth areas where public and/or private commercial or residential investment is occurring.

At the appropriate place insert the following:

**SEC. . DISCRIMINATION IN THE SALE OR RENTAL OF HOUSING.**

(a) IN GENERAL.—Any entity that receives funds pursuant to this Act, and discriminates in the sale or rental of housing against any person because the person is, or is perceived to be, a victim of domestic violence, dating violence, sexual assault, or stalking, including because the person has contacted or received assistance or services from law enforcement related to the violence, shall be considered to be discriminating against any person in the terms, conditions, or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection with the sale or rental, because of sex under section 804(b) of the Civil Rights Act of 1968 (42 U.S.C. 3604(b)).

(b) DEFINITIONS.—In this section:

(1) COURSE OF CONDUCT.—The term "course of conduct" means a course of repeatedly maintaining a visual or physical proximity to a person or conveying verbal or written threats, including threats conveyed through electronic communications, or threats implied by conduct.

(2) DATING VIOLENCE.—The term "dating violence" has the meaning given the term in section 826 of the Higher Education Amendments of 1998 (20 U.S.C. 1152).

(3) DOMESTIC VIOLENCE.—The term "domestic violence" has the meaning given the term in section 826 of the Higher Education Amendments of 1998 (20 U.S.C. 1152).

(4) ELECTRONIC COMMUNICATIONS.—The term "electronic communications" includes communications via telephone, mobile phone, computer, e-mail, video recorder, fax machine, telex, or pager.

(5) PARENT; SON OR DAUGHTER.—The terms "parent" and "son or daughter" have the meanings given the terms in section 101 of the Family and Medical Leave Act of 1993 (29 U.S.C. 2611).

(6) REPEATEDLY.—The term "repeatedly" means on 2 or more occasions.

(7) SEXUAL ASSAULT.—The term "sexual assault" has the meaning given the term in section 826 of the Higher Education Amendments of 1998 (20 U.S.C. 1152).

(8) STALKING.—The term "stalking" means engaging in a course of conduct directed at a specific person that would cause a reasonable person to suffer substantial emotional distress or to fear bodily injury, sexual assault, or death to the person, or the person's spouse, parent, or son or daughter, or any other person who regularly resides in the person's household, if the conduct causes the specific person to have such distress or fear.

At the appropriate place, insert:

SEC. . NASA FUNDED PROPULSION TESTING.—NASA shall ensure that rocket propulsion testing funded by this Act is assigned to testing facilities by the Rocket Propulsion Test Management Board in accordance with current baseline roles. Assignments will be made to maximize the benefit of Federal government investments and shall include considerations such as facility cost, capability, availability, and personnel experience.

At the appropriate place in title III, insert the following:

**SEC. . EXPERIMENTAL PROGRAM TO STIMULATE LATE COMPETITIVE RESEARCH.**

From amounts available to the National Science Foundation under this act, a total of \$115,000,000 may be available to carry out the Experimental Program to Stimulate Competitive Research (EPSCoR), which includes \$25 million in co-funding.

On page 27, line 20, insert after the colon the following: "Provided, That the Secretary of Housing and Urban Development (Secretary) may provide technical and financial assistance to the Turtle Mountain Band of Chippewa for emergency housing, housing assistance, and other assistance to address the mold problem at the Turtle Mountain Indian Reservation; *Provided further*, That the Secretary shall work with the Turtle Mountain Band of Chippewa, the Federal Emergency Management Agency, the Indian Health Service, the Bureau of Indian Affairs, and other appropriate federal agencies in developing a plan to maximize federal resources to address the emergency housing needs and related problems."

At the appropriate place, insert the following:

SEC. . (a) ELIGIBILITY OF NORTH DAKOTA VETERANS CEMETERY FOR AID REGARDING VETERANS CEMETERIES.—The Secretary of Veterans Affairs shall treat the North Dakota Veterans Cemetery, Mandan, North Dakota, as a veterans' cemetery owned by the State of North Dakota for purposes of making grants to States in expanding or improving veterans' cemeteries under section 2408 of title 38, United States Code.

(a) APPLICABILITY.—This section shall take effect on the date of enactment of this Act, and shall apply with respect to grants under section 2408 of title 38, United States Code, that occur on or after that date.

At the appropriate place, insert the following:

SEC. . Notwithstanding any other provision of this Act, none of the funds appropriated or otherwise made available in this Act for 'Medical care' appropriations of the

Department of Veterans Affairs may be obligated for the realignment of the health care delivery system in Veterans Integrated Service Network 12 (VISN 12) until 60 days after the Secretary of Veterans Affairs certifies that the Department has: (1) consulted with veterans organizations, medical school affiliates, employee representatives, State veterans and health associations, and other interested parties with respect to the realignment plan to be implemented; and (2) made available to the Congress and the public information from the consultations regarding possible impacts on the accessibility of veterans health care services to affected veterans.

On page 34, line 2, strike out "\$60,000,000" and insert in lieu thereof: "\$70,000,000".

On page 47, line 20, strike out "\$1,097,257,000" and insert in lieu thereof: "\$1,087,257,000".

**SEC. 4. . SENSE OF THE SENATE CONCERNING THE STATE WATER POLLUTION CONTROL REVOLVING FUND.**

(a) FINDINGS.—Congress finds that—

(1) funds from the drinking water State revolving fund established under section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j-12) are allocated on the basis of an infrastructure needs survey conducted by the Administrator of the Environmental Protection Agency, in accordance with the Safe Drinking Water Act Amendments of 1996 (Public Law 104-182);

(2) the needs-based allocation of that fund was enacted by Congress and is seen as a fair and reasonable basis for allocation of funds under a revolving fund of this type;

(3) the Administrator of the Environmental Protection Agency also conducts a wastewater infrastructure needs survey that should serve as the basis for allocation of the State water pollution control revolving fund established under title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.);

(4) the current allocation formula for the State water pollution control revolving fund is so inequitable that it results in some States receiving funding in an amount up to 7 times as much as States with approximately similar populations, in terms of percentage of need met; and

(5) the Senate has proven unwilling to address that inequity in an appropriations bill, citing the necessity of addressing new allocation formulas only in authorization bills.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Committee on Environment and Public Works of the Senate should be prepared to enact authorizing legislation (including an equitable, needs-based formula) for the State water pollution control revolving fund as soon as practicable after the Senate returns from recess in September.

**SA 1339.** Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, strike all on lines 12 through 14.

**SA 1340.** Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike section 702.

**SA 1341.** Mr. FEINGOLD submitted an amendment intended to be proposed















by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

“Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 6, 2001.”

**SA 1467.** Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

“Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 5, 2001.”

**SA 1468.** Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

“Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 4, 2001.”

**SA 1469.** Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

“Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 3, 2001.”

**SA 1470.** Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 12, between lines 3 and 4, insert the following:

(c) DAIRY MARKET MITIGATION PAYMENTS.—

(1) IN GENERAL.—The Secretary shall use such funds of the Commodity Credit Corporation as are necessary to make a payment, in an amount equal to \$5,000, to the producers on each farm that, as of the date of enactment of this Act, is engaged in the commercial production of milk in the United States, as determined by the Secretary.

(2) COMPACT ADJUSTMENT PAYMENTS.—The Secretary shall use such funds of the Commodity Credit Corporation as are necessary to make a payment, in an amount equal to \$2,500, to the producers on each farm that, during the 1-year period ending on the date of enactment of this Act, was engaged in the commercial production of milk in an area covered by the Northeast Interstate Dairy Compact described in section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256), as determined by the Secretary.

(3) STUDY.—

(A) IN GENERAL.—The Secretary shall conduct a study of—

(i) the effectiveness of Federal milk marketing orders issued under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Act of 1937; and

(ii) methods of strengthening enforcement of, and improving compliance with, Federal milk marketing orders.

(B) REPORT.—Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the study, including any recommendations for strengthening enforcement of, and improving compliance with, Federal milk marketing orders.

#### AUTHORITY FOR COMMITTEES TO MEET

##### COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Thursday, August 2, 2001. The purpose of this Hearing will be to discuss rural economic development issues for the next Federal farm bill.

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

##### COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, August 2, 2001, at 9:30 a.m., on pending committee business.

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

##### COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

##### COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Commerce, Science and Transportation and the Committee on Energy and Natural Resources, be authorized to meet during the session of the Senate on Thursday, August 2, at 2:30 p.m., to conduct a joint oversight hearing. The committees will receive testimony on the National Academy of Sciences report on fuel economy.

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

##### COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, August 2, for purposes of conducting a full committee business meeting which is scheduled to begin at 9:30 a.m. The purpose of this business meeting is to continue consideration of energy policy legislation, if necessary.

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

##### COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, August 2, at 10 a.m., to conduct a business meeting.

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

##### COMMITTEE ON FINANCE

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet in open executive session during the session of the Senate on Thursday, August 2, 2001.

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

##### COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Thursday, August 2, 2001, at 9:30 a.m., for a business meeting to consider pending committee business.

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

##### COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on the nomination of John Lester Henshaw, of Missouri, to be an Assistant Secretary of Labor, Occupational Safety and Health Administration during the session of the Senate on Thursday, August 2, 2001, at 9:30 a.m.

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

##### COMMITTEE ON THE JUDICIARY

Mr. REID. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a markup on Thursday, August 2, 2001, at 10 a.m., in Dirksen Building room 226.

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

##### COMMITTEE ON RULES AND ADMINISTRATION

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on August 2, 2001, at 9 a.m., to hold a markup to consider the following legislation: S. 565, the “Equal Protection of Voting Rights Act of 2001”; an original resolution providing for members on the part of the Senate of the Joint Committee on Printing and the Joint Committee of Congress on the Library; S.J. Res. 19 and 20, providing for the reappointment of Anne d’Harnoncourt and the appointment of Roger W. Sant, respectively, as Smithsonian Institution citizen regents; and other legislative and administrative matters ready for consideration at the time of the markup.

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

##### COMMITTEE ON VETERANS’ AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Veterans’ Affairs be authorized to meet

during the session of the Senate on Thursday, August 2, 2001, for a hearing on the nominations of John A. Gauss to be Assistant Secretary of Veterans Affairs for Information and Technology, and Claude M. Kicklighter to be Assistant Secretary of Veterans Affairs for Policy and Planning, followed by a markup on pending legislation.

Committee Print of S. 739, the proposed "Heather French Henry Homeless Veterans Assistance Act."

Committee Print of S. 1088, the proposed "Veterans' Benefits Improvement Act of 2001."

Committee Print of S. 1090, the proposed "Veterans' Compensation Cost-of-Living Adjustment Act of 2001."

Committee Print of S. 1188, the proposed "Department of Veterans Affairs Medical Programs Enhancement Act of 2001."

The meeting will take place in room 418 of the Russell Senate Office Building at 2:30 p.m.

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

#### SUBCOMMITTEE ON FINANCIAL INSTITUTIONS

Mr. REID. Mr. President, I ask unanimous consent that the Subcommittee on Financial Institutions of the Committee on Banking, Housing and Urban Affairs be authorized to meet during the session of the Senate on Thursday, August 2, 2001, to conduct a hearing on "Comprehensive Deposit Insurance Reform: Responses to the FDIC Recommendations For Reform."

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

#### SUBCOMMITTEE ON READINESS AND MANAGEMENT SUPPORT

Mr. REID. Mr. President, I ask unanimous consent that the Subcommittee on Readiness and Management Support of the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, August 2, 2001, at 2:15 p.m., in open session to receive testimony on installation programs, military construction programs, and family housing programs, in review of the Defense authorization request for fiscal year 2002.

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

#### PRIVILEGES OF THE FLOOR

Mrs. LINCOLN. Madame President, I ask unanimous consent that the privilege of the floor be granted to one of my staff members, Matt Fryar.

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

#### DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2002

On August 1, 2001, the Senate amended and passed H.R. 2299, as follows:

*Resolved*, That the bill from the House of Representatives (H.R. 2299) entitled "An Act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes," do pass with the following amendment:

Strike out all after the enacting clause and insert:

*That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes, namely:*

#### TITLE I

##### DEPARTMENT OF TRANSPORTATION

##### OFFICE OF THE SECRETARY

##### SALARIES AND EXPENSES

*For necessary expenses of the Office of the Secretary, \$67,349,000: Provided, That not to exceed \$60,000 shall be for allocation within the Department for official reception and representation expenses as the Secretary may determine: Provided further, That notwithstanding any other provision of law, there may be credited to this appropriation up to \$2,500,000 in funds received in user fees.*

##### OFFICE OF CIVIL RIGHTS

*For necessary expenses of the Office of Civil Rights, \$8,500,000.*

##### TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

*For necessary expenses for conducting transportation planning, research, systems development, development activities, and making grants, to remain available until expended, \$15,592,000.*

##### TRANSPORTATION ADMINISTRATIVE SERVICE CENTER

*Necessary expenses for operating costs and capital outlays of the Transportation Administrative Service Center, not to exceed \$125,323,000, shall be paid from appropriations made available to the Department of Transportation: Provided, That such services shall be provided on a competitive basis to entities within the Department of Transportation: Provided further, That the above limitation on operating expenses shall not apply to non-DOT entities: Provided further, That no funds appropriated in this Act to an agency of the Department shall be transferred to the Transportation Administrative Service Center without the approval of the agency modal administrator: Provided further, That no assessments may be levied against any program, budget activity, subactivity or project funded by this Act unless notice of such assessments and the basis therefor are presented to the House and Senate Committees on Appropriations and are approved by such Committees.*

##### MINORITY BUSINESS RESOURCE CENTER PROGRAM

*For the cost of guaranteed loans, \$500,000, as authorized by 49 U.S.C. 332: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$18,367,000. In addition, for administrative expenses to carry out the guaranteed loan program, \$400,000.*

##### MINORITY BUSINESS OUTREACH

*For necessary expenses of Minority Business Resource Center outreach activities, \$3,000,000, of which \$2,635,000 shall remain available until September 30, 2003: Provided, That notwithstanding 49 U.S.C. 332, these funds may be used for business opportunities related to any mode of transportation.*

##### COAST GUARD

##### OPERATING EXPENSES

*For necessary expenses for the operation and maintenance of the Coast Guard, not otherwise provided for; purchase of not to exceed five passenger motor vehicles for replacement only; payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), and section 229(b) of the Social Security Act (42 U.S.C.*

*429(b)); and recreation and welfare, \$3,427,588,000, of which \$695,000,000 shall be available for defense-related activities including drug interdiction; and of which \$25,000,000 shall be derived from the Oil Spill Liability Trust Fund: Provided, That none of the funds appropriated in this or any other Act shall be available for pay for administrative expenses in connection with shipping commissioners in the United States: Provided further, That none of the funds provided in this Act shall be available for expenses incurred for yacht documentation under 46 U.S.C. 12109, except to the extent fees are collected from yacht owners and credited to this appropriation: Provided further, That of the amounts made available under this heading, not less than \$13,541,000 shall be used solely to increase staffing at Search and Rescue stations, surf stations and command centers, increase the training and experience level of individuals serving in said stations through targeted retention efforts, revised personnel policies and expanded training programs, and to modernize and improve the quantity and quality of personal safety equipment, including survival suits, for personnel assigned to said stations: Provided further, That the Department of Transportation Inspector General shall audit and certify to the House and Senate Committees on Appropriations that the funding described in the preceding proviso is being used solely to supplement and not supplant the Coast Guard's level of effort in this area in fiscal year 2001.*

##### ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

*For necessary expenses of acquisition, construction, renovation, and improvement of aids to navigation, shore facilities, vessels, and aircraft, including equipment related thereto, \$669,323,000, of which \$20,000,000 shall be derived from the Oil Spill Liability Trust Fund; of which \$79,640,000 shall be available to acquire, repair, renovate or improve vessels, small boats and related equipment, to remain available until September 30, 2006; \$12,500,000 shall be available to acquire new aircraft and increase aviation capability, to remain available until September 30, 2004; \$97,921,000 shall be available for other equipment, to remain available until September 30, 2004; \$88,862,000 shall be available for shore facilities and aids to navigation facilities, to remain available until September 30, 2004; \$65,200,000 shall be available for personnel compensation and benefits and related costs, to remain available until September 30, 2003; and \$325,200,000 for the Integrated Deepwater Systems program, to remain available until September 30, 2006: Provided, That the Commandant of the Coast Guard is authorized to dispose of surplus real property, by sale or lease, and the proceeds shall be credited to this appropriation as offsetting collections and made available only for the National Distress and Response System Modernization program, to remain available for obligation until September 30, 2004: Provided further, That none of the funds provided under this heading may be obligated or expended for the Integrated Deepwater Systems (IDS) system integration contract until the Secretary or Deputy Secretary of Transportation and the Director, Office of Management and Budget jointly certify to the House and Senate Committees on Appropriations that funding for the IDS program for fiscal years 2003 through 2007, funding for the National Distress and Response System Modernization program to allow for full deployment of said system by 2006, and funding for other essential Search and Rescue procurements, are fully funded in the Coast Guard Capital Investment Plan and within the Office of Management and Budget's budgetary projections for the Coast Guard for those years: Provided further, That none of the funds provided under this heading may be obligated or expended for the Integrated Deepwater Systems (IDS) integration contract until the Secretary or Deputy Secretary of Transportation, and the*

Director, Office of Management and Budget jointly approve a contingency procurement strategy for the recapitalization of assets and capabilities envisioned in the IDS: Provided further, That upon initial submission to the Congress of the fiscal year 2003 President's budget, the Secretary of Transportation shall transmit to the Congress a comprehensive capital investment plan for the United States Coast Guard which includes funding for each budget line item for fiscal years 2003 through 2007, with total funding for each year of the plan constrained to the funding targets for those years as estimated and approved by the Office of Management and Budget: Provided further, That the amount herein appropriated shall be reduced by \$100,000 per day for each day after initial submission of the President's budget that the plan has not been submitted to the Congress: Provided further, That the Director, Office of Management and Budget shall submit the budget request for the IDS integration contract delineating sub-headings as follows: systems integrator, ship construction, aircraft, equipment, and communications, providing specific assets and costs under each sub-heading.

#### (RESCISSIONS)

Of the amounts made available under this heading in Public Laws 105-277, 106-69, and 106-346, \$8,700,000 are rescinded.

#### ENVIRONMENTAL COMPLIANCE AND RESTORATION

For necessary expenses to carry out the Coast Guard's environmental compliance and restoration functions under chapter 19 of title 14, United States Code, \$16,927,000, to remain available until expended.

#### ALTERATION OF BRIDGES

For necessary expenses for alteration or removal of obstructive bridges, \$15,466,000, to remain available until expended.

#### RETIRED PAY

For retired pay, including the payment of obligations therefor otherwise chargeable to lapsed appropriations for this purpose, payments under the Retired Serviceman's Family Protection and Survivor Benefits Plans, payment for career status bonuses under the National Defense Authorization Act, and for payments for medical care of retired personnel and their dependents under the Dependents Medical Care Act (10 U.S.C. ch. 55), \$876,346,000.

#### RESERVE TRAINING

##### (INCLUDING TRANSFER OF FUNDS)

For all necessary expenses of the Coast Guard Reserve, as authorized by law; maintenance and operation of facilities; and supplies, equipment, and services, \$83,194,000: Provided, That no more than \$25,800,000 of funds made available under this heading may be transferred to Coast Guard "Operating expenses" or otherwise made available to reimburse the Coast Guard for financial support of the Coast Guard Reserve: Provided further, That none of the funds in this Act may be used by the Coast Guard to assess direct charges on the Coast Guard Reserves for items or activities which were not so charged during fiscal year 1997.

#### RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

For necessary expenses, not otherwise provided for, for applied scientific research, development, test, and evaluation; maintenance, rehabilitation, lease and operation of facilities and equipment, as authorized by law, \$21,722,000, to remain available until expended, of which \$3,492,000 shall be derived from the Oil Spill Liability Trust Fund: Provided, That there may be credited to and used for the purposes of this appropriation funds received from State and local governments, other public authorities, private sources, and foreign countries, for expenses incurred for research, development, testing, and evaluation.

#### FEDERAL AVIATION ADMINISTRATION OPERATIONS

For necessary expenses of the Federal Aviation Administration, not otherwise provided for, including operations and research activities related to commercial space transportation, administrative expenses for research and development, establishment of air navigation facilities, the operation (including leasing) and maintenance of aircraft, subsidizing the cost of aeronautical charts and maps sold to the public, lease or purchase of passenger motor vehicles for replacement only, in addition to amounts made available by Public Law 104-264, \$6,916,000,000, of which \$5,777,219,000 shall be derived from the Airport and Airway Trust Fund: Provided, That there may be credited to this appropriation funds received from States, counties, municipalities, foreign authorities, other public authorities, and private sources, for expenses incurred in the provision of agency services, including receipts for the maintenance and operation of air navigation facilities, and for issuance, renewal or modification of certificates, including airman, aircraft, and repair station certificates, or for tests related thereto, or for processing major repair or alteration forms: Provided further, That of the funds appropriated under this heading, not less than \$6,000,000 shall be for the contract tower cost-sharing program: Provided further, That funds may be used to enter into a grant agreement with a nonprofit standard-setting organization to assist in the development of aviation safety standards: Provided further, That none of the funds in this Act shall be available for new applicants for the second career training program: Provided further, That none of the funds in this Act shall be available for paying premium pay under 5 U.S.C. 5546(a) to any Federal Aviation Administration employee unless such employee actually performed work during the time corresponding to such premium pay: Provided further, That none of the funds in this Act may be obligated or expended to operate a manned auxiliary flight service station in the contiguous United States.

#### FACILITIES AND EQUIPMENT

##### (AIRPORT AND AIRWAY TRUST FUND)

For necessary expenses, not otherwise provided for, for acquisition, establishment, and improvement by contract or purchase, and hire of air navigation and experimental facilities and equipment as authorized under part A of subtitle VII of title 49, United States Code, including initial acquisition of necessary sites by lease or grant; engineering and service testing, including construction of test facilities and acquisition of necessary sites by lease or grant; construction and furnishing of quarters and related accommodations for officers and employees of the Federal Aviation Administration stationed at remote localities where such accommodations are not available; and the purchase, lease, or transfer of aircraft from funds available under this heading; to be derived from the Airport and Airway Trust Fund, \$2,914,000,000, of which \$2,536,900,000 shall remain available until September 30, 2004, and of which \$377,100,000 shall remain available until September 30, 2002: Provided, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred in the establishment and modernization of air navigation facilities: Provided further, That upon initial submission to the Congress of the fiscal year 2003 President's budget, the Secretary of Transportation shall transmit to the Congress a comprehensive capital investment plan for the Federal Aviation Administration which includes funding for each budget line item for fiscal years 2003 through 2007, with total funding for each year of the plan constrained to the funding targets for those years as estimated and approved by the Office of Management and Budget: Provided further, That the amount herein appropriated shall be reduced by \$100,000 per

day for each day after initial submission of the President's budget that the plan has not been submitted to the Congress.

#### RESEARCH, ENGINEERING, AND DEVELOPMENT

##### (AIRPORT AND AIRWAY TRUST FUND)

For necessary expenses, not otherwise provided for, for research, engineering, and development, as authorized under part A of subtitle VII of title 49, United States Code, including construction of experimental facilities and acquisition of necessary sites by lease or grant, \$195,808,000, to be derived from the Airport and Airway Trust Fund and to remain available until September 30, 2004: Provided, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred for research, engineering, and development.

#### GRANTS-IN-AID FOR AIRPORTS

##### (LIQUIDATION OF CONTRACT AUTHORIZATION)

##### (LIMITATION ON OBLIGATIONS)

##### (AIRPORT AND AIRWAY TRUST FUND)

For liquidation of obligations incurred for grants-in-aid for airport planning and development, and noise compatibility planning and programs as authorized under subchapter I of chapter 471 and subchapter I of chapter 475 of title 49, United States Code, and under other law authorizing such obligations; for administration of such programs and of programs under section 40117 of such title; and for inspection activities and administration of airport safety programs, including those related to airport operating certificates under section 44706 of title 49, United States Code, \$1,800,000,000, to be derived from the Airport and Airway Trust Fund and to remain available until expended: Provided, That none of the funds under this heading shall be available for the planning or execution of programs the obligations for which are in excess of \$3,300,000,000 in fiscal year 2002, notwithstanding section 47117(h) of title 49, United States Code: Provided further, That notwithstanding any other provision of law, not more than \$64,597,000 of funds limited under this heading shall be obligated for administration: Provided further, That of the funds under this heading, not more than \$10,000,000 may be available to carry out the Essential Air Service program under subchapter II of chapter 417 of title 49 U.S.C., pursuant to section 41742(a) of such title.

#### GRANTS-IN-AID FOR AIRPORTS

##### (AIRPORT AND AIRWAY TRUST FUND)

##### (RESCISSION OF CONTRACT AUTHORIZATION)

Of the unobligated balances authorized under 49 U.S.C. 48103, as amended, \$301,720,000 are rescinded.

#### SMALL COMMUNITY AIR SERVICE DEVELOPMENT

For necessary expenses to carry out the Small Community Air Service Development Pilot Program under section 41743 of title 49 U.S.C., \$20,000,000, to remain available until expended.

#### AVIATION INSURANCE REVOLVING FUND

The Secretary of Transportation is hereby authorized to make such expenditures and investments, within the limits of funds available pursuant to 49 U.S.C. 44307, and in accordance with section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 9104), as may be necessary in carrying out the program for aviation insurance activities under chapter 443 of title 49, United States Code.

#### FEDERAL HIGHWAY ADMINISTRATION

##### LIMITATION ON ADMINISTRATIVE EXPENSES

Necessary expenses for administration and operation of the Federal Highway Administration, not to exceed \$316,521,000, of which \$25,000,000 shall be available to the National Scenic Byways program, \$500,000 shall be for the Kalispell, Montana Bypass Project, and the remainder shall be paid in accordance with law from

appropriations made available by this Act to the Federal Highway Administration together with advances and reimbursements received by the Federal Highway Administration: Provided, That of the funds available under section 104(a) of title 23, United States Code: \$7,500,000 shall be available for "Child Passenger Protection Education Grants" under section 2003(b) of Public Law 105-178, as amended; \$7,000,000 shall be available for motor carrier safety research; \$375,000 shall be available for a traffic project for Auburn University; and \$11,000,000 shall be available for the motor carrier crash data improvement program, the commercial driver's license improvement program, and the motor carrier 24-hour telephone hotline.

**FEDERAL-AID HIGHWAYS**

**(LIMITATION ON OBLIGATIONS)**

**(HIGHWAY TRUST FUND)**

None of the funds in this Act shall be available for the implementation or execution of programs, the obligations for which are in excess of \$31,919,103,000 for Federal-aid highways and highway safety construction programs for fiscal year 2002: Provided, That within the \$31,919,103,000 obligation limitation on Federal-aid highways and highway safety construction programs, not more than \$447,500,000 shall be available for the implementation or execution of programs for transportation research (sections 502, 503, 504, 506, 507, and 508 of title 23, United States Code, as amended; section 5505 of title 49, United States Code, as amended; and sections 5112 and 5204-5209 of Public Law 105-178) for fiscal year 2002: Provided further, That within the \$225,000,000 obligation limitation on Intelligent Transportation Systems, the following sums shall be made available for Intelligent Transportation System projects that are designed to achieve the goals and purposes set forth in section 5203 of the Intelligent Transportation Systems Act of 1998 (subtitle C of title V of Public Law 105-178; 112 Stat. 453; 23 U.S.C. 502 note) in the following specified areas:

Indiana Statewide, \$1,500,000;  
 Southeast Corridor, Colorado, \$9,900,000;  
 Jackson Metropolitan, Mississippi, \$1,000,000;  
 Harrison County, Mississippi, \$1,000,000;  
 Indiana, SAFE-T, \$3,000,000;  
 Maine Statewide (Rural), \$1,000,000;  
 Atlanta Metropolitan GRTA, Georgia, \$1,000,000;  
 Moscow, Idaho, \$2,000,000;  
 Washington Metropolitan Region, \$4,000,000;  
 Travel Network, South Dakota, \$3,200,000;  
 Central Ohio, \$3,000,000;  
 Delaware Statewide, \$4,000,000;  
 Santa Teresa, New Mexico, \$1,500,000;  
 Fargo, North Dakota, \$1,500,000;  
 Illinois Statewide, \$3,750,000;  
 Forsyth, Guilford Counties, North Carolina, \$2,000,000;  
 Durham, Wake Counties, North Carolina, \$1,000,000;  
 Chattanooga, Tennessee, \$2,380,000;  
 Nebraska Statewide, \$5,000,000;  
 South Carolina Statewide, \$7,000,000;  
 Texas Statewide, \$4,000,000;  
 Hawaii Statewide, \$1,750,000;  
 Wisconsin Statewide, \$2,000,000;  
 Arizona Statewide EMS, \$1,000,000;  
 Vermont Statewide (Rural), \$1,500,000;  
 Rutland, Vermont, \$1,200,000;  
 Detroit, Michigan (Airport), \$4,500,000;  
 Macomb, Michigan (border crossing), \$2,000,000;  
 Sacramento, California, \$6,000,000;  
 Lexington, Kentucky, \$1,500,000;  
 Maryland Statewide, \$2,000,000;  
 Clark County, Washington, \$1,000,000;  
 Washington Statewide, \$6,000,000;  
 Southern Nevada (bus), \$2,200,000;  
 Santa Anita, California, \$1,000,000;  
 Las Vegas, Nevada, \$3,000,000;  
 North Greenbush, New York, \$2,000,000;  
 New York, New Jersey, Connecticut (TRANSCOM), \$7,000,000;

Crash Notification, Alabama, \$2,500,000;  
 Philadelphia, Pennsylvania (Drexel), \$3,000,000;  
 Pennsylvania Statewide (Turnpike), \$1,000,000;

Alaska Statewide, \$3,000,000;  
 St. Louis, Missouri, \$1,500,000;  
 Wisconsin Communications Network, \$620,000:  
 Provided further, That, notwithstanding any other provision of law, funds authorized under section 110 of title 23, United States Code, for fiscal year 2002 shall be apportioned to the States in accordance with the distribution set forth in section 110(b)(4)(A) and (B) of title 23, United States Code, except that before such apportionments are made, \$35,565,651 shall be set aside for the program authorized under section 1101(a)(8)(A) of the Transportation Equity Act for the 21st Century, as amended, and section 204 of title 23, United States Code; \$31,815,091 shall be set aside for the program authorized under section 1101(a)(8)(B) of the Transportation Equity Act for the 21st Century, as amended, and section 204 of title 23, United States Code; \$21,339,391 shall be set aside for the program authorized under section 1101(a)(8)(C) of the Transportation Equity Act for the 21st Century, as amended, and section 204 of title 23, United States Code; \$2,586,593 shall be set aside for the program authorized under section 1101(a)(8)(D) of the Transportation Equity Act for the 21st Century, as amended, and section 204 of title 23, United States Code; \$4,989,367 shall be set aside for the program authorized under section 129(c) of title 23, United States Code, and section 1064 of the Intermodal Surface Transportation Efficiency Act of 1991, as amended; \$230,681,878 shall be set aside for the programs authorized under sections 1118 and 1119 of the Transportation Equity Act for the 21st Century, as amended; \$3,348,128 shall be set aside for the program authorized under section 1101(a)(11) of the Transportation Equity Act for the 21st Century, as amended and section 162 of title 23, United States Code; \$13,129,913 shall be set aside for the program authorized under section 118(c) of title 23, United States Code; \$13,129,913 shall be set aside for the program authorized under section 144(g) of title 23, United States Code; \$55,000,000 shall be set aside for the program authorized under section 1221 of the Transportation Equity Act for the 21st Century, as amended; \$100,000,000 shall be set aside to carry out a matching grant program to promote access to alternative methods of transportation; \$45,000,000 shall be set aside to carry out a pilot program that promotes innovative transportation solutions for people with disabilities; and \$23,896,000 shall be set aside and transferred to the Federal Motor Carrier Safety Administration as authorized by section 102 of Public Law 106-159: Provided further, That, of the funds to be apportioned to each State under section 110 for fiscal year 2002, the Secretary shall ensure that such funds are apportioned for the programs authorized under sections 1101(a)(1), 1101(a)(2), 1101(a)(3), 1101(a)(4), and 1101(a)(5) of the Transportation Equity Act for the 21st Century, as amended, in the same ratio that each State is apportioned funds for such programs in fiscal year 2002 but for this section.

**FEDERAL-AID HIGHWAYS**

**(LIQUIDATION OF CONTRACT AUTHORIZATION)**

**(HIGHWAY TRUST FUND)**

Notwithstanding any other provision of law, for carrying out the provisions of title 23, United States Code, that are attributable to Federal-aid highways, including the National Scenic and Recreational Highway as authorized by 23 U.S.C. 148, not otherwise provided, including reimbursement for sums expended pursuant to the provisions of 23 U.S.C. 308, \$30,000,000 or so much thereof as may be available in and derived from the Highway Trust Fund, to remain available until expended.

**APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM**

For necessary expenses for the Appalachian Development Highway System as authorized

under Section 1069(y) of Public Law 102-240, as amended, \$350,000,000, to remain available until expended.

**STATE INFRASTRUCTURE BANKS**

**(RESCISSION)**

Of the funds made available for State Infrastructure Banks in Public Law 104-205, \$5,750,000 are rescinded.

**FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION**

**MOTOR CARRIER SAFETY**

**LIMITATION ON ADMINISTRATIVE EXPENSES**

**(INCLUDING RESCISSION OF FUNDS)**

For necessary expenses for administration of motor carrier safety programs and motor carrier safety research, pursuant to section 104(a)(1)(B) of title 23, United States Code, not to exceed \$105,000,000 shall be paid in accordance with law from appropriations made available by this Act and from any available take-down balances to the Federal Motor Carrier Safety Administration, together with advances and reimbursements received by the Federal Motor Carrier Safety Administration, of which \$5,000,000 is for the motor carrier safety operations program: Provided, That such amounts shall be available to carry out the functions and operations of the Federal Motor Carrier Safety Administration.

**(RESCISSION)**

Of the unobligated balances authorized under 23 U.S.C. 104(a)(1)(B), \$6,665,342 are rescinded.

**NATIONAL MOTOR CARRIER SAFETY PROGRAM**

**(LIQUIDATION OF CONTRACT AUTHORIZATION)**

**(LIMITATION ON OBLIGATIONS)**

**(HIGHWAY TRUST FUND)**

**(INCLUDING RESCISSION OF CONTRACT AUTHORIZATION)**

For payment of obligations incurred in carrying out 49 U.S.C. 31102, 31106 and 31309, \$204,837,000, to be derived from the Highway Trust Fund and to remain available until expended: Provided, That none of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of \$183,059,000 for "Motor Carrier Safety Grants", and "Information Systems": Provided further, That notwithstanding any other provision of law, of the \$22,837,000 provided under 23 U.S.C. 110, \$18,000,000 shall be for border State grants and \$4,837,000 shall be for State commercial driver's license program improvements.

Of the unobligated balances authorized under 49 U.S.C. 31102, 31106, and 31309, \$2,332,546 are rescinded.

**NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION**

**OPERATIONS AND RESEARCH**

For expenses necessary to discharge the functions of the Secretary, with respect to traffic and highway safety under chapter 301 of title 49, United States Code, and part C of subtitle VI of title 49, United States Code, \$132,000,000 of which \$96,360,000 shall remain available until September 30, 2004: Provided, That none of the funds appropriated by this Act may be obligated or expended to plan, finalize, or implement any rulemaking to add to section 575.104 of title 49 of the Code of Federal Regulations any requirement pertaining to a grading standard that is different from the three grading standards (treadwear, traction, and temperature resistance) already in effect.

**OPERATIONS AND RESEARCH**

**(LIQUIDATION OF CONTRACT AUTHORIZATION)**

**(LIMITATION ON OBLIGATIONS)**

**(HIGHWAY TRUST FUND)**

**(INCLUDING RESCISSION OF CONTRACT AUTHORIZATION)**

For payment of obligations incurred in carrying out the provisions of 23 U.S.C. 403, to remain available until expended, \$72,000,000, to be

derived from the Highway Trust Fund: Provided, That none of the funds in this Act shall be available for the planning or execution of programs the total obligations for which, in fiscal year 2002, are in excess of \$72,000,000 for programs authorized under 23 U.S.C. 403.

Of the unobligated balances authorized under 23 U.S.C. 403, \$1,516,000 are rescinded.

**NATIONAL DRIVER REGISTER  
(HIGHWAY TRUST FUND)**

For expenses necessary to discharge the functions of the Secretary with respect to the National Driver Register under chapter 303 of title 49, United States Code, \$2,000,000, to be derived from the Highway Trust Fund, and to remain available until expended.

**HIGHWAY TRAFFIC SAFETY GRANTS  
(LIQUIDATION OF CONTRACT AUTHORIZATION)  
(LIMITATION ON OBLIGATIONS)  
(HIGHWAY TRUST FUND)  
(INCLUDING RESCISSION OF CONTRACT  
AUTHORIZATION)**

Notwithstanding any other provision of law, for payment of obligations incurred in carrying out the provisions of 23 U.S.C. 402, 405, 410, and 411 to remain available until expended, \$223,000,000, to be derived from the Highway Trust Fund: Provided, That none of the funds in this Act shall be available for the planning or execution of programs the total obligations for which, in fiscal year 2002, are in excess of \$223,000,000 for programs authorized under 23 U.S.C. 402, 405, 410, and 411 of which \$160,000,000 shall be for "Highway Safety Programs" under 23 U.S.C. 402, \$15,000,000 shall be for "Occupant Protection Incentive Grants" under 23 U.S.C. 405, \$38,000,000 shall be for "Alcohol-Impaired Driving Countermeasures Grants" under 23 U.S.C. 410, and \$10,000,000 shall be for the "State Highway Safety Data Grants" under 23 U.S.C. 411: Provided further, That none of these funds shall be used for construction, rehabilitation, or remodeling costs, or for office furnishings and fixtures for State, local, or private buildings or structures: Provided further, That not to exceed \$8,000,000 of the funds made available for section 402, not to exceed \$750,000 of the funds made available for section 405, not to exceed \$1,900,000 of the funds made available for section 410, and not to exceed \$500,000 of the funds made available for section 411 shall be available to NHTSA for administering highway safety grants under chapter 4 of title 23, United States Code: Provided further, That not to exceed \$500,000 of the funds made available for section 410 "Alcohol-Impaired Driving Countermeasures Grants" shall be available for technical assistance to the States.

Of the unobligated balances authorized under 23 U.S.C. 402, 405, 410, and 411, \$468,600 are rescinded.

**FEDERAL RAILROAD ADMINISTRATION  
SAFETY AND OPERATIONS**

For necessary expenses of the Federal Railroad Administration, not otherwise provided for, \$111,357,000, of which \$6,159,000 shall remain available until expended: Provided, That, as part of the Washington Union Station transaction in which the Secretary assumed the first deed of trust on the property and, where the Union Station Redevelopment Corporation or any successor is obligated to make payments on such deed of trust on the Secretary's behalf, including payments on and after September 30, 1988, the Secretary is authorized to receive such payments directly from the Union Station Redevelopment Corporation, credit them to the appropriation charged for the first deed of trust, and make payments on the first deed of trust with those funds: Provided further, That such additional sums as may be necessary for payment on the first deed of trust may be advanced by the Administrator from unobligated balances available to the Federal Railroad Administration, to be reimbursed from payments received

from the Union Station Redevelopment Corporation.

**RAILROAD RESEARCH AND DEVELOPMENT**

For necessary expenses for railroad research and development, \$30,325,000, to remain available until expended.

**RAILROAD REHABILITATION AND IMPROVEMENT  
PROGRAM**

The Secretary of Transportation is authorized to issue to the Secretary of the Treasury notes or other obligations pursuant to section 512 of the Railroad Revitalization and Regulatory Reform Act of 1976 (Public Law 94-210), as amended, in such amounts and at such times as may be necessary to pay any amounts required pursuant to the guarantee of the principal amount of obligations under sections 511 through 513 of such Act, such authority to exist as long as any such guaranteed obligation is outstanding: Provided, That pursuant to section 502 of such Act, as amended, no new direct loans or loan guarantee commitments shall be made using Federal funds for the credit risk premium during fiscal year 2002.

**NEXT GENERATION HIGH-SPEED RAIL**

For necessary expenses for the Next Generation High-Speed Rail program as authorized under 49 U.S.C. 26101 and 26102, \$40,000,000, to remain available until expended.

**ALASKA RAILROAD REHABILITATION**

To enable the Secretary of Transportation to make grants to the Alaska Railroad, \$20,000,000 shall be for capital rehabilitation and improvements benefiting its passenger operations, to remain available until expended.

**NATIONAL RAIL DEVELOPMENT AND  
REHABILITATION**

To enable the Secretary to make grants and enter into contracts for the development and rehabilitation of freight and passenger rail infrastructure, \$12,000,000, to remain available until expended.

**CAPITAL GRANTS TO THE NATIONAL RAILROAD  
PASSENGER CORPORATION**

For necessary expenses of capital improvements of the National Railroad Passenger Corporation as authorized by 49 U.S.C. 24104(a), \$521,476,000, to remain available until expended.

**FEDERAL TRANSIT ADMINISTRATION  
ADMINISTRATIVE EXPENSES**

For necessary administrative expenses of the Federal Transit Administration's programs authorized by chapter 53 of title 49, United States Code, \$13,400,000: Provided, That no more than \$67,000,000 of budget authority shall be available for these purposes: Provided further, That of the funds in this Act available for execution of contracts under section 5327(c) of title 49, United States Code, \$2,000,000 shall be reimbursed to the Department of Transportation's Office of Inspector General for costs associated with audits and investigations of transit-related issues, including reviews of new fixed guideway systems: Provided further, That not to exceed \$2,600,000 for the National Transit Database shall remain available until expended.

**FORMULA GRANTS**

For necessary expenses to carry out 49 U.S.C. 5307, 5308, 5310, 5311, 5327, and section 3038 of Public Law 105-178, \$718,400,000, to remain available until expended: Provided, That no more than \$3,592,000,000 of budget authority shall be available for these purposes: Provided further, That, notwithstanding any other provision of law, of the funds provided under this heading, \$5,000,000 shall be available for grants for the costs of planning, delivery, and temporary use of transit vehicles for special transportation needs and construction of temporary transportation facilities for the VIII Paralympiad for the Disabled, to be held in Salt Lake City, Utah: Provided further, That in allocating the funds designated in the preceding

proviso, the Secretary shall make grants only to the Utah Department of Transportation, and such grants shall not be subject to any local share requirement or limitation on operating assistance under this Act or the Federal Transit Act, as amended: Provided further, That notwithstanding section 3008 of Public Law 105-78, \$3,350,000 of the funds to carry out 49 U.S.C. 5308 shall be transferred to and merged with funding provided for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities under "Federal Transit Administration, Capital investment grants".

**UNIVERSITY TRANSPORTATION RESEARCH**

For necessary expenses to carry out 49 U.S.C. 5505, \$1,200,000, to remain available until expended: Provided, That no more than \$6,000,000 of budget authority shall be available for these purposes.

**TRANSIT PLANNING AND RESEARCH**

For necessary expenses to carry out 49 U.S.C. 5303, 5304, 5305, 5311(b)(2), 5312, 5313(a), 5314, 5315, and 5322, \$23,000,000, to remain available until expended: Provided, That no more than \$116,000,000 of budget authority shall be available for these purposes: Provided further, That \$5,250,000 is available to provide rural transportation assistance (49 U.S.C. 5311(b)(2)), \$4,000,000 is available to carry out programs under the National Transit Institute (49 U.S.C. 5315), \$8,250,000 is available to carry out transit cooperative research programs (49 U.S.C. 5313(a)), \$55,422,400 is available for metropolitan planning (49 U.S.C. 5303, 5304, and 5305), \$11,577,600 is available for State planning (49 U.S.C. 5313(b)); and \$31,500,000 is available for the national planning and research program (49 U.S.C. 5314).

**TRUST FUND SHARE OF EXPENSES  
(LIQUIDATION OF CONTRACT AUTHORIZATION)  
(HIGHWAY TRUST FUND)**

Notwithstanding any other provision of law, for payment of obligations incurred in carrying out 49 U.S.C. 5303-5308, 5310-5315, 5317(b), 5322, 5327, 5334, 5505, and sections 3037 and 3038 of Public Law 105-178, \$5,397,800,000, to remain available until expended, and to be derived from the Mass Transit Account of the Highway Trust Fund: Provided, That \$2,873,600,000 shall be paid to the Federal Transit Administration's formula grants account: Provided further, That \$93,000,000 shall be paid to the Federal Transit Administration's transit planning and research account: Provided further, That \$53,600,000 shall be paid to the Federal Transit Administration's administrative expenses account: Provided further, That \$4,800,000 shall be paid to the Federal Transit Administration's university transportation research account: Provided further, That \$100,000,000 shall be paid to the Federal Transit Administration's job access and reverse commute grants program: Provided further, That \$2,272,800,000 shall be paid to the Federal Transit Administration's capital investment grants account.

**CAPITAL INVESTMENT GRANTS  
(INCLUDING TRANSFER OF FUNDS)**

For necessary expenses to carry out 49 U.S.C. 5308, 5309, 5318, and 5327, \$668,200,000, to remain available until expended: Provided, That no more than \$2,941,000,000 of budget authority shall be available for these purposes: Provided further, That notwithstanding any other provision of law, there shall be available for fixed guideway modernization, \$1,136,400,000; there shall be available for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities, \$568,200,000 together with \$3,350,000 transferred from "Federal Transit Administration, Formula grants" to allow the Secretary to make a grant of \$350,000 to Alameda Contra Costa County Transit District, California and a grant of \$6,000,000 for Central Oklahoma Transit facilities and there shall be available for new fixed

guideway systems \$1,236,400,000, to be available for transit new starts; to be available as follows:

- \$192,492 for Denver, Colorado, Southwest corridor light rail transit project;
- \$3,000,000 for Northeast Indianapolis downtown corridor project;
- \$3,000,000 for Northern Indiana South Shore commuter rail project;
- \$15,000,000 for Salt Lake City, Utah, CBD to University light rail transit project;
- \$6,000,000 for Salt Lake City, Utah, University Medical Center light rail transit extension project;
- \$2,000,000 for Salt Lake City, Utah, Ogden-Provo commuter rail project;
- \$4,000,000 for Wilmington, Delaware, Transit Corridor project;
- \$500,000 for Yosemite Area Regional Transportation System project;
- \$60,000,000 for Denver, Colorado, Southeast corridor light rail transit project;
- \$10,000,000 for Kansas City, Missouri, Central Corridor Light Rail transit project;
- \$25,000,000 for Atlanta, Georgia, MARTA extension project;
- \$2,000,000 for Maine Marine Highway development project;
- \$151,069,771 for New Jersey, Hudson-Bergen light rail transit project;
- \$20,000,000 for Newark-Elizabeth, New Jersey, rail link project;
- \$3,000,000 for New Jersey Urban Core Newark Penn Station improvements project;
- \$7,000,000 for Cleveland, Ohio, Euclid corridor extension project;
- \$2,000,000 for Albuquerque, New Mexico, light rail project;
- \$35,000,000 for Chicago, Illinois, Douglas branch reconstruction project;
- \$5,000,000 for Chicago, Illinois, Ravenswood line extension project;
- \$24,223,268 for St. Louis, Missouri, Metrolink St. Clair extension project;
- \$30,000,000 for Chicago, Illinois, Metra North central, South West, Union Pacific commuter project;
- \$10,000,000 for Charlotte, North Carolina, South corridor light rail transit project;
- \$9,000,000 for Raleigh, North Carolina, Triangle transit project;
- \$65,000,000 for San Diego, California, Mission Valley East light rail transit extension project;
- \$10,000,000 for Los Angeles, California, East Side corridor light rail transit project;
- \$80,605,331 for San Francisco, California, BART extension project;
- \$9,289,557 for Los Angeles, California, North Hollywood extension project;
- \$5,000,000 for Stockton, California, Altamont commuter rail project;
- \$113,336 for San Jose, California, Tasman West, light rail transit project;
- \$6,000,000 for Nashville, Tennessee, Commuter rail project;
- \$19,170,000 for Memphis, Tennessee, Medical Center rail extension project;
- \$150,000 for Des Moines, Iowa, DSM bus feasibility project;
- \$100,000 for Macro Vision Pioneer, Iowa, light rail feasibility project;
- \$3,500,000 for Sioux City, Iowa, light rail project;
- \$300,000 for Dubuque, Iowa, light rail feasibility project;
- \$2,000,000 for Charleston, South Carolina, Monobeam project;
- \$5,000,000 for Anderson County, South Carolina, transit system project;
- \$70,000,000 for Dallas, Texas, North central light rail transit extension project;
- \$25,000,000 for Houston, Texas, Metro advanced transit plan project;
- \$4,000,000 for Fort Worth, Texas, Trinity railway express project;
- \$12,000,000 for Honolulu, Hawaii, Bus rapid transit project;
- \$10,631,245 for Boston, Massachusetts, South Boston Piers transitway project;

- \$1,000,000 for Boston, Massachusetts, Urban ring transit project;
- \$4,000,000 for Kenosha-Racine, Milwaukee Wisconsin, commuter rail extension project;
- \$23,000,000 for New Orleans, Louisiana, Canal Street car line project;
- \$7,000,000 for New Orleans, Louisiana, Airport CBD commuter rail project;
- \$3,000,000 for Burlington, Vermont, Burlington to Middlebury rail line project;
- \$1,000,000 for Detroit, Michigan, light rail airport link project;
- \$1,500,000 for Grand Rapids, Michigan, ITP metro area, major corridor project;
- \$500,000 for Iowa, Metrolink light rail feasibility project;
- \$6,000,000 for Fairfield, Connecticut, Commuter rail project;
- \$4,000,000 for Stamford, Connecticut, Urban transitway project;
- \$3,000,000 for Little Rock, Arkansas, River rail project;
- \$14,000,000 for Maryland, MARC commuter rail improvements projects;
- \$3,000,000 for Baltimore, Maryland, rail transit project;
- \$60,000,000 for Largo, Maryland, metrorail extension project;
- \$18,110,000 for Baltimore, Maryland, central light rail transit double track project;
- \$24,500,000 for Puget Sound, Washington, Sounder commuter rail project;
- \$30,000,000 for Fort Lauderdale, Florida, Tri-County commuter rail project;
- \$8,000,000 for Pawtucket-TF Green, Rhode Island, commuter rail and maintenance facility project;
- \$1,500,000 for Johnson County, Kansas, commuter rail project;
- \$20,000,000 for Long Island Railroad, New York, east side access project;
- \$3,000,000 for New York, New York, Second Avenue subway project;
- \$4,000,000 for Birmingham, Alabama, transit corridor project;
- \$5,000,000 for Nashua, New Hampshire-Lowell, Massachusetts, commuter rail project;
- \$10,000,000 for Pittsburgh, Pennsylvania, North Shore connector light rail extension project;
- \$13,000,000 for Philadelphia, Pennsylvania, Schuylkill Valley metro project;
- \$3,000,000 for Philadelphia, Pennsylvania, Cross County metro project;
- \$20,000,000 for Pittsburgh, Pennsylvania, stage II light rail transit reconstruction project;
- \$2,500,000 for Scranton, Pennsylvania, rail service to New York City project;
- \$2,500,000 for Wasilla, Alaska, alternate route project;
- \$1,000,000 for Ohio, Central Ohio North Corridor rail (COTA) project;
- \$4,000,000 for Virginia, VRE station improvements project;
- \$50,000,000 for Twin Cities, Minnesota, Hiawatha Corridor light rail transit project;
- \$70,000,000 for Portland, Oregon, Interstate MAX light rail transit extension project;
- \$50,149,000 for San Juan, Tren Urbano project;
- \$10,296,000 for Alaska and Hawaii Ferry projects.

#### JOB ACCESS AND REVERSE COMMUTE GRANTS

Notwithstanding section 3037(l)(3) of Public Law 105-178, as amended, for necessary expenses to carry out section 3037 of the Federal Transit Act of 1998, \$25,000,000, to remain available until expended: Provided, That no more than \$125,000,000 of budget authority shall be available for these purposes: Provided further, That up to \$250,000 of the funds provided under this heading may be used by the Federal Transit Administration for technical assistance and support and performance reviews of the Job Access and Reverse Commute Grants program.

#### SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

##### SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

The Saint Lawrence Seaway Development Corporation is hereby authorized to make such

expenditures, within the limits of funds and borrowing authority available to the Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the Corporation's budget for the current fiscal year.

#### OPERATIONS AND MAINTENANCE

##### (HARBOR MAINTENANCE TRUST FUND)

For necessary expenses for operations and maintenance of those portions of the Saint Lawrence Seaway operated and maintained by the Saint Lawrence Seaway Development Corporation, \$13,345,000, to be derived from the Harbor Maintenance Trust Fund, pursuant to Public Law 99-662.

#### RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

##### RESEARCH AND SPECIAL PROGRAMS

For expenses necessary to discharge the functions of the Research and Special Programs Administration, \$41,993,000, of which \$645,000 shall be derived from the Pipeline Safety Fund, and of which \$5,434,000 shall remain available until September 30, 2004: Provided, That up to \$1,200,000 in fees collected under 49 U.S.C. 5108(g) shall be deposited in the general fund of the Treasury as offsetting receipts: Provided further, That there may be credited to this appropriation, to be available until expended, funds received from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training, for reports publication and dissemination, and for travel expenses incurred in performance of hazardous materials exemptions and approvals functions.

#### PIPELINE SAFETY

##### (PIPELINE SAFETY FUND)

##### (OIL SPILL LIABILITY TRUST FUND)

For expenses necessary to conduct the functions of the pipeline safety program, for grants-in-aid to carry out a pipeline safety program, as authorized by 49 U.S.C. 60107, and to discharge the pipeline program responsibilities of the Oil Pollution Act of 1990, \$58,750,000, of which \$11,472,000 shall be derived from the Oil Spill Liability Trust Fund and shall remain available until September 30, 2003; of which \$47,278,000 shall be derived from the Pipeline Safety Fund, of which \$30,828,000 shall remain available until September 30, 2004.

#### EMERGENCY PREPAREDNESS GRANTS

##### (EMERGENCY PREPAREDNESS FUND)

For necessary expenses to carry out 49 U.S.C. 5127(c), \$200,000, to be derived from the Emergency Preparedness Fund, to remain available until September 30, 2004: Provided, That not more than \$14,300,000 shall be made available for obligation in fiscal year 2002 from amounts made available by 49 U.S.C. 5116(i) and 5127(d): Provided further, That none of the funds made available by 49 U.S.C. 5116(i) and 5127(d) shall be made available for obligation by individuals other than the Secretary of Transportation, or his designee.

#### OFFICE OF INSPECTOR GENERAL

##### SALARIES AND EXPENSES

For necessary expenses of the Office of Inspector General to carry out the provisions of the Inspector General Act of 1978, as amended, \$50,614,000: Provided, That the Inspector General shall have all necessary authority, in carrying out the duties specified in the Inspector General Act, as amended (5 U.S.C. App. 3) to investigate allegations of fraud, including false statements to the government (18 U.S.C. 1001), by any person or entity that is subject to regulation by the Department: Provided further, That the funds made available under this heading shall be used to investigate, pursuant to section 41712 of title 49, United States Code: (1) unfair

or deceptive practices and unfair methods of competition by domestic and foreign air carriers and ticket agents; and (2) the compliance of domestic and foreign air carriers with respect to item (1) of this proviso.

**SURFACE TRANSPORTATION BOARD  
SALARIES AND EXPENSES**

For necessary expenses of the Surface Transportation Board, including services authorized by 5 U.S.C. 3109, \$18,457,000: Provided, That notwithstanding any other provision of law, not to exceed \$950,000 from fees established by the Chairman of the Surface Transportation Board shall be credited to this appropriation as offsetting collections and used for necessary and authorized expenses under this heading: Provided further, That the sum herein appropriated from the general fund shall be reduced on a dollar-for-dollar basis as such offsetting collections are received during fiscal year 2002, to result in a final appropriation from the general fund estimated at no more than \$17,507,000.

**BUREAU OF TRANSPORTATION  
STATISTICS**

**OFFICE OF AIRLINE INFORMATION  
(AIRPORT AND AIRWAY TRUST FUND)**

For necessary expenses of the Office of Airline Information, under chapter 111 of title 49, United States Code, \$3,760,000, to be derived from the Airport and Airway Trust Fund as authorized by Section 103(b) of Public Law 106-181.

**TITLE II**

**RELATED AGENCIES**

**ARCHITECTURAL AND TRANSPORTATION  
BARRIERS COMPLIANCE BOARD**

**SALARIES AND EXPENSES**

For expenses necessary for the Architectural and Transportation Barriers Compliance Board, as authorized by section 502 of the Rehabilitation Act of 1973, as amended, \$5,015,000: Provided, That, notwithstanding any other provision of law, there may be credited to this appropriation funds received for publications and training expenses.

**NATIONAL TRANSPORTATION SAFETY  
BOARD**

**SALARIES AND EXPENSES**

For necessary expenses of the National Transportation Safety Board, including hire of passenger motor vehicles and aircraft; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for a GS-15; uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901-5902) \$70,000,000, of which not to exceed \$2,000 may be used for official reception and representation expenses.

**TITLE III—GENERAL PROVISIONS**

**(INCLUDING TRANSFERS OF FUNDS)**

SEC. 301. During the current fiscal year applicable appropriations to the Department of Transportation shall be available for maintenance and operation of aircraft; hire of passenger motor vehicles and aircraft; purchase of liability insurance for motor vehicles operating in foreign countries on official department business; and uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901-5902).

SEC. 302. Such sums as may be necessary for fiscal year 2002 pay raises for programs funded in this Act shall be absorbed within the levels appropriated in this Act or previous appropriations Acts.

SEC. 303. Appropriations contained in this Act for the Department of Transportation shall be available for services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for an Executive Level IV.

SEC. 304. None of the funds in this Act shall be available for salaries and expenses of more than 98 political and Presidential appointees in the Department of Transportation.

SEC. 305. None of the funds in this Act shall be used for the planning or execution of any program to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings funded in this Act.

SEC. 306. None of the funds appropriated in this Act shall remain available for obligation beyond the current fiscal year, nor may any be transferred to other appropriations, unless expressly so provided herein.

SEC. 307. The expenditure of any appropriation under this Act for any consulting service through procurement contract pursuant to section 3109 of title 5, United States Code, 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. 308. (a) No recipient of funds made available in this Act shall disseminate personal information (as defined in 18 U.S.C. 2725(3)) obtained by a State department of motor vehicles in connection with a motor vehicle record as defined in 18 U.S.C. 2725(1), except as provided in 18 U.S.C. 2721 for a use permitted under 18 U.S.C. 2721.

(b) Notwithstanding subsection (a), the Secretary shall not withhold funds provided in this Act for any grantee if a State is in noncompliance with this provision.

SEC. 309. (a) For fiscal year 2002, the Secretary of Transportation shall—

(1) not distribute from the obligation limitation for Federal-aid Highways amounts authorized for administrative expenses and programs funded from the administrative takedown authorized by section 104(a)(1)(A) of title 23, United States Code, for the highway use tax evasion program, amounts provided under section 110 of title 23, United States Code, and for the Bureau of Transportation Statistics;

(2) not distribute an amount from the obligation limitation for Federal-aid Highways that is equal to the unobligated balance of amounts made available from the Highway Trust Fund (other than the Mass Transit Account) for Federal-aid highways and highway safety programs for the previous fiscal year the funds for which are allocated by the Secretary;

(3) determine the ratio that—

(A) the obligation limitation for Federal-aid Highways less the aggregate of amounts not distributed under paragraphs (1) and (2), bears to

(B) the total of the sums authorized to be appropriated for Federal-aid highways and highway safety construction programs (other than sums authorized to be appropriated for sections set forth in paragraphs (1) through (7) of subsection (b) and sums authorized to be appropriated for section 105 of title 23, United States Code, equal to the amount referred to in subsection (b)(8)) for such fiscal year less the aggregate of the amounts not distributed under paragraph (1) of this subsection;

(4) distribute the obligation limitation for Federal-aid Highways less the aggregate amounts not distributed under paragraphs (1) and (2) of section 117 of title 23, United States Code (relating to high priority projects program), section 201 of the Appalachian Regional Development Act of 1965, the Woodrow Wilson Memorial Bridge Authority Act of 1995, and \$2,000,000,000 for such fiscal year under section 105 of title 23, United States Code (relating to minimum guarantee) so that the amount of obligation authority available for each of such sections is equal to the amount determined by multiplying the ratio determined under paragraph (3) by the sums authorized to be appropriated for such section (except in the case of section 105, \$2,000,000,000) for such fiscal year;

(5) distribute the obligation limitation provided for Federal-aid Highways less the aggregate amounts not distributed under paragraphs (1) and (2) and amounts distributed under paragraph (4) for each of the programs that are allo-

cated by the Secretary under title 23, United States Code (other than activities to which paragraph (1) applies and programs to which paragraph (4) applies) by multiplying the ratio determined under paragraph (3) by the sums authorized to be appropriated for such program for such fiscal year; and

(6) distribute the obligation limitation provided for Federal-aid Highways less the aggregate amounts not distributed under paragraphs (1) and (2) and amounts distributed under paragraphs (4) and (5) for Federal-aid highways and highway safety construction programs (other than the minimum guarantee program, but only to the extent that amounts apportioned for the minimum guarantee program for such fiscal year exceed \$2,639,000,000, and the Appalachian development highway system program) that are apportioned by the Secretary under title 23, United States Code, in the ratio that—

(A) sums authorized to be appropriated for such programs that are apportioned to each State for such fiscal year, bear to

(B) the total of the sums authorized to be appropriated for such programs that are apportioned to all States for such fiscal year.

(b) EXCEPTIONS FROM OBLIGATION LIMITATION.—The obligation limitation for Federal-aid Highways shall not apply to obligations: (1) under section 125 of title 23, United States Code; (2) under section 147 of the Surface Transportation Assistance Act of 1978; (3) under section 9 of the Federal-Aid Highway Act of 1981; (4) under sections 131(b) and 131(j) of the Surface Transportation Assistance Act of 1982; (5) under sections 149(b) and 149(c) of the Surface Transportation and Uniform Relocation Assistance Act of 1987; (6) under sections 1103 through 1108 of the Intermodal Surface Transportation Efficiency Act of 1991; (7) under section 157 of title 23, United States Code, as in effect on the day before the date of the enactment of the Transportation Equity Act for the 21st Century; and (8) under section 105 of title 23, United States Code (but, only in an amount equal to \$639,000,000 for such fiscal year).

(c) REDISTRIBUTION OF UNUSED OBLIGATION AUTHORITY.—Notwithstanding subsection (a), the Secretary shall after August 1 for such fiscal year revise a distribution of the obligation limitation made available under subsection (a) if a State will not obligate the amount distributed during that fiscal year and redistribute sufficient amounts to those States able to obligate amounts in addition to those previously distributed during that fiscal year giving priority to those States having large unobligated balances of funds apportioned under sections 104 and 144 of title 23, United States Code, section 160 (as in effect on the day before the enactment of the Transportation Equity Act for the 21st Century) of title 23, United States Code, and under section 1015 of the Intermodal Surface Transportation Act of 1991 (105 Stat. 1943-1945).

(d) APPLICABILITY OF OBLIGATION LIMITATIONS TO TRANSPORTATION RESEARCH PROGRAMS.—The obligation limitation shall apply to transportation research programs carried out under chapter 5 of title 23, United States Code, except that obligation authority made available for such programs under such limitation shall remain available for a period of 3 fiscal years.

(e) REDISTRIBUTION OF CERTAIN AUTHORIZED FUNDS.—Not later than 30 days after the date of the distribution of obligation limitation under subsection (a), the Secretary shall distribute to the States any funds: (1) that are authorized to be appropriated for such fiscal year for Federal-aid highways programs (other than the program under section 160 of title 23, United States Code) and for carrying out subchapter I of chapter 311 of title 49, United States Code, and highway-related programs under chapter 4 of title 23, United States Code; and (2) that the Secretary determines will not be allocated to the States, and will not be available for obligation, in such

fiscal year due to the imposition of any obligation limitation for such fiscal year. Such distribution to the States shall be made in the same ratio as the distribution of obligation authority under subsection (a)(6). The funds so distributed shall be available for any purposes described in section 133(b) of title 23, United States Code.

(f) **SPECIAL RULE.**—Obligation limitation distributed for a fiscal year under subsection (a)(4) of this section for a section set forth in subsection (a)(4) shall remain available until used and shall be in addition to the amount of any limitation imposed on obligations for Federal-aid highway and highway safety construction programs for future fiscal years.

**SEC. 310.** The limitations on obligations for the programs of the Federal Transit Administration shall not apply to any authority under 49 U.S.C. 5338, previously made available for obligation, or to any other authority previously made available for obligation.

**SEC. 311.** None of the funds in this Act shall be used to implement section 404 of title 23, United States Code.

**SEC. 312.** None of the funds in this Act shall be available to plan, finalize, or implement regulations that would establish a vessel traffic safety fairway less than five miles wide between the Santa Barbara Traffic Separation Scheme and the San Francisco Traffic Separation Scheme.

**SEC. 313.** Notwithstanding any other provision of law, airports may transfer, without consideration, to the Federal Aviation Administration (FAA) instrument landing systems (along with associated approach lighting equipment and runway visual range equipment) which conform to FAA design and performance specifications, the purchase of which was assisted by a Federal airport-aid program, airport development aid program or airport improvement program grant. The Federal Aviation Administration shall accept such equipment, which shall thereafter be operated and maintained by FAA in accordance with agency criteria.

**SEC. 314.** Notwithstanding any other provision of law, and except for fixed guideway modernization projects, funds made available by this Act under "Federal Transit Administration, Capital investment grants" for projects specified in this Act or identified in reports accompanying this Act not obligated by September 30, 2004, and other recoveries, shall be made available for other projects under 49 U.S.C. 5309.

**SEC. 315.** The Secretary of Transportation shall, in cooperation with the Federal Aviation Administrator, encourage a locally developed and executed plan between the State of Illinois, the City of Chicago, and affected communities for the purpose of modernizing O'Hare International Airport, addressing traffic congestion along the Northwest Corridor including western airport access, increasing commercial air service at the Gary-Chicago Airport, increasing commercial air service at the Greater Rockford Airport, preserving and utilizing existing Chicago-area reliever and general aviation airports, and moving forward with a third Chicago-area airport. If such a plan cannot be developed and executed by said parties, the Secretary and the Administrator shall work with Congress to enact a federal solution to address the aviation capacity crisis in the Chicago area, including north-west Indiana.

**SEC. 316.** Notwithstanding any other provision of law, any funds appropriated before October 1, 2001, under any section of chapter 53 of title 49, United States Code, that remain available for expenditure may be transferred to and administered under the most recent appropriation heading for any such section.

**SEC. 317.** None of the funds in this Act may be used to compensate in excess of 335 technical staff-years under the federally funded research and development center contract between the Federal Aviation Administration and the Center for Advanced Aviation Systems Development during fiscal year 2002.

**SEC. 318.** Funds received by the Federal Highway Administration, Federal Transit Adminis-

tration, and Federal Railroad Administration from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training may be credited respectively to the Federal Highway Administration's "Federal-Aid Highways" account, the Federal Transit Administration's "Transit Planning and Research" account, and to the Federal Railroad Administration's "Safety and Operations" account, except for State rail safety inspectors participating in training pursuant to 49 U.S.C. 20105.

**SEC. 319.** Effective on the date of enactment of this Act, of the funds made available under section 1101(a)(12) of Public Law 105-178, as amended, \$9,231,000 are rescinded.

**SEC. 320.** Beginning in fiscal year 2002 and thereafter, the Secretary may use up to 1 percent of the amounts made available to carry out 49 U.S.C. 5309 for oversight activities under 49 U.S.C. 5327.

**SEC. 321.** Funds made available for Alaska or Hawaii ferry boats or ferry terminal facilities pursuant to 49 U.S.C. 5309(m)(2)(B) may be used to construct new vessels and facilities, or to improve existing vessels and facilities, including both the passenger and vehicle-related elements of such vessels and facilities, and for repair facilities: Provided, That not more than \$3,000,000 of the funds made available pursuant to 49 U.S.C. 5309(m)(2)(B) may be used by the State of Hawaii to initiate and operate a passenger ferryboat services demonstration project to test the viability of different intra-island and inter-island ferry routes.

**SEC. 322.** Notwithstanding 31 U.S.C. 3302, funds received by the Bureau of Transportation Statistics from the sale of data products, for necessary expenses incurred pursuant to 49 U.S.C. 111 may be credited to the Federal-aid highways account for the purpose of reimbursing the Bureau for such expenses: Provided, That such funds shall be subject to the obligation limitation for Federal-aid highways and highway safety construction.

**SEC. 323.** Section 3030(a) of the Transportation Equity Act for the 21st Century (Public Law 105-178) is amended by adding at the end, the following line: "Washington County—Wilsonville to Beaverton commuter rail."

**SEC. 324.** Section 3030(b) of the Transportation Equity Act for the 21st Century (Public Law 105-178) is amended by adding at the end the following: "Detroit, Michigan Metropolitan Airport rail project."

**SEC. 325.** None of the funds in this Act may be obligated or expended for employee training which: (a) does not meet identified needs for knowledge, skills and abilities bearing directly upon the performance of official duties; (b) contains elements likely to induce high levels of emotional response or psychological stress in some participants; (c) does not require prior employee notification of the content and methods to be used in the training and written end of course evaluations; (d) 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; (e) is offensive to, or designed to change, participants' personal values or lifestyle outside the workplace; or (f) includes content related to human immunodeficiency virus/acquired immune deficiency syndrome (HIV/AIDS) other than that necessary to make employees more aware of the medical ramifications of HIV/AIDS and the workplace rights of HIV-positive employees.

**SEC. 326.** None of the funds in this Act shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegraph, telephone, letter, printed or written material, radio, television, video presentation, electronic communications, or other device, intended or designed to influence in any manner a Member of Congress or of a State legislature to favor or op-

pose by vote or otherwise, any legislation or appropriation by Congress or a State legislature after the introduction of any bill or resolution in Congress proposing such legislation or appropriation, or after the introduction of any bill or resolution in a State legislature proposing such legislation or appropriation: Provided, That this shall not prevent officers or employees of the Department of Transportation or related agencies funded in this Act from communicating to Members of Congress or to Congress, on the request of any Member, or to members of State legislature, or to a State legislature, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of business.

**SEC. 327.** (a) **IN GENERAL.**—None of the funds made available in this Act may be expended by an entity unless the entity agrees that in expending the funds the entity will comply with the Buy American Act (41 U.S.C. 10a-10c).

(b) **SENSE OF THE CONGRESS; REQUIREMENT REGARDING NOTICE.**—

(1) **PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.**—In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available in this Act, it is the sense of the Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products to the greatest extent practicable.

(2) **NOTICE TO RECIPIENTS OF ASSISTANCE.**—In providing financial assistance using funds made available in this Act, the head of each Federal agency shall provide to each recipient of the assistance a notice describing the statement made in paragraph (1) by the Congress.

(c) **PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.**—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, the person shall be ineligible to receive any contract or subcontract made with funds made available in 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. 328.** Notwithstanding any other provision of law, the Commandant of the United States Coast Guard shall maintain an onboard staffing level at the Coast Guard Yard in Curtis Bay, Maryland of not less than 530 full time equivalent civilian employees: Provided, That the Commandant may reconfigure his vessel maintenance schedule and new construction projects to maximize employment at the Coast Guard Yard.

**SEC. 329.** Rebates, refunds, incentive payments, minor fees and other funds received by the Department from travel management centers, charge card programs, the subleasing of building space, and miscellaneous sources are to be credited to appropriations of the Department and allocated to elements of the Department using fair and equitable criteria and such funds shall be available until December 31, 2002.

**SEC. 330.** For necessary expenses of the Amtrak Reform Council authorized under section 203 of Public Law 105-134, \$420,000, to remain available until September 30, 2003.

**SEC. 331.** In addition to amounts otherwise made available under this Act, to enable the Secretary of Transportation to make grants for surface transportation projects, \$20,000,000, of which \$4,000,000 shall be only for the Charleston International Airport, South Carolina parking facility project; \$2,000,000 shall be only for the Caraway Overpass Project in Jonesboro, Arkansas; \$1,000,000 shall be only for the Moorhead, Minnesota Southeast Main Rail relocation project; \$1,500,000 shall be only for the Interstate Route 295 and Commercial Street connector in Portland, Maine; and \$500,000 shall be only

for the Calais, Maine Downeast Heritage Center, access, parking, and pedestrian improvements, to remain available until expended.

SEC. 332. Section 648 of title 14, United States Code, is amended by striking the words "or such similar Coast Guard industrial establishments"; and inserting after the words "Coast Guard Yard": "and other Coast Guard specialized facilities". This paragraph is now labeled "(a)" and a new paragraph "(b)" is added to read as follows:

"(b) For providing support to the Department of Defense, the Coast Guard Yard and other Coast Guard specialized facilities designated by the Commandant shall qualify as components of the Department of Defense for competition and workload assignment purposes. In addition, for purposes of entering into joint public-private partnerships and other cooperative arrangements for the performance of work, the Coast Guard Yard and other Coast Guard specialized facilities may enter into agreements or other arrangements, receive and retain funds from and pay funds to such public and private entities, and may accept contributions of funds, materials, services, and the use of facilities from such entities. Amounts received under this subsection may be credited to appropriate Coast Guard accounts for fiscal year 2002 and for each fiscal year thereafter."

SEC. 333. None of the funds in this Act may be used to make a grant unless the Secretary of Transportation notifies the House and Senate Committees on Appropriations not less than three full business days before any discretionary grant award, letter of intent, or full funding grant agreement totaling \$1,000,000 or more is announced by the department or its modal administrations from: (1) any discretionary grant program of the Federal Highway Administration other than the emergency relief program; (2) the airport improvement program of the Federal Aviation Administration; or (3) any program of the Federal Transit Administration other than the formula grants and fixed guideway modernization programs: Provided, That no notification shall involve funds that are not available for obligation.

SEC. 334. INCREASE IN MOTOR CARRIER FUNDING. (a) IN GENERAL.—Notwithstanding any other provision of law, whenever an allocation is made of the sums authorized to be appropriated for expenditure on the Federal lands highway program, and whenever an apportionment is made of the sums authorized to be appropriated for expenditure on the surface transportation program, the congestion mitigation and air quality improvement program, the National Highway System, the Interstate maintenance program, the bridge program, the Appalachian development highway system, and the minimum guarantee program, the Secretary of Transportation shall deduct a sum in such amount not to exceed two-fifths of 1 percent of all sums so made available, as the Secretary determines necessary, to administer the provisions of law to be financed from appropriations for motor carrier safety programs and motor carrier safety research. The sum so deducted shall remain available until expended.

(b) EFFECT.—Any deduction by the Secretary of Transportation in accordance with this paragraph shall be deemed to be a deduction under section 104(a)(1)(B) of title 23, United States Code.

SEC. 335. For an airport project that the Administrator of the Federal Aviation Administration (FAA) determines will add critical airport capacity to the national air transportation system, the Administrator is authorized to accept funds from an airport sponsor, including entitlement funds provided under the "Grants-in-Aid for Airports" program, for the FAA to hire additional staff or obtain the services of consultants: Provided, That the Administrator is authorized to accept and utilize such funds only for the purpose of facilitating the timely processing, re-

view, and completion of environmental activities associated with such project.

SEC. 336. None of the funds made available in this Act may be used to further any efforts toward developing a new regional airport for southeast Louisiana until a comprehensive plan is submitted by a commission of stakeholders to the Administrator of the Federal Aviation Administration and that plan, as approved by the Administrator, is submitted to and approved by the Senate Committee on Appropriations and the House Committee on Appropriations.

SEC. 337. Section 8335(a) of title 5, United States Code, is amended by inserting the following before the period in the first sentence: "if the controller qualifies for an immediate annuity at that time. If not eligible for an immediate annuity upon reaching age 56, the controller may work until the last day of the month in which the controller becomes eligible for a retirement annuity unless the Secretary determines that such action would compromise safety".

SEC. 338. Notwithstanding any other provision of law, States may use funds provided in this Act under Section 402 of Title 23, United States Code, to produce and place highway safety public service messages in television, radio, cinema and print media, and on the Internet in accordance with guidance issued by the Secretary of Transportation: Provided, That any State that uses funds for such public service messages shall submit to the Secretary a report describing and assessing the effectiveness of the messages: Provided further, That \$15,000,000 designated for innovative grant funds under Section 157 of Title 23, United States Code shall be used for national television and radio advertising to support the national law enforcement mobilizations conducted in all 50 states, aimed at increasing safety belt and child safety seat use and controlling drunk driving.

SEC. 339. Section 1023(h) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 127 note) is amended—

(1) in the subsection heading, by inserting "OVER-THE-ROAD BUSES AND" before "PUBLIC"; and

(2) in paragraph (1), by striking "to any vehicle which" and inserting the following: "to—  
 "(A) any over-the-road bus, as that term is defined in section 301 of the Americans with Disabilities Act of 1990 (42 U.S.C. §12181); or  
 "(B) any vehicle that"

SEC. 340. None of the funds in this Act shall be used to pursue or adopt guidelines or regulations requiring airport sponsors to provide to the Federal Aviation Administration without cost building construction, maintenance, utilities and expenses, or space in airport sponsor-owned buildings for services relating to air traffic control, air navigation or weather reporting. The prohibition of funds in this section does not apply to negotiations between the Agency and airport sponsors to achieve agreement on "below-market" rates for these items or to grant assurances that require airport sponsors to provide land without cost to the FAA for air traffic control facilities.

SEC. 341. None of the funds provided in this Act or prior Appropriations Acts for Coast Guard "Acquisition, construction, and improvements" shall be available after the fifteenth day of any quarter of any fiscal year, unless the Commandant of the Coast Guard first submits a quarterly report to the House and Senate Committees on Appropriations on all major Coast Guard acquisition projects including projects executed for the Coast Guard by the United States Navy and vessel traffic service projects: Provided, That such reports shall include an acquisition schedule, estimated current and year funding requirements, and a schedule of anticipated obligations and outlays for each major acquisition project: Provided further, That such reports shall rate on a relative scale the cost risk, schedule risk, and technical risk associated with each acquisition project and include a

table detailing unobligated balances to date and anticipated unobligated balances at the close of the fiscal year and the close of the following fiscal year should the Administration's pending budget request for the acquisition, construction, and improvements account be fully funded: Provided further, That such reports shall also provide abbreviated information on the status of shore facility construction and renovation projects: Provided further, That all information submitted in such reports shall be current as of the last day of the preceding quarter.

SEC. 342. Funds provided in this Act for the Transportation Administrative Service Center (TASC) shall be reduced by \$37,000,000, which limits fiscal year 2002 TASC obligational authority for elements of the Department of Transportation funded in this Act to no more than \$88,323,000: Provided, That such reductions from the budget request shall be allocated by the Department of Transportation to each appropriations account in proportion to the amount included in each account for the Transportation Administrative Service Center.

SEC. 343. SAFETY OF CROSS-BORDER TRUCKING BETWEEN UNITED STATES AND MEXICO. No funds limited or appropriated in this Act may be obligated or expended for the review or processing of an application by a Mexican motor carrier for authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border until—

(1) the Federal Motor Carrier Safety Administration—

(A) performs a full safety compliance review of the carrier consistent with the safety fitness evaluation procedures set forth in part 385 of title 49, Code of Federal Regulations, and gives the carrier a satisfactory rating before granting conditional and, again, before granting permanent authority to any such carrier;

(B) requires that any such safety compliance review take place onsite at the Mexican motor carrier's facilities;

(C) requires Federal and State inspectors to verify electronically the status and validity of the license of each driver of a Mexican motor carrier commercial vehicle crossing the border;

(D) gives a distinctive Department of Transportation number to each Mexican motor carrier operating beyond the commercial zone to assist inspectors in enforcing motor carrier safety regulations including hours-of-service rules under part 395 of title 49, Code of Federal Regulations;

(E) requires—  
 (i) inspections of all commercial vehicles of Mexican motor carriers authorized, or seeking authority, to operate beyond United States municipalities and commercial zones on the United States-Mexico border that do not display a valid Commercial Vehicle Safety Alliance inspection decal, by certified Federal inspectors, or by State inspectors whose operations are funded in part or in whole by Federal funds, in accordance with the requirements for a Level I Inspection under the criteria of the North American Standard Inspection (as defined in section 350.105 of title 49, Code of Federal Regulations), including examination of the driver, vehicle exterior and vehicle under-carriage, and  
 (ii) a Commercial Vehicle Safety Alliance decal to be affixed to each such commercial vehicle upon completion of the inspection required by clause (i) or a re-inspection if the vehicle has met the criteria for the Level I inspection when no component parts were hidden from view and no evidence of a defect was present, and  
 (iii) that any such decal, when affixed, expire at the end of a period of not more than 90 days, but

nothing in this paragraph shall be construed to preclude the Administration from requiring reinspection of a vehicle bearing a valid inspection decal or from requiring that such a decal be removed when a certified Federal or State inspector determines that such a vehicle has a safety violation subsequent to the inspection for which the decal was granted;

(F) requires State inspectors who detect violations of Federal motor carrier safety laws or regulations to enforce them or notify Federal authorities of such violations;

(G) equips all United States-Mexico border crossings with Weigh-In-Motion (WIM) systems as well as fixed scales suitable for enforcement action and requires that inspectors verify by either means the weight of each commercial vehicle entering the United States at such a crossing;

(H) the Federal Motor Carrier Safety Administration has implemented a policy to ensure that no Mexican motor carrier will be granted authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border unless that carrier provides proof of valid insurance with an insurance company licensed and based in the United States; and

(I) publishes in final form regulations—

(i) under section 210(b) of the Motor Carrier Safety Improvement Act of 1999 (49 U.S.C. 3114 nt.) that establish minimum requirements for motor carriers, including foreign motor carriers, to ensure they are knowledgeable about Federal safety standards, that include the administration of a proficiency examination;

(ii) under section 31148 of title 49, United States Code, that implement measures to improve training and provide for the certification of motor carrier safety auditors;

(iii) under sections 218(a) and (b) of that Act (49 U.S.C. 31133 nt.) establishing standards for the determination of the appropriate number of Federal and State motor carrier inspectors for the United States-Mexico border;

(iv) under section 219(d) of that Act (49 U.S.C. 14901 nt.) that prohibit foreign motor carriers from leasing vehicles to another carrier to transport products to the United States while the lessor is subject to a suspension, restriction, or limitation on its right to operate in the United States;

(v) under section 219(a) of that Act (49 U.S.C. 14901 nt.) that prohibit foreign motor carriers from operating in the United States that is found to have operated illegally in the United States; and

(vi) under which a commercial vehicle operated by a Mexican motor carrier may not enter the United States at a border crossing unless an inspector is on duty; and

(2) the Department of Transportation Inspector General certifies in writing that—

(A) all new inspector positions funded under this Act have been filled and the inspectors have been fully trained;

(B) each inspector conducting on-site safety compliance reviews in Mexico consistent with the safety fitness evaluation procedures set forth in part 385 of title 49, Code of Federal Regulations, is fully trained as a safety specialist;

(C) the requirement of subparagraph (B) has not been met by transferring experienced inspectors from other parts of the United States to the United States-Mexico border, undermining the level of inspection coverage and safety elsewhere in the United States;

(D) the Federal Motor Carrier Safety Administration has implemented a policy to ensure compliance with hours-of-service rules under part 395 of title 49, Code of Federal Regulations, by Mexican motor carriers seeking authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border;

(E) the information infrastructure of the Mexican government is sufficiently accurate, accessible, and integrated with that of U.S. law enforcement authorities to allow U.S. authorities to verify the status and validity of licenses, vehicle registrations, operating authority and insurance of Mexican motor carriers while operating in the United States, and that adequate telecommunications links exist at all United States-Mexico border crossings used by Mexican motor carrier commercial vehicles, and in all mo-

bile enforcement units operating adjacent to the border, to ensure that licenses, vehicle registrations, operating authority and insurance information can be easily and quickly verified at border crossings or by mobile enforcement units;

(F) there is adequate capacity at each United States-Mexico border crossing used by Mexican motor carrier commercial vehicles to conduct a sufficient number of meaningful vehicle safety inspections and to accommodate vehicles placed out-of-service as a result of said inspections;

(G) there is an accessible database containing sufficiently comprehensive data to allow safety monitoring of all Mexican motor carriers that apply for authority to operate commercial vehicles beyond United States municipalities and commercial zones on the United States-Mexico border and the drivers of those vehicles; and

(H) measures are in place in Mexico, similar to those in place in the United States, to ensure the effective enforcement and monitoring of license revocation and licensing procedures.

For purposes of this section, the term "Mexican motor carrier" shall be defined as a Mexico-domiciled motor carrier operating beyond United States municipalities and commercial zones on the United States-Mexico border.

SEC. 344. Notwithstanding any other provision of law, for the purpose of calculating the non-federal contribution to the net project cost of the Regional Transportation Commission Resort Corridor Fixed Guideway Project in Clark County, Nevada, the Secretary of Transportation shall include all non-federal contributions (whether public or private) made on or after January 1, 2000 for engineering, final design, and construction of any element or phase of the project, including any fixed guideway project or segment connecting to that project, and also shall allow non-federal funds (whether public or private) expended on one element or phase of the project to be used to meet the non-federal share requirement of any element or phase of the project.

SEC. 345. Item 1348 of the table contained in section 1602 of the Transportation Equity Act for the 21st Century (112 Stat. 306) is amended by striking "Extend West Douglas Road" and inserting "Second Douglas Island Crossing".

SEC. 346. Item 642 in the table contained in section 1602 of the Transportation Equity Act for the 21st Century (112 Stat. 281), relating to Washington, is amended by striking "Construct passenger ferry facility to serve Southworth, Seattle" and inserting "Passenger only ferry to serve Kitsap County-Seattle".

Item 1793 in section 1602 of the Transportation Equity Act for the 21st Century (112 Stat. 322), relating to Washington, is amended by striking "Southworth Seattle Ferry" and inserting "Passenger only ferry to serve Kitsap County-Seattle".

SEC. 347. Notwithstanding any other provision of law, historic covered bridges eligible for Federal assistance under section 1224 of the Transportation Equity Act for the 21st Century, as amended, may be funded from amounts set aside for the discretionary bridge program.

SEC. 348. (a) Item 143 in the table under the heading "Capital Investment Grants" in title I of the Department of Transportation and Related Agencies Appropriations Act, 1999 (Public Law 105-277; 112 Stat. 2681-456) is amended by striking "Northern New Mexico park and ride facilities" and inserting "Northern New Mexico park and ride facilities and State of New Mexico, Buses and Bus-Related Facilities".

(b) Item 167 in the table under the heading "Capital Investment Grants" in title I of the Department of Transportation and Related Agencies Appropriations Act, 2000 (Public Law 106-69; 113 Stat. 1006) is amended by striking "Northern New Mexico Transit Express/Park and Ride buses" and inserting "Northern New Mexico park and ride facilities and State of New Mexico, Buses and Bus-Related Facilities".

SEC. 349. Beginning in fiscal year 2002 and thereafter, notwithstanding 49 U.S.C. 41742, no

essential air service subsidies shall be provided to communities in the United States (except Alaska) that are located fewer than 100 highway miles from the nearest large or medium hub airport, or fewer than 70 highway miles from the nearest small hub airport, or fewer than 50 highway miles from the nearest airport providing scheduled service with jet aircraft; or that require a rate of subsidy per passenger in excess of \$200 unless such point is greater than 210 miles from the nearest large or medium hub airport.

SEC. 350. (a) FINDINGS.—Congress makes the following findings:

(1) The condition of highway, railway, and waterway infrastructure across the Nation varies widely and is in need of improvement and investment.

(2) Thousands of tons of hazardous chemicals, and a very small amount of high level radioactive material, is transported along the Nation's highways, railways, and waterways each year.

(3) The volume of hazardous chemical transport increased by over one-third in the last 25 years and is expected to continue to increase. Some propose significantly increasing radioactive material transport.

(4) Approximately 261,000 people were evacuated across the Nation because of rail-related accidental releases of hazardous chemicals between 1978 and 1995, and during that period industry reported 8 transportation accidents involving the small volume of high level radioactive waste transported during that period.

(5) The Federal Railroad Administration has significantly decreased railroad inspections and has allocated few resources since 1993 to assure the structural integrity of railroad bridges. Train derailments have increased by 18 percent over roughly the same period.

(6) The poor condition of highway, railway, and waterway infrastructure, increases in the volume of hazardous chemical transport, and proposed increases in radioactive material transport increase the risk of accidents involving such chemicals and materials.

(7) Measuring the risks of hazardous chemical or radioactive material accidents and preventing such accidents requires specific information concerning the condition and suitability of specific transportation routes contemplated for such transport to inform and enable investment in related infrastructure.

(8) Mitigating the impact of hazardous chemical and radioactive material transportation accidents requires skilled, localized, and well-equipped emergency response personnel along all specifically identified transportation routes.

(9) Accidents involving hazardous chemical or radioactive material transport pose threats to the public health and safety, the environment, and the economy.

(b) STUDY.—The Secretary of Transportation shall, in consultation with the Comptroller General of the United States, conduct a study of the hazards and risks to public health and safety, the environment, and the economy associated with the transportation of hazardous chemicals and radioactive material.

(c) MATTERS TO BE ADDRESSED.—The study under subsection (b) shall address the following matters:

(1) Whether the Federal Government conducts individualized and detailed evaluations and inspections of the condition and suitability of specific transportation routes for the current, and any anticipated or proposed, transport of hazardous chemicals and radioactive material, including whether resources and information are adequate to conduct such evaluations and inspections.

(2) The costs and time required to ensure adequate inspection of specific transportation routes and related infrastructure and to complete the infrastructure improvements necessary to ensure the safety of current, and any anticipated or proposed, hazardous chemical and radioactive material transport.

(3) Whether Federal, State, and local emergency preparedness personnel, emergency response personnel, and medical personnel are adequately trained and equipped to promptly respond to accidents along specific transportation routes for current, anticipated, or proposed hazardous chemical and radioactive material transport.

(4) The costs and time required to ensure that Federal, State, and local emergency preparedness personnel, emergency response personnel, and medical personnel are adequately trained and equipped to promptly respond to accidents along specific transportation routes for current, anticipated, or proposed hazardous chemical and radioactive material transport.

(5) The availability of, or requirements to establish, information collection and dissemination systems adequate to provide the public, in an accessible manner, with timely, complete, specific, and accurate information (including databases) concerning actual, proposed, or anticipated shipments by highway, railway, or waterway of hazardous chemicals and radioactive materials, including accidents involving the transportation of such chemicals and materials by those means.

(d) **DEADLINE FOR COMPLETION.**—The study under subsection (b) shall be completed not later than six months after the date of the enactment of this Act.

(e) **REPORT.**—Upon completion of the study under subsection (b), the Secretary shall submit to Congress a report on the study.

SEC. 351. (a) Of the funds appropriated by title I for the Federal Railroad Administration under the heading “RAILROAD RESEARCH AND DEVELOPMENT”, up to \$750,000 may be expended to pay 25 percent of the total cost of a comprehensive study to assess existing problems in the freight and passenger rail infrastructure in the vicinity of Baltimore, Maryland, that the Secretary of Transportation shall carry out through the Federal Railroad Administration in cooperation with, and with a total amount of equal funding contributed by, Norfolk-Southern Corporation, CSX Corporation, and the State of Maryland.

(b)(1) The study shall include an analysis of the condition, track, and clearance limitations and efficiency of the existing tunnels, bridges, and other railroad facilities owned or operated by CSX Corporation, Amtrak, and Norfolk-Southern Corporation in the Baltimore area.

(2) The study shall examine the benefits and costs of various alternatives for reducing congestion and improving safety and efficiency in the operations on the rail infrastructure in the vicinity of Baltimore, including such alternatives for improving operations as shared usage of track, and such alternatives for improving the rail infrastructure as possible improvements to existing tunnels, bridges, and other railroad facilities, or construction of new facilities.

(c) Not later than one year after the date of the enactment of this Act, the Secretary shall submit a report on the results of the study to Congress. The report shall include recommendations on the matters described in subsection (b)(2).

SEC. 352. **PRIORITY HIGHWAY PROJECTS, GEORGIA.** In selecting projects to carry out using funds apportioned under section 110 of title 23, United States Code, the State of Georgia shall give priority consideration to the following projects:

(1) Improving Johnson Ferry Road from the Chattahoochee River to Abernathy Road, including the bridge over the Chattahoochee River.

(2) Widening Abernathy Road from 2 to 4 lanes from Johnson Ferry Road to Roswell Road.

SEC. 353. **SAFETY BELT USE LAW REQUIREMENTS.** Section 355(a) of the National Highway System Designation Act of 1995 (109 Stat. 624) is amended by striking “has achieved” and all

that follows and inserting the following: “has achieved a safety belt use rate of not less than 50 percent.”.

SEC. 354. **STUDY OF MISSISSIPPI RIVER BRIDGE IN MEMPHIS, TENNESSEE.** Not later than 180 days after the date of enactment of this Act, the Secretary of Transportation shall conduct a study and submit to Congress a report on the costs and benefits of constructing a third bridge across the Mississippi River in the Memphis, Tennessee, metropolitan area.

SEC. 355. (a) Congress makes the following findings:

(1) Section 345 of the National Highway System Designation Act of 1995 authorizes limited relief to drivers of certain types of commercial motor vehicles from certain restrictions on maximum driving time and on-duty time.

(2) Subsection (c) of that section requires the Secretary of Transportation to determine by rulemaking proceedings that the exemptions granted are not in the public interest and adversely affect the safety of commercial motor vehicles.

(3) Subsection (d) of that section requires the Secretary of Transportation to monitor the safety performance of drivers of commercial motor vehicles who are subject to an exemption under section 345 and report to Congress prior to the rulemaking proceedings.

(b) It is the sense of Congress that the Secretary of Transportation should not take any action that would diminish or revoke any exemption in effect on the date of the enactment of this Act for drivers of vehicles under section 345 of the National Highway System Designation Act of 1995 (Public Law 104–59; 109 Stat. 613; 49 U.S.C. 31136 note) unless the requirements of subsections (c) and (d) of such section are satisfied.

SEC. 356. Section 41703 of title 49, United States Code, is amended by adding at the end the following:

“(e) **AIR CARGO VIA ALASKA.**—For purposes of subsection (c) of this section, cargo taken on or off any aircraft at a place in Alaska in the course of transportation of that cargo by one or more air carriers or foreign air carriers in either direction between any place in the United States and a place not in the United States shall not be deemed to have broken its international journey, be taken on in, or be destined for Alaska.”.

SEC. 357. Point Retreat Light Station, including all property under lease as of June 1, 2000, is transferred to the Alaska Lighthouse Association.

SEC. 358. **PRIORITY HIGHWAY PROJECTS, MINNESOTA.** In selecting projects to carry out using funds apportioned under section 110 of title 23, United States Code, the State of Minnesota shall give priority consideration to the following projects:

(1) The Southeast Main and Rail Relocation Project in Moorhead, Minnesota.

(2) Improving access to and from I–35 W at Lake Street in Minneapolis, Minnesota.

SEC. 359. **NOISE BARRIERS, GEORGIA.** Notwithstanding any other provision of law, the Secretary of Transportation shall approve the use of funds apportioned under paragraphs (1) and (3) of section 104(b) of title 23, United States Code, for construction of Type II noise barriers—

(1) at the locations identified in section 358 of the Department of Transportation and Related Agencies Appropriations Act, 2000 (113 Stat. 1027); and

(2) on the west side of Interstate Route 285 from Henderson Mill Road to Chamblee Tucker Road in DeKalb County, Georgia.

SEC. 360. The Secretary is directed to give priority consideration to applications for airport improvement grants for the Addison Airport in Addison, Texas, Pearson Airpark in Vancouver, Washington, Mobile Regional Airport in Mobile, Alabama, Marks Airport in Mississippi, Madison Airport in Mississippi, and Birmingham International Airport in Birmingham, Alabama.

SEC. 361. Section 5117(b)(3) of the Transportation Equity Act for the 21st Century (Public Law 105–178; 112 Stat. 449; 23 U.S.C. 502 note) is amended—

(1) by redesignating subparagraphs (C), (D), and (E) as subparagraphs (D), (F), and (G), respectively;

(2) by inserting after subparagraph (B) the following new subparagraph (C):

“(C) **FOLLOW-ON DEPLOYMENT.**—(i) After an intelligent transportation infrastructure system deployed in an initial deployment area pursuant to a contract entered into under the program under this paragraph has received system acceptance, the original contract that was competitively awarded by the Department of Transportation for the deployment of the system in that area shall be extended to provide for the system to be deployed in the follow-on deployment areas under the contract, using the same asset ownership, maintenance, fixed price contract, and revenue sharing model, and the same competitively selected consortium leader, as were used for the deployment in that initial deployment area under the program.

“(ii) If any one of the follow-on deployment areas does not commit, by July 1, 2002, to participate in the deployment of the system under the contract, then, upon application by any of the other follow-on deployment areas that have committed by that date to participate in the deployment of the system, the Secretary shall supplement the funds made available for any of the follow-on deployment areas submitting the applications by using for that purpose the funds not used for deployment of the system in the nonparticipating area. Costs paid out of funds provided in such a supplementation shall not be counted for the purpose of the limitation on maximum cost set forth in subparagraph (B).”.

(4) by inserting after subparagraph (D), as redesignated by paragraph (1), the following new subparagraph (E):

“(E) **DEFINITIONS.**—In this paragraph: “(i) The term ‘initial deployment area’ means a metropolitan area referred to in the second sentence of subparagraph (A).

“(ii) The term ‘follow-on deployment areas’ means the metropolitan areas of Baltimore, Birmingham, Boston, Chicago, Cleveland, Dallas/Ft. Worth, Denver, Detroit, Houston, Indianapolis, Las Vegas, Los Angeles, Miami, New York/Northern New Jersey, Northern Kentucky/Cincinnati, Oklahoma City, Orlando, Philadelphia, Phoenix, Pittsburgh, Portland, Providence, Salt Lake, San Diego, San Francisco, St. Louis, Seattle, Tampa, and Washington, District of Columbia.”; and

(5) in subparagraph (D), as redesignated by paragraph (1), by striking “subparagraph (D)” and inserting “subparagraph (F)”.

This Act may be cited as the “Department of Transportation and Related Agencies Appropriations Act, 2002”.

#### PROVIDING FOR THE ELECTION OF ALFONSO E. LENHARDT AS SERGEANT AT ARMS

Mr. DASCHLE. Madam President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the resolution by title. The assistant legislative clerk read as follows:

A resolution (S. Res. 149) providing for the election of Alfonso E. Lenhardt as Sergeant at Arms and Doorkeeper of the Senate, effective September 4, 2001.

Mr. DASCHLE. Madam President, it is my honor to welcome Alfonso E. Lenhardt as Sergeant at Arms of the U.S. Senate.

In 1789, when the office was first established, the challenges of the job

were quite different than they are today. The Sergeant at Arms was given the responsibility for keeping a majority of members together long enough to organize and begin the business of government.

Today, the job has grown, and so has the office. The Sergeant at Arms is now the chief protocol and law enforcement officer of the Senate, as well as the administrative manager for many Senate support services. The Sergeant at Arms oversees the largest staff and budget in the U.S. Senate.

That expanded role demands expanded skills—in both law-enforcement and management.

In every position he has held, Al Lenhardt has demonstrated those skills as well as a solemn commitment to public service.

Al retired from the United States Army in 1997 as a Major General after over 31 years of domestic and international experience in national security and law enforcement programs. As Commanding General at the U.S. Army Recruiting Command in Ft. Knox, KY, he managed and directed over 13,000 people in over 1,800 separate locations.

Before the recruiting command, Al served as the senior military police officer in the Army, overseeing all Army police operations and security matters worldwide and managing a budget of over \$300 million.

For the past four years, he has served as Executive Vice President and Chief Operating Officer of the Council on Foundations, a non-profit membership association of foundations and corporate philanthropic organizations.

Al Lenhardt is a versatile senior executive with the stature, the management experience and the law enforcement portfolio to make an outstanding Senate Sergeant at Arms. While Al Lenhardt may not be readily known to you because he has no prior connection to me or to the Senate, I think my colleagues will be impressed with the experience, the ability and the character of the man.

In the 212 year history of the Senate, Al Lenhardt will become the 35th person to serve as Sergeant at Arms, and the first African American to hold this position.

But more importantly, Al is clearly of the highest caliber and qualifications. The Senate will benefit greatly from his service and leadership. We all look forward to working with him in the months and years ahead.

Madam President, I ask unanimous consent that the resolution be agreed to, the motion to reconsider be laid upon the table, without intervening action for debate.

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

The resolution (S. Res. 149) was agreed to.

(The text of S. Res. 149 is printed in today's RECORD under "Statements on Submitted Resolutions.")

#### UNANIMOUS CONSENT AGREEMENT—S. 1246

Mr. DASCHLE. Madam President, I ask unanimous consent that the cloture vote on the Agriculture supplemental authorization bill occur at 9:30 on Friday, August 3, with the mandatory quorum waived; further, that Senators have until 10 a.m. to file second-degree amendments.

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

Mr. DASCHLE. Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Montana is recognized.

(The remarks of Mr. BAUCUS and Mr. BYRD pertaining to the introduction of S. 1347 are located in today's RECORD under "Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER (Mrs. CLINTON). The Senator from Arkansas.

#### EMERGENCY AGRICULTURE ASSISTANCE

Mrs. LINCOLN. Madam President, I am here on the floor out of a sense of frustration and I suppose a very deep sense of dedication, maybe because I am from a seventh-generation Arkansas farm family, maybe because I am a daughter of a farmer who I watched for many years toiling to ensure that he could provide a good upbringing, a good heritage to his family, working on that family farm.

Maybe it is because I have watched neighbors and family members who have had to give up a way of life and a profession, a piece of their heritage, because they were unsure of where their Government was going to be for them as family farmers. Or perhaps it is because they were inundated by so many things that were unpredictable, things they could not predict or control such as the weather or the economy or the fact that their Government could not make a decision as to whether the family farmer was important enough to support and to keep in business.

I am really here because, in the 11th hour, I still take my job very seriously. That job is to be here to fight hard, to do everything I can to support that American farmer and that farmer in Arkansas who has spent this entire year trying to put out a crop and wondering whether or not his or her Government was going to come through in the end with an emergency supplemental appropriation as we promised.

I am here to talk about agriculture and to talk about the rural economic crisis that we are on the verge of making even worse. Six years ago, Congress and the White House, the Republicans and the Democrats, stood toe to toe and dared each other to blink. Of course no one did, and all that happened is that the Federal Government shut down. FSA offices and other important Government offices around the country closed. Farmers could not get access to the services they needed. Sen-

iors could not access the services they needed. People all around the country were knocking on Government doors that would not open. But up here in Washington, instead of sitting down and figuring out how to get those doors open, politicians only pointed fingers at each other. They were more concerned about laying blame on each other than finding a solution.

Here we are again. Now we find ourselves at another impasse, this time on an emergency assistance package for farmers that is profoundly crucial to the economic well-being of our farmers and our rural economies, an emergency assistance package we have been talking about since February. In February we started talking about the dire situation our farmers were in, that rural America was in dire straits because we had not addressed their needs, whether it was in trade or whether it was in how Government was going to provide them what they needed in order to be competitive and maintain themselves in a competitive way in the global marketplace.

Whether we are talking about the delta region of Arkansas and Mississippi or the prairies of the Dakotas or anywhere else for that matter, our rural economies are in deep trouble.

I don't think there is a single person in this body who would dispute that. Our farmers are hurting, and they are hurting badly. But, of course, they are not the only ones who are hurting. All of the small town institutions, businesses, and local banks were up here to talk to us back in February about what we do in extending these loans to these critical people in our communities. Do we give them a loan knowing their cost of production is going to be enormous because of energy and because of fertilizer input? Do we extend that loan knowing the prices are in the tank on commodities and have remained there and probably will remain there?

It is also hurting the suppliers, the corner grocery stores on Main Street, and the car dealers. They are all hurting because their viability depends on the health of the farm economy.

Colleagues, this crisis is real, and we are on the verge of making it much, much worse. If we don't get an emergency assistance package passed this week, these farmers and these small towns—very real people, many of whom happen to be related to me and to you—and these rural economies will have run out of time.

I am frustrated. I am outraged that we have been sitting in this Chamber all week without being able to come to agreement on an emergency package that we all agree our farmers need. The House passed a \$5.5 billion emergency package, and they are saying, oh, just do what we did, and we can all go home. But that doesn't even meet the needs of the AMTA assistance payments that our farmers need to survive. The fact is, it doesn't even give them what they had prior to 1999.

Because of the Freedom to Farm Act, we have ratcheted down the payments

every year that the Government is willing to provide to help them compete in that global marketplace. What happened? We are coming now and asking them to take even less in that emergency assistance.

I don't blame Republicans and I don't blame Democrats. I blame all of us because we are all responsible if we are unable to come together because we are ready to go home or because we are tired and we don't want to do our job by coming together and getting a package approved and sending it out to rural America.

I plead with the President. He visited with Young Farmers of America the other day and talked about how agriculture and farmers are the soul of America. Let me tell you, they need us right now. They need us a lot.

It is our duty at this point not to be tired, not to go home, but to sit down with one another and talk about how we can come together to provide them what they need. It is no wonder that the citizens of this country are cynical about what goes on in Washington. Farmers have been out there toiling all year and for centuries—many centuries ago—to provide us with the safest, most abundant and affordable food supply in this world.

I think it certainly behooves us to stay a few extra hours to come up with something that is going to be the best possible job and the best possible package for our American farmers. They look for farm support and all they see is another showdown at the OK Corral. Only it isn't Congress. It is our farmers, and our rural economy, and the people who live in these communities who are in the line of fire. We need to put our guns back in our holsters, and we need to find some resolution to this impasse.

I, for one, am ready to stay here and do the job that the people of Arkansas sent me here to do; that is, to work out an agreement and come up with the solutions on behalf of those people who ensure that I and my children, and you and your children, have a safe, abundant, and affordable food supply day in and day out.

Thank you, Madam President. I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. Madam President, I thank my colleague and friend from Arkansas for the very poignant speech she just gave about the plight of agriculture in America. Senator LINCOLN has said it succinctly and with meaning and I think with a passion that she rightly has to fight for the people who live in our small towns and communities—our farmers. She is right. They are hurting. We have to pay attention.

We are operating under the failed Freedom to Farm bill that was passed back in 1996. Year after year we have had to come in and patch it up, fix it up, and put in supplemental payments to keep our farmers alive, to keep their heads above water.

It is another reason why in the new farm bill we have to make the changes necessary to get off of the old failed Freedom to Farm bill and to have a farm bill where we don't have to rely on a yearly basis on a fickle Congress or a President who says no.

We have come up with a bill out of our Agriculture Committee that would at least provide for our farmers the same payment they received last year to help keep them going. But, even with those payments, it won't make them whole because of the increased fuel prices and fertilizer prices and everything else.

I have heard from the administration that the reason they don't want the bill we reported out of the Committee is because they have seen net farm income go up this year. I am sorry. I don't know what figures they are looking at. I think what they are saying is last year our farm prices were at a 15-year low. Farm income is a little better than last year, but really the increase comes almost entirely from increased livestock prices—not grain prices. Prices are still in the basement. But the bill before us provides money to the crop farmers. They are the ones who are hurting. But the President said no, that he is going to veto the bill because he said farmers don't need that much money. Keep in mind that the bill is within our budget guidelines. We are doing exactly what the budget allows us to do, but the President says no, it is too much.

This is the difference. I have to point this out. In the fall of 1998, Congress passed emergency relief for farmers. It went to the White House. President Clinton vetoed it because it wasn't enough to help our farmers. We came back and added more money to keep our farmers alive and well.

This year the Senate passed a bill to provide sufficient support for our farmers. This President says no, he will veto it because it is too much. What a difference.

What do we have here that is costing extra money? We have the full level of market loss and oilseed payments that were in a similar package last year. We also have nutrition, rural economic development and conservation money. We have money for several conservation programs, including the Wetlands Reserve Program, the Wildlife Habitat Incentives Program, the Farmland Protection Program, the Environmental Quality Incentives Program.

Right now for the Wetlands Reserve Program we have a backlog of \$568 million nationwide. Here are the top 10 States with the backlog: Arkansas, Iowa, California, Louisiana, Missouri, Florida, Minnesota, Illinois, Michigan, and Mississippi.

Our bill provides \$200 million to cut that backlog down by over a third. It would enroll 150,000 acres in the Wetlands Reserve Program. The President says no. That is too much.

For the Wildlife Habitat Incentives Program, the backlog is \$14 million. We

have put in \$7 million to cut it down by half. Again, the top 10 States are Oregon, Texas, Florida, West Virginia, Arkansas, Colorado, Maine, Michigan, Arkansas, and South Dakota. We had \$7 million, and the President says no. That is too much.

The Farmland Protection Program is a program that provides some money for the state and local governments and non-profit groups so they can buy development easements from farmers to stop the urban sprawl. There is a \$255 million backlog for FPP. The top 10 States are: California, New York, Maryland, Florida, Pennsylvania, Delaware, Kentucky, Michigan, New Jersey, and Massachusetts.

In that program, we put \$40 million to help leverage money supplied by state and local governments, as well as non-profit groups—they are already doing it—to help buy easements to keep the land from being developed for non-agricultural purposes. The President says: No, that is too much money.

Finally, we have the Environmental Quality Incentives Program. The backlog is over \$1.3 billion. We have \$250 million in the bill, plus \$200 million already in the law, which would help cut that down by about a third. Again, the top 10 States are: Texas, Oklahoma, Georgia, Arkansas, Kansas, Montana, Kentucky, Nebraska, Tennessee, and Virginia. We put \$250 million in the bill. The President says: No, it is too much money.

It is not too much, in any case, to help save our soil and our water, to provide conservation money to farmers and ranchers in America who need the help and who need the support.

The Lugar substitute, that I guess we will be voting on, takes out all this conservation money. It provides zero dollars for conservation. It is rather sad that we are in this situation. We are trying to help farmers be good stewards and the President stands in the way.

As Senator LINCOLN said: Our farmers are good stewards of their land. They try to take good care of it. In many cases, these farmers are spending their own money, using their own equipment, spending their time—and all we are trying to do is give them some help and support. And the President has said: No, that is too much.

We will debate this more tomorrow. But tonight I wanted to just point out what we have in the bill, to try to help our farmers with conservation. Three of these programs will be put into jeopardy, and all will be underfunded. The Wetlands Reserve Program, the Wildlife Habitat Incentives Program and the Farmland Protection Program will all be put in jeopardy because we will not fund them if the Lugar amendment is adopted.

Finally, I have had a lot of conversations with people at the White House and OMB today. They want to spend only \$5.5 billion. When I asked why, I got the answer: Because they want \$5.5 billion.

I don't see any real reason for it because the budget does allow us to spend not only \$5.5 billion in fiscal 2001, but \$7.35 billion for fiscal 2002.

So what we are trying to do is what the budget allows us to do right now: get the money out to help our farmers now, get the conservation program funding out, and get money out to help some of our specialty crop producers around the country. And basically the President is saying, no.

I hope the Senate will persevere. I hope we will tell the President we have to fight for our farmers and our farm families; that we cannot, for no good reason fail to send the help they need. I have not heard one good reason from the White House why we should not put this money out to help save our farmers. I believe we have to, that we must, and I hope we do tomorrow.

Madam President, I yield the floor and the remainder of my time.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. Madam President, I ask unanimous consent that the Senator from Alabama, Mr. SESSIONS, be allowed to speak for up to 15 minutes after I speak.

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

#### TRIBUTE TO KANSAS GOVERNOR JOAN FINNEY

Mr. BROWNBACK. Madam President, I rise today to pay tribute to a Kansan the Presiding Officer knew. She died as a result of complications associated with her fight with liver cancer—a lady who was the first female Governor of the State of Kansas, Joan Finney. She was a lady I had the privilege of serving with in State government.

I was Secretary of Agriculture under her for a brief period of time. She was a remarkable lady.

One of the tributes that was given to her yesterday, when the State paid their final respects to Governor Finney, was by Rev. Francis Krische, pastor of the Most Pure Heart of Mary Catholic Church, who stated to the mourners something about Governor Finney that probably captures the essence of Governor Finney, a beautiful woman. He said this about her: "She knew how to be with people. This was one of the keys to her success."

She really did know how to be with people. She had been elected treasurer in the State of Kansas for 4 terms. She was elected as the first female Governor in the State of Kansas from 1991 to 1995. She started out her career in politics serving a Member of this body, Senator Frank Carlson, whose seat I now occupy.

She worked for him for several years doing constituent work, which fit Governor Finney beautifully because she so loved to help people. She was beautiful about it. She was beautiful about working with people. I would be around her at different events, and it was always so amazing to me the depth of her

knowledge of the people she would see whom she knew. She knew the family members. She knew something about what was happening in their families. I sometimes thought she knew all of the people of Kansas.

She was really a beautiful lady. I think the depth of her caring was such a key characteristic of hers. To learn and know about an individual is how much she cared about the people she was working for and serving, whether it was as a caseworker for Senator Carlson or whether it was as State treasurer or whether it was as Governor of the State of Kansas.

The Democrat Party, in its annual meeting this year in Topeka, adopted a resolution regarding Governor Finney and stated this about her: "She was truly one of Kansas' most adored native daughters. And she was." She was adored by the people.

She felt that the people's view was the correct one, even though she might disagree with it. She would go ahead and proceed forward with that view, whatever it might be. She was, in that sense, a populist in the best sense of the word: It was to represent the people. And the people's will was paramount in politics.

She had a deep heart. She really cared for the people who she served. And you could see, this was not something that was a practiced skill of hers, where she would work, for example, at learning people's names. It was written in her heart. She knew these people in her heart. She cared for them. While many people would have had disagreements on different policy issues, they would never disagree with the heart of Joan Finney because it was one of those pure hearts.

She played the harp for a number of people. She played it professionally. It was a gift that she used frequently when asked. It was something I think that also helped to express just the inside of who this beautiful woman was. She was somebody who really played beautifully and played purely in the game of life.

So as people say their prayers tonight, I hope they remember Joan Finney, as well as her husband Spencer, who is still alive, although mourning, obviously, the death of his spouse. I hope they will remember her. And I can guarantee she would remember them.

I yield the floor.

Mr. ROBERTS. Madam President, on Wednesday, Kansans paid their final respects to Governor Finney and I join with my colleague Senator BROWNBACK in expressing our state's condolences to the Finney family.

While Senate business kept me from attending her funeral in Topeka, I want to share with my colleagues her success in Kansas government and politics. Although Joan and I belonged to different political parties, she put those differences aside when it came to work together for the State of Kansas.

Governor Finney was a straight shooter, never ducking behind guarded

words. Some believe that her direct nature hurt her politically in the State Capitol, but Kansans appreciated this quality. In an interview with the Topeka Capital Journal she said, "I believe the people should be supreme in all things . . . Even if you don't agree and the majority want a certain issue and believe in a certain issue, I accept that and I will stand by the people."

Governor Finney is a key figure in Kansas' strong tradition of electing women to various offices. She served as State Treasurer for four consecutive terms and then was elected as the first female governor serving from 1991 to 1995. She will be remembered for her dedication and hardwork for all Kansans throughout her life.

During his sermon, Reverend Francis Krische, pastor of the Most Pure Heart of Mary Catholic Church reminded mourners that "She knew how to be with people. This was one of the keys to her success".

Madam President, it is painful when God calls home a friend and colleague, but her memory will continue to remind us of our commitment to our constituents and family.

The PRESIDING OFFICER. Under the previous order, the Senator from Alabama is recognized for 15 minutes.

(The remarks of Mr. SESSIONS pertaining to the introduction of S. 1346 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

#### ORDER AUTHORIZING APPOINTMENTS

Mr. REID. Madam President, I ask unanimous consent that notwithstanding the recess or adjournment of the Senate, the President of the Senate, the President of the Senate pro tempore, and the majority and minority leaders be authorized to make appointments to commissions, committees, boards, conferences, or inter-parliamentary conferences authorized by the Senate.

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

#### ORDER FOR REFERRAL OF NOMINATION

Mr. REID. Madam President, I ask unanimous consent that the order I submit to the Senate be considered with respect to referral of the nomination of the Assistant Secretary of the Army for Civil Works for the 107th Congress.

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

The order reads as follows:

Ordered that, when the nomination for the Assistant Secretary of the Army for Civil Works is received by the Senate, it be referred to the Committee on Armed Services, provided that when the Committee on Armed Services reports the nomination, it be referred to the Committee on Environment and Public Works for a period of 20 days of session, provided further that if the Committee

on Environment and Public Works does not report the nomination within those 20 days, the Committee be discharged from further consideration of the nomination and the nomination be placed on the calendar.

**MEASURE READ THE FIRST  
TIME—H.R. 2505**

Mr. REID. Madam President, I understand H.R. 2505 is at the desk, and I ask for its first reading.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2505) to amend title 18, United States Code, to prohibit human cloning.

Mr. REID. Madam President, I ask for its second reading and object to my own request.

The PRESIDING OFFICER. Objection is heard.